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This *LifetimePlus Product Disclosure Statement (PDS)* was prepared on 1 October 2018 and issued by Media Super Limited, Level 15, 45 Clarence St, Sydney NSW 2000, ABN 30 059 502 948, AFSL 230254 [Trustee], the Trustee of Media Super [ABN 42 574 421 650, SPIN 0100AU, USI 42574421650001] [Fund]. The information in this document forms part of the *Media Super Pensions Guide Product Disclosure Statement (PDS)* issued 1 October 2018. You should read this document in conjunction with the PDS before you make a decision about Media Super.

**Warning:** The information in this document is general information only. It has been prepared without taking into account your objectives, financial situation or needs. Because of that, before acting on the information, you should consider its appropriateness, having regard to your objectives, financial situation and needs. We recommend that you also consider obtaining financial advice from a licensed financial planner.

Information in the PDS and the additional information that forms part of the PDS (including this document) may change from time to time. We will notify members in writing of any significant events or material changes. We may update information that is not materially adverse via our website at [mediasuper.com.au](http://mediasuper.com.au).

A paper copy of any updated information is available without charge on request. Any statements given by third parties in this document have been given with their consent, which has not been withdrawn at the time of issuing this document.

Except as outlined in the PDS and the additional information that forms part of the PDS, we can change matters which are the subject of representations set out in these documents at any time without notice.

LifetimePlus is an investment option in Media Super Pension. The Investment Manager and Responsible Entity of Mercer LifetimePlus, the managed investment scheme that the LifetimePlus option invests in, is Mercer Investments [Australia] Limited ABN [66 008 612 397] and AFSL [244385] [Mercer]. The Responsible Entity is a wholly owned subsidiary of Mercer [Australia] Pty Ltd [ABN 32 005 315 917]. Mercer provides Media Super Limited with appropriate sign-offs to ensure that the information provided in this PDS is up to date and correct.

# INVESTING IN LIFETIMEPLUS WITH MEDIA SUPER IS EASY!



## STEP 1 READ PDS

Make sure that you have read and understood the Media Super *Pensions Guide Product Disclosure Statement* and the *LifetimePlus Product Disclosure Statement*.

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## STEP 2 GO ONLINE OR FILL OUT FORM

If you are already a Media Super Pension member or Media Super Transition to Retirement Pension member you can apply for LifetimePlus through your Media Super online account or by completing the *LifetimePlus investment form*.

If you are not already a Media Super Pension member or Transition to Retirement Pension member you will need to read the *Pensions Guide Product Disclosure Statement* and complete the *Pension application form* in the first instance.

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## STEP 3 POST

Post your completed forms to:  
**Media Super, GPO Box 4303,  
Melbourne VIC 3001.**



GRAEME RUSSELL,  
Media Super CEO

# 1. INTRODUCING LIFETIMEPLUS

Australians are living longer, with many now expected to live well into their late eighties and nineties. That means retirement might last a quarter of a century or perhaps more.

Media Super has partnered with Mercer Investments (Australia) Limited, a leading global provider of superannuation and investment services, to help retirees manage the risk that their retirement savings might run out as they age. This is called 'longevity risk'. For too long, a simple and effective way to manage this risk has been a missing link in Australia's retirement income system.

LifetimePlus is designed to improve the income of retirees at older ages and, in particular, to provide retirees with an income for as long as they live.

## How LifetimePlus works

LifetimePlus is simply an investment option that can be accessed from your Media Super Pension account or Transition to Retirement (TTR) account. For more information about the Media Super Pension or the TTR, including its features, costs, benefits, risks and general eligibility requirements, please see the *Pensions Guide Product Disclosure Statement*, available at [mediasuper.com.au/pds](http://mediasuper.com.au/pds).

By investing some of your Media Super Pension or TTR account in LifetimePlus, you can expect to receive an income for as long as you live (assuming that you remain a Media Super Pension member or TTR Pension member invested in LifetimePlus).

LifetimePlus is able to keep on providing you with an income, due to its innovative design. It combines an investment strategy focused on producing income and some capital appreciation over time with a unique longevity-pool structure to provide three types of income. These income types are outlined below and explained in more detail in the Section titled 'Earnings, payments, withdrawals and other benefits' on page 6. Payments are made in accordance with the conditions explained in this PDS and in the *Pensions Guide Product Disclosure Statement*.

### 1. Investment earnings distributions

LifetimePlus' investment strategy is designed to provide a return comprising mainly income with some capital appreciation over time. The investment strategy seeks to provide a return (before investment management fees) of at least 2.5% per annum above CPI over rolling 5 year periods.

Investment earnings are calculated daily for each member, starting from the date on which each investment is made. Payments are made half-yearly into your pension account and invested in non-LifetimePlus investment option(s) based on your existing investment option allocation (other than the Direct Investment option). The payments cannot be reinvested in LifetimePlus.

### 2. Living bonus payments

As the name suggests, living bonus payments provide a bonus for you if you live longer. LifetimePlus has a living bonus pool, which is where the living bonus payments come from. This pool consists of amounts deducted when investments are switched or withdrawn from LifetimePlus. Twice each year, all of the money in the living bonus pool is divided up amongst current members invested in LifetimePlus: these are the living bonus payments.

If eligible, your share of the living bonus pool is based on your age, gender, period of investment, amount invested and current LifetimePlus withdrawal benefit. Older members who have been invested in LifetimePlus for a longer period of time will generally be eligible to receive a higher living bonus payment.

The living bonus payments are paid from LifetimePlus into your pension account and invested in non-LifetimePlus investment options based on your existing investment option allocation (other than your Direct Investment option) at the end of each six-month period. The payments cannot be reinvested in LifetimePlus.

**Note:** The payment of living bonuses in LifetimePlus is not guaranteed. LifetimePlus has been designed around a unique longevity pooling structure and certain assumptions regarding the mortality experience of that pool. There is a risk that the actual take-up rates of the LifetimePlus investment option or mortality rates will be different to the underlying assumptions. This may result in no living bonus payments being payable over an extended period of time or for the length of your investment in LifetimePlus.

### 3. Capital return payments

Capital return payments are repayments of some of your investment in LifetimePlus. These payments are made to you if you have been invested for at least 12 full financial years, provided that making the payment will not reduce your investment to zero.

Having invested in LifetimePlus for 12 full financial years, a member will start receiving capital return payments each year. The half-yearly payments will equal 1.25% of the value of your account invested in LifetimePlus at each 30 June and 31 December. Capital return payments are payable for a maximum period of up to 20 years.

Capital return payments are made into your pension account, whereby each payment reduces your balance in LifetimePlus, with a corresponding and equal increase in your account balance in non-LifetimePlus investment options (other than the Direct Investment option). The payments cannot be reinvested in LifetimePlus.

**WARNING:** Returns from investments in LifetimePlus are not guaranteed, and the value of investments in LifetimePlus may rise and fall from time to time.

# 2. WHO CAN INVEST?

LifetimePlus is an investment option designed to provide retirees with an income for as long as they live.

### To be eligible to invest:

- > You must have a minimum of \$20,000 in your Media Super Pension or TTR account.
- > A maximum of 50% of your total account balance can be invested in LifetimePlus, subject to a minimum investment of \$10,000.
- > A minimum balance of \$10,000 must remain in one or more of our other investment options.
- > Before investing in this option, we recommend you obtain professional advice in regards to LifetimePlus and consider LifetimePlus in the context of your overall pension asset allocation.

While the LifetimePlus investment option is available online, you are only able to withdraw from the product by completing the *Request for partial/full withdrawal form - Pension* available at [mediasuper.com.au/forms](http://mediasuper.com.au/forms). Please see page 9 for further details.

### What this means for you

The chart below provides an illustration of the type of experience you might expect by investing in LifetimePlus.

The illustration shown is based on a member with:

- > An initial LifetimePlus investment of \$100,000;
- > An initial LifetimePlus investment at age 65;
- > LifetimePlus investment returns of 4.5% per annum [net of indirect cost ratio and tax, if any].

Please note the chart and example below is for illustrative purposes only and is shown in today's dollars. Your actual mortality and investment returns will vary, and investment returns can be lower or higher than 4.5% per annum.

In the initial years of retirement, the return from LifetimePlus comprises mainly investment earnings, represented by the blue bars.

In time, the living bonus represented by the green bars, increases as you get older. It is lower initially, as your share of the living bonus pool is lower than other investors who are older and have been invested longer.

In later years, the living bonus payments are expected to become the major source of your LifetimePlus income.

Finally, there are the capital return payments represented by the yellow bars. These provide older LifetimePlus members with access to a percentage of their invested capital, just as their minimum pension drawdown rates are increasing. These payments, therefore, serve to top-up your non-LifetimePlus investments account balance precisely when you need it most.

In summary, these three sources of income aim to provide you with an income for as long as you live.

### Who LifetimePlus is designed for

LifetimePlus may be suitable for you if you:

- > Desire income throughout your retirement, above that offered by the Age Pension, regardless of how long you live;
- > Want to invest part of your pension or TTR in a conservative growth investment strategy;
- > Are comfortable with the investment risks set out in this PDS and the *Pensions Guide Product Disclosure Statement*.

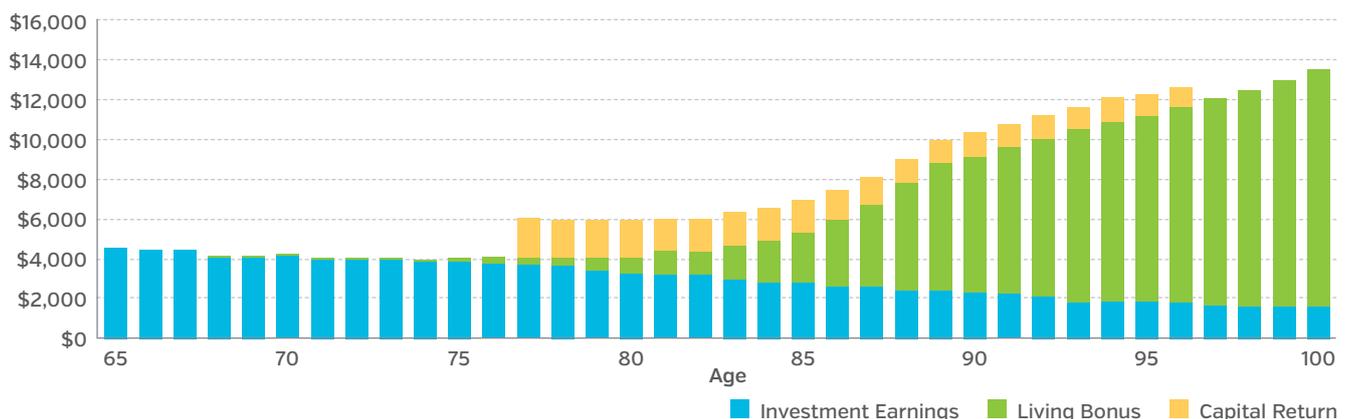
### Who LifetimePlus is NOT designed for

LifetimePlus is not for everyone. It will generally not suit you if you have:

- > A relatively low superannuation balance when you start retirement;
- > Poor health or reduced life expectancy due to a medical condition, or other factors.

### LifetimePlus Returns

(Illustrative purposes only)



# 3. EARNINGS, PAYMENTS, WITHDRAWALS AND OTHER BENEFITS

Investment earnings, living bonuses and capital returns may be payable to members invested in LifetimePlus, and are credited to your account balance invested in pre-mixed or single asset class investment options.

The following information relates to earnings, payments, withdrawals and other benefits from LifetimePlus.

For information about earnings, pension payments, withdrawals and other benefits from Media Super Pension generally, please see the *Pensions Guide Product Disclosure Statement*, available at [mediasuper.com.au/pds](http://mediasuper.com.au/pds).

## Investment earnings

Investment earnings from LifetimePlus are distributed to 'eligible' members half-yearly. Distributions are paid as soon as practicable after 30 June and 31 December each year.

The daily allocation of investment earnings is reflected in the daily unit price, and may factor in accrued income and expenses as well as realised gains or losses.

No investment earnings will be distributed for any half-year in which there are no net investment earnings (i.e. 0% earnings), or where net investment losses occur (i.e. negative earnings).

Investment earnings cannot be reinvested in LifetimePlus, but will be paid into your account balance in each investment option in proportion to your total account balance (excluding any LifetimePlus and Direct Investment balance).

## Living bonus payments

Living bonus payments are payments made from the living bonus pool as described in 'Living bonus payments' on page 4.

You are eligible to receive a living bonus payment if you are invested in LifetimePlus on 30 June and 31 December each year after the cooling-off period expires (see page 8).

Living bonuses are then paid to you as soon as practicable after 30 June and 31 December.

If, during the six months preceding one of these payment dates:

- you died or you made a full switch or withdrawal from LifetimePlus, you are not eligible to receive a living bonus payment in respect of that period; or
- you made a partial switch or withdrawal from LifetimePlus, you are not eligible to receive a living bonus payment on the amount switched or withdrawn in respect of that period, including the withdrawal deduction (that is, you may still be eligible for a living bonus payment in respect of that period on your remaining investment in LifetimePlus).

Your share of the living bonus payment that you are no longer eligible to receive will be returned to the living bonus pool, for re-distribution to all eligible members as part of the next living bonus payment.

Evidence may be required that you are still alive in order to be eligible to receive your living bonus entitlements.

The calculation of your living bonus share is based on a number of factors, including your:

- Age
- Gender
- Period of investment in LifetimePlus
- Amount invested in LifetimePlus
- Current LifetimePlus withdrawal benefit.

**Warning:** The payment of living bonuses in LifetimePlus is not guaranteed. There is a risk that no living bonus payments will be payable over an extended period of time or for the length of your investment in LifetimePlus.

## Capital return payments

Capital return payments are a repayment of invested capital, which are made as described in 'Capital return payments' on page 4.

If you are eligible, capital return payments are paid to you as soon as practicable on or after 30 June and 31 December each year.

Your account balance in LifetimePlus will be reduced by the amount of capital return payments made, and an increase of equal amount will be attributed to your account balance in your non-LifetimePlus investment options (other than the Direct Investment option).

If you make additional investments into LifetimePlus, these are treated as separate investments, with a separate capital return payable in respect of each additional investment. The 12 full financial years investment period requirement applies separately to each investment, based on the date on which each was made.

## EXAMPLE



If you had \$100,000 invested in LifetimePlus on 30 June 2018, and had been invested for 12 full financial years, you would receive a capital return payment of \$1,250 (1.25% of your investment) calculated as at 30 June 2019.

**Note:** The example above is for illustrative purposes only. It is not an estimate or guarantee of the capital return payments that may be applicable to you.

## What happens if you die

If you die, a full withdrawal will be processed from your LifetimePlus option (see 'Withdrawing' on page 8) and that amount will be transferred to your account balance in non-LifetimePlus investment options (other than the Direct Investment option).

## Getting started with LifetimePlus

The LifetimePlus investment option can be selected at the time you first open a Media Super Pension account or TTR account, or any time after that.

To be eligible to invest in the LifetimePlus investment option, you must have a minimum of \$20,000 in your account.

You can invest a maximum of 50% of your account balance in the LifetimePlus investment option, subject to a minimum investment of \$10,000.

We recommend you seek advice from a licensed or appropriately authorised financial planner before you make any investment decisions.

To switch into LifetimePlus, log into your account online at [mediasuper.com.au](http://mediasuper.com.au), and transfer a dollar amount from your other Media Super investment option(s) into your LifetimePlus investment option.

Alternatively, you can switch funds into the LifetimePlus investment option by completing a *LifetimePlus investment form*, available at the back of this PDS.

**Note:** A switching fee may apply to each investment switch you make. For details of the switching fee, please see the 'Fees and other costs' section of the *Pensions Guide Product Disclosure Statement*.

It is important to note that pension payments cannot be made directly from the LifetimePlus investment option. If you make an investment into LifetimePlus, then you will need to reconfirm your pension investment selection. If you do not have sufficient funds in your pension account in non-LifetimePlus investment options, and you have an investment in the LifetimePlus investment option, then we will contact you to discuss you withdrawing from your LifetimePlus investment to enable us to make your pension payment.

If we are unable to get in touch with you then a partial withdrawal from your LifetimePlus investment may need to be made to cover your pension payment.

Any withdrawal from your LifetimePlus investment will incur a withdrawal deduction. See the 'Withdrawing' section on page 8 for more information on the withdrawal conditions applicable for the LifetimePlus investment option and the associated costs.

It is important that you take into consideration your pension payment requirements when determining the level of your investment in the LifetimePlus investment option.

**Note:** If a withdrawal (whether partial or full) is made from your investment in LifetimePlus, a switching fee or exit fee respectively will apply. For details of the switching fee and exit fee, please see the 'Fees and other costs' section on page 12 of this PDS and the 'Fees and other costs' section in the *Pensions Guide Product Disclosure Statement*, available at [mediasuper.com.au/pds](http://mediasuper.com.au/pds).

## Transition to Retirement Account

If you hold a Media Super TTR Account and wish to commute that pension for the purposes of starting a Pension Account or a new TTR Account, any LifetimePlus holding you have will remain unaffected through this process. Specifically the following remains unchanged:

- No withdrawal deduction will apply if you are commuting your existing account for the purpose of starting a Pension Account or TTR Account.
- The amount of your existing account invested in LifetimePlus will transfer over to your new Pension Account or TTR Account.

## Cooling-off period

Pension and TTR members have 14 days to reconsider after opening a Media Super account. The 14-day cooling-off period commences on the earlier of:

- your receipt of confirmation of your application, or
- five days after the day your Media Super membership application is accepted.

We will repay the balance of a member's account if they cancel their application of membership within the cooling-off period. An account will only be paid directly to a member if that member has met the legal requirements to access their account as cash.

Otherwise, we will make the payment by transferring it to another complying superannuation fund in the member's name. To cancel your membership, simply write to us.

If you choose to invest in the LifetimePlus investment option, you have two full financial years, starting from 1 July immediately after investing in this option to request a switch out of this option and into another investment option as chosen by you, without incurring a withdrawal deduction.

After two full financial years, each time that part or all of an investment is withdrawn from LifetimePlus, a withdrawal deduction will be made from your LifetimePlus balance.

The money resulting from these deductions is then transferred to the living bonus pool, which provides for the living bonus payments for those members still invested in LifetimePlus at the next living bonus payment date (i.e. the next 30 June or 31 December).

A member may reinvest in LifetimePlus at any future date. However, no recognition will be given for any previous period of investment (for instance, the member's previous period[s] of investment in LifetimePlus will not be taken into account when working out the member's eligibility for capital return payments).

**WARNING:** The amount refunded may be less than the amount of your original investment. It may reflect any movement in the value of the investment option(s) you have selected, and any tax payable. Cooling-off rights will not apply if LifetimePlus is non-liquid (as defined by the *Corporations Act 2001*).

## Withdrawing

You may request a full or partial withdrawal or investment switch from LifetimePlus. In addition, in some cases a withdrawal may be made to make a pension payment on your behalf. Please complete the *Request for partial/full withdrawal form - Pension* available at [mediasuper.com.au/forms](http://mediasuper.com.au/forms) or call our Super Helpline on **1800 640 886** if you require assistance.

### Implications of withdrawing

You may request a partial withdrawal of your investment in LifetimePlus to be withdrawn or switched at any time, provided the withdrawal unit price is greater than \$0.00.

Each time that part, or all, of an investment is withdrawn or switched from LifetimePlus, a withdrawal deduction will be made from your LifetimePlus balance.

The money resulting from these deductions is then transferred to the living bonus pool, which provides for the living bonus payments for those eligible members still invested in LifetimePlus at the next living bonus payment date (i.e. the next 30 June or 31 December).

If you die, your investment(s) in LifetimePlus will be fully withdrawn.

The withdrawal benefit is equal to the number of LifetimePlus units you hold times the withdrawal price. The withdrawal price will be net of the withdrawal deduction that will be transferred to the living bonus pool.

## Withdrawal deduction

During the cooling-off period the withdrawal deduction is \$nil.

After the cooling-off period the withdrawal deduction per unit withdrawn is:

- > \$0.05, plus
- > The amount of living bonus and investment earnings you received in respect of that unit since 1 July of the 13th year of investment in LifetimePlus.

For example, a pensioner that invested in LifetimePlus on 1 July 2018 wishes to withdraw 5,000 units from their investment in LifetimePlus on 1 July 2036. Since 1 July 2031 (i.e. 1 July of their 13th year of investment) they have received a total of \$0.20 per unit in living bonuses and investment earnings. This means their withdrawal deduction would be:

$$5,000 \times \$0.05 + 5,000 \times \$0.20 = \$1,050$$

The actual withdrawal deduction is reflected in the withdrawal unit price. The withdrawal unit price may be \$0.00 for investors that have invested in LifetimePlus for many years and have received distributions in excess of the amount invested.

**WARNING:** The withdrawal deduction that will apply when you make a partial or full withdrawal or switch from LifetimePlus may constitute a significant proportion of your investment in LifetimePlus. We recommend that you seek advice from a licensed or appropriately authorised financial planner before you make a decision to withdraw or switch from LifetimePlus.

## Family Law payment

Due to Family Law requirements, you may be required to make a payment to a non-member spouse from your pension. In these situations, a full withdrawal or a partial withdrawal may be required from LifetimePlus to meet the required Family Law Payment.

**Note:** If a full or partial withdrawal is made from your LifetimePlus investment, a withdrawal deduction will apply and a switching fee or exit fee may apply in respect of such withdrawal/payment.

## Withdrawal payment terms and timing

All withdrawal payments made are net of any withdrawal deductions. Generally, a withdrawal request will be processed within 10 business days.

However, in certain circumstances, it may take up to 21 days for a withdrawal request to be satisfied (and this period may be extended, where appropriate). The Trustee also reserves the right to suspend the payment of withdrawal benefits at its discretion.

# 4. KEY INVESTMENT AND OTHER RISKS FOR LIFETIMEPLUS

Investment returns can be volatile, and the value of investments may increase or decrease over time.

**You should not rely on past performance as an indicator of future performance or treat the investment objective as a forecast or guarantee of future returns. We strongly recommend that you read the *Pensions Guide Product Disclosure Statement* and speak to a licensed or appropriately authorised financial planner before making any investment decisions.**

**You should also be aware that taxation laws affecting investment in LifetimePlus are complex and may be changed with little notice. As individual circumstances differ, taxation laws will affect members in different ways. The Trustee recommends that you seek your own professional advice on taxation matters.**

## Specific risks with LifetimePlus investment option

Some factors that you should consider before investing in the LifetimePlus investment option include:

- › A withdrawal deduction will apply if you choose to switch or withdraw from the LifetimePlus investment option at any stage.
- › This withdrawal deduction may constitute a significant proportion of your investment in LifetimePlus. We recommend that you seek advice from a licensed or appropriately authorised financial planner before you make a decision to withdraw or switch from LifetimePlus.
- › The Trustee has the discretion to alter the investment strategy, objectives and arrangements for LifetimePlus, as required from time to time. You will be kept informed of any significant changes to LifetimePlus.
- › Returns from investments in LifetimePlus are not guaranteed, and the value of investments in LifetimePlus may rise and fall from time to time.

- › The Trustee can choose to close this investment option. If this occurs, you will be provided with a notice period, and your balance in the LifetimePlus investment option will be withdrawn and credited to your other investment option or options (other than the Direct Investment option). A withdrawal deduction will be deducted from your balance unless waived at the discretion of the Trustee. This would mean that your Media Super Pension or TTR Pension will continue for as long as you have a positive account balance in your Media Super Pension account or TTR account, but not necessarily for your full lifetime, or that of a reversionary beneficiary.
- › The level of your superannuation account balance upon commencing retirement, and your health and life expectancy.
- › Your age.

LifetimePlus has been designed to deliver an income in addition to the Age Pension for the rest of your life. It relies on a unique longevity pooling structure. Illustrations in this PDS assume that the mortality experience of the pool will be in line with pensioner studies conducted by Mercer Consulting (Australia) Pty Ltd (ABN 55 153 168 140, AFSL 411770), allowing for past and future improvements.

There is a risk that the actual take-up of the LifetimePlus investment option or mortality rates will be different to the underlying assumptions. This may result in no living bonus payments being payable over an extended period of time or for the length of your investment in LifetimePlus. The payment of living bonuses in LifetimePlus is not guaranteed.

The following table summarises the types of risks that may have an impact on an investment in LifetimePlus from time to time.

## Risks of super

Like any other investment, super is subject to risk. Investment risk refers to the likelihood that your investment could lose money or not make as much as expected. The significant risks of investing in super include:

LIFETIMEPLUS RISKS	
Risk	Description of risk
<b>Credit risk</b>	The risk that a debt issuer will default on payments of interest or principal.
<b>Currency risk</b>	The risk that overseas investments gain or lose value as a result of a falling or rising Australian dollar.
<b>Derivatives risk</b>	The risk that exposure to exchange-traded and over-the-counter derivative instruments increases the risk in a portfolio or exposes a portfolio to additional risks – such as 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. For information on the use of derivatives, see our <i>Investing in derivatives</i> fact sheet available at <a href="http://mediasuper.com.au/pds">mediasuper.com.au/pds</a> .
<b>Individual Asset risk</b>	The risk attributable to individual assets within a particular asset class. Individual assets in which Media Super invests can (and do) rise or fall in value for many reasons, such as changes in the internal operations or management of a fund or entity in which Media Super invests, or the business environment in which it operates.
<b>Inflation risk</b>	The risk that money may not maintain its purchasing power, due to increases in the price of goods and services (inflation).
<b>Interest Rate risk</b>	Changes in interest rates can have a positive or negative impact, directly or indirectly, on investment value or returns – for example, the income return on a fixed-interest security can become more or less favourable when rates change. Interest rate risk also refers to fluctuations in the cost of borrowing.
<b>Investment Manager risk</b>	The risk that a particular investment manager will underperform. For example, this could be because their view on markets is wrong, or because of their investment 'style', or because they lose key investment personnel.
<b>Liquidity risk</b>	The risk that investors will be unable to redeem their investment at their chosen time.
<b>Market risk</b>	The risk of major movements within a particular asset class.
<b>Mortality risk</b>	The risk that the population mortality rates significantly differ from Mercer's assumptions, which are based on current Australian life expectancy tables and general population demographic trends. This could impact the amount of living bonus distributions.
<b>Negative returns</b>	There is a risk that investment options will have negative returns, causing you to lose principal capital and earnings.
<b>Policy risk</b>	Changes are frequently made to superannuation law, and may also occur to the taxation of superannuation, which may affect the value of your investment or your ability to access your benefit.
<b>Political risk</b>	The risk that domestic and international political events can impact on an investment.
<b>Taxation risk</b>	The risk that taxation laws and their interpretation may change in the future in a manner that may adversely impact the taxation outcomes for members.
<b>Timing risk</b>	The risk that, at the date of investment, money is invested at higher market prices than those available soon thereafter. Alternatively, it can also mean the risk that, at the date of withdrawal, investments are redeemed at lower market prices than those that were recently available or that may have been available soon thereafter.
<b>Volatility risk</b>	Is the instability of a particular investment.

Before making an investment choice, we strongly recommend that you consider the risks outlined above. You should consider diversification and all the risks associated with investments before making an investment choice.

# LIFETIMEPLUS

LifetimePlus is a unique investment option that aims to provide you with an income for life. It combines an investment strategy focused on capital preservation with a unique longevity risk pooling structure.

## Investment overview

LifetimePlus will be invested in assets which aim to provide returns comprising mainly income with some capital appreciation over time.

LifetimePlus is able to keep on providing an income due to its innovative design. It combines an investment strategy focused on income and capital appreciation, with a unique longevity pool structure that aims to generate three types of income.

This option is designed to provide members with a conservative investment return and some capital appreciation over time. It will be invested in assets including, but not limited to, cash, term deposits, rolling bank deposits, Australian shares, international shares, property and infrastructure. LifetimePlus may also invest opportunistically in other assets or strategies that are considered consistent with these objectives.

Unlike Media Super's other investment options, LifetimePlus aims to generate different types of income (in addition to investment earnings) that will be credited directly to your pension account.

Further details on the types of income payments generated by LifetimePlus can be found in the 'Earnings, payments, withdrawals and other benefits' section earlier in this PDS.

## Intended to be suitable for

LifetimePlus is generally designed for investors who:

- > Desire income throughout their retirement, above that offered by the Age Pension, regardless of how long they live;
- > Want to invest part of their pension or transition to retirement account in a conservative growth investment strategy.

## Investment objectives

**Return:** To achieve a return (before investment management fees) of at least 2.5% per annum above CPI over rolling 5 year periods.

**Risk:** The estimated chance that negative returns will occur in any financial year is low to medium.

## Standard Risk Measure\*

**Risk band:** 3

**Risk label:** Low to Medium

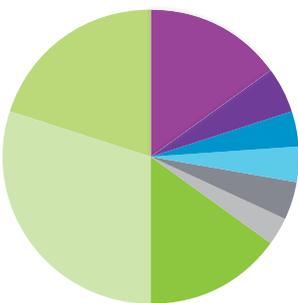
**Expected number of years of negative returns over any 20-year period:** 1 to less than 2

## Recommended minimum investment timeframe

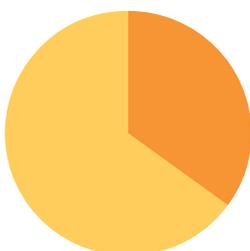
LifetimePlus is designed to be held for life.

\* See page 14 of the *Pensions Guide Product Disclosure Statement* for information on Standard Risk Measure available at [mediasuper.com.au](http://mediasuper.com.au).

## Investment strategy



## Growth vs Defensive split



- 35% Growth
- 65% Defensive

## Strategic asset allocation and long-term range as at 1 October 2018

Asset class type	Asset domicile type	Asset listing type	Benchmark strategic asset allocation (%)	Asset allocation range (%)
Equity	Aust. domicile	Listed	15	0-30
Equity	Inter. domicile	Listed	5	0-20
Property	Aust. domicile	Unlisted	4	0-15
Property	Inter. domicile	Listed	4	0-10
Infrastructure	Inter. domicile	Listed	4	0-10
Infrastructure	Inter. domicile	Unlisted	3	0-15
Fixed Income	Aust. domicile	n/a	15	0-40
Fixed Income	Inter. domicile	n/a	30	0-65
Cash	Aust. domicile	Unlisted	20	5-40
Other	n/a	Other	0	0-10

The percentages in the above table [Benchmark strategic asset allocation %] set out the strategic asset sector allocation of this option. The actual sector allocation will vary in line with the investment managers' day-to-day sector allocation decisions. The long-term allocation ranges are set out in the table [Asset allocation range %].

# 5. FEES AND OTHER COSTS

## CONSUMER ADVISORY WARNING

### Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.

For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30-year period [for example, reduce it from \$100,000 to \$80,000].

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You or your employer, as applicable, may be able to negotiate to pay lower fees. Ask the fund or your financial planner.

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

**Please note:** This Consumer Advisory Warning is prescribed by law. However, the statement concerning the possibility of negotiating fees is not applicable to Media Super. The calculator referred to above can be used to calculate the effect of fees and costs on account balances.

**IMPORTANT:** Outlined in the table below are the fees and costs that relate to an investment in the LifetimePlus investment option. The fees and costs set out below comprise all of the fees and costs payable in respect of your Media Super Pension or TTR account, other than fees and costs that apply in respect of investments in any other Media Super investment option.

The fees and costs for other investment options are set out in the *Pensions Guide Product Disclosure Statement*. In order to understand all of the fees and costs applicable in respect of your pension account in Media Super, you will need to read this PDS and the *Pensions Guide Product Disclosure Statement*, available at [mediasuper.com.au/pds](http://mediasuper.com.au/pds).

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

Other fees, such as activity fees and advice fees for personal advice, may also be charged, but these will depend on the nature of the activity or advice chosen by you. Taxes are set out in another part of this document.

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

The fees and other costs for the LifetimePlus investment option offered by the superannuation entity are set out below.

## MEDIA SUPER – LIFETIMEPLUS

Type of fee <sup>1</sup>	Amount	How and when paid
Investment fee <sup>2</sup>	An investment fee of 0.06% p.a. of your investment in LifetimePlus is charged.	The LifetimePlus investment fee is calculated based upon amounts invested in LifetimePlus, and is calculated then deducted from your account balance (excluding the Direct Investment and LifetimePlus options) at the end of every month, or on ceasing to hold the option.
Administration fee	\$65 p.a. [\$1.25 per week] plus 0.10% p.a. [0.15% p.a. from 1/12/2018 with a \$600 p.a. cap] of your account balance.	The fixed administration fee is deducted from your account balance at the end of every month and when you exit the Fund. The 0.10% p.a. [0.15% p.a. from 1/12/2018] is charged for your investment in LifetimePlus. This fee is calculated based upon amounts invested in LifetimePlus, and is deducted from your account balance (excluding the Direct Investment and LifetimePlus options) at the end of every month, or on ceasing to hold the option. If your account balance exceeds \$400,000 in a particular month (totalled across all of your accounts), in the following month you will receive a refund of any amount you pay over \$50 in relation to the 0.15% administration fee for that month, provided that you still have an account with Media Super at the time of the refund.
Buy-sell spread	Nil	Not applicable. The Trustee does not currently charge a buy-sell spread, but reserves the right to do so.

Type of fee <sup>1</sup>	Amount	How and when paid
<b>Switching fee</b>	<b>Switching fee</b> \$30	The switching fee will be deducted from your account at the effective date of each investment switch you make. The fee is waived for your first switch if it is received by Media Super within 30 days of your joining the Fund.
<b>Exit fee</b>	\$68.59 (indexed annually on 1 April in line with Average Weekly Ordinary Time Earnings)	The exit fee is deducted from your account in the following circumstances: <ul style="list-style-type: none"> <li>&gt; When you transfer or withdraw all, or part, of your account balance from Media Super (excludes regular pension income stream payments and whole withdrawals to re-invest in a new Media Super Pension); or</li> <li>&gt; Your account balance is transferred to the ATO as unclaimed super; or</li> <li>&gt; Your benefit is transferred to Media Super's Eligible Rollover Fund, AUSfund ABN 85 945 681 973.</li> </ul> If you are invested in the LifetimePlus investment option and part or all of your account balance in LifetimePlus is transferred or withdrawn from Media Super, a withdrawal deduction will be charged to your account in addition to any exit fee that may apply.
<b>Advice fees relating to all members investing in a particular MySuper product or investment option</b>	Nil	Not applicable
<b>Other fees and costs<sup>1</sup></b>		
<b>Indirect cost ratio</b>	The estimated indirect cost ratio payable for LifetimePlus is 1.23% p.a. of your account balance in LifetimePlus.	The indirect cost ratio is an estimate of costs that are not charged to members as a fee but are deducted from the Fund's assets when the costs are incurred prior to the unit price being calculated, which reduces the return on your investment.  This ratio has been determined for the financial year before this document was issued, and the estimates on the left are described in the 'Additional explanation of fees and costs' following on page 14.

- For definitions of these types of fees and further information, please see 'Additional explanation of fees and costs' following.
- Please refer to the definition and explanation of 'investment fee' on page 15 which explains how the Investment fee is calculated.

A fee or cost deducted directly from your account will be deducted from each investment option (excluding the Direct Investment and LifetimePlus options) in proportion to your total account balance. If the amount held in those investment options is insufficient, the remainder of that fee will be deducted from the investment option(s) that make up your existing account balance (excluding any Direct Investment or LifetimePlus balance).

## EXAMPLE OF ANNUAL FEES AND COSTS



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

Example – Media Super LifetimePlus investment option		Balance of \$50,000
<b>Investment fees</b>	0.06% p.a.	For every \$50,000 you have in the superannuation product, you will be charged \$30 each year.
<b>Plus Administration fees</b>	\$65 (\$1.25 per week) + 0.15% p.a.	<b>And</b> , you will be charged \$65 in administration fees regardless of your balance, plus \$75 each year.
<b>Plus Indirect costs for the LifetimePlus option</b>	1.23% p.a.	<b>And</b> , indirect costs of \$615 each year will be deducted from your investment.
<b>Equals Cost of product</b>		If your balance was \$50,000, then for that year you will be charged fees of <b>\$785</b> for the superannuation product.

**Note:** Additional fees may apply. **And**, if you leave the superannuation entity, you may be charged an **exit fee** of **\$68.59** and a **buy/sell spread** which also applies whenever you make a contribution, exit, rollover or investment switch. The **buy/sell spread** for exiting is **0%** (this will equal to **\$0** for every \$50,000 you withdraw). The investment fee arising from costs and the indirect cost ratio vary from year to year, based on cash flow, changes in the Fund's investment managers, changes in asset allocations, and other influencing factors. The indirect costs have been estimated in respect of the 2018 Financial Year and the above example is provided by way of illustration only. The fees used in this example are effective from 1/12/2018. Go to the *Additional Information about your Super Guide* available at [mediasuper.com.au/pds](http://mediasuper.com.au/pds) for information about how we advise you of increases or alterations to fees and costs.

## Additional explanation of fees and costs

FEES AND OTHER COSTS		
Type of fee	Amount	How and when paid
<b>Advice fees for personal advice</b>	<p>The hourly fee for Media Super Financial Planners<sup>1</sup> is \$337.</p> <p>Intra fund advice service<sup>2</sup> is available over the phone at no additional cost.</p> <p>The Financial Planner's fees are revised on 1 July each year, or more frequently where appropriate. Current fees will be advised to you before engaging the planner.</p>	<p>The eligible advice fee can be deducted from a member's account when the member authorises the Fund to deduct the fee.</p> <p>Members are entitled to an initial one-hour consultation with a Media Super Financial Planner<sup>1</sup> at no extra cost and no obligation.</p> <p>Your Planner will discuss the nature of any advice they might recommend, and provide a fixed-price fee quote for your consideration.</p> <p><b>WARNING:</b> if you proceed with the advice, and elect to pay the eligible advice fees for personal advice from your account, these fees will be utilised for payment to IFS for the services of providing advice by Financial Planners to Media Super members.</p>
<b>Activity fees</b>		
<b>Family law application for information</b>	\$111.71 (indexed annually on 1 April in line with Average Weekly Ordinary Time Earnings)	The fee must be paid by cheque on application.
<b>Family law benefit split</b>	\$86.62 (indexed annually on 1 April in line with Average Weekly Ordinary Time Earnings)	If the non-member spouse receives the entire benefit, the entire fee is deducted from their entitlement. If the non-member spouse receives only a portion of the benefit, half the fee is deducted from their entitlement, and the other half from the member's account balance. The fee is payable when the benefit split is processed.
<b>LifetimePlus investment option</b>		
<b>LifetimePlus withdrawal deduction</b>	<p>A withdrawal from LifetimePlus can be a full withdrawal or partial withdrawal.</p> <p>In addition to any switching fee or exit fee that may apply, a withdrawal deduction will be applicable if you die or choose to withdraw (including switch) from LifetimePlus.</p> <p>During the cooling-off period the withdrawal deduction is \$nil.</p> <p>After the cooling-off period the withdrawal deduction per unit withdrawn is:</p> <ul style="list-style-type: none"> <li>&gt; \$0.05, plus</li> <li>&gt; The amount of living bonus and investment earnings you received in respect of that unit since 1 July of the 13th year of investment in LifetimePlus.</li> </ul>	<p>The withdrawal deduction is reflected in the withdrawal unit price. The withdrawal unit price may be \$0.00 for investors that have invested in LifetimePlus for many years and have received distributions in excess of the amount invested.</p> <p>All withdrawal deductions are paid into the living bonus pool to fund the living bonus payment to other investors in LifetimePlus.</p>

- Media Super has engaged Industry Fund Services Limited (IFS) (ABN 54 007 016 195, AFSL No 232514) to facilitate the provision of financial advice to members of Media Super. Advice is provided by one of our Financial Planners who are Representatives of IFS. Fees may apply. Further information about the cost of advice is set out in the relevant Financial Services Guide, a copy of which can be obtained by calling IFS on 1300 138 848. IFS is responsible for any personal advice given to you by its Representatives.
- Helpline Advisers are representatives of Mercer Financial Advice (Australia) Pty Ltd. ABN 76 153 166 293. Australian Financial Services Licence No. 411766.

## Indirect cost ratio

The Indirect cost ratio (ICR) is an estimate of the costs for investing in the Fund's assets which are deducted from investments rather than paid directly.

It includes expenses that do not form part of the investment fees incurred in investing the assets (but excludes any amount for Buy-sell spread).

The estimated Indirect cost ratio figures for the LifetimePlus option is shown in the table below. These figures are based on indicative annualised calculations for the 2018-19 financial year. The figures will change throughout the year due to factors such as cash flow, changes in the Fund's investment managers, and changes in asset allocation.

INVESTMENT FEES AND INDIRECT COST RATIO <sup>1</sup>				
Investment option	TOTAL estimated investment fee <sup>2</sup>	Including Investment fee deducted from investment options or your account	TOTAL estimated Indirect cost ratio	Including estimated transactional & operational costs
LifetimePlus	0.06%	0.06%	1.23%	0.22%

- Any updates to estimates of investment fees, excluding the fee set by Media Super, and indirect cost ratios will be made via our website at [mediasuper.com.au/investments-your-investment-choices/investment-fees-and-indirect-cost-ratios](http://mediasuper.com.au/investments-your-investment-choices/investment-fees-and-indirect-cost-ratios).
- The investment fee, excluding the fee set by Media Super, is an estimate only as actual costs will vary based on actual asset allocations to individual investments throughout the year.

## Defined fees

### Activity fee

A fee is an Activity fee if:

- the fee relates to costs incurred by the trustee of the superannuation entity that are directly related to an activity of the trustee:
  - that is engaged in at the request, or with the consent, of a member; or
  - that relates to a member and is required by law; and
- 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 fee

An administration fee is a fee that relates to the administration or operation of the superannuation entity and includes costs that relate to that administration or operation, other than:

- borrowing costs; and
- indirect costs that are not paid out of the superannuation entity that the trustee has elected in writing will be treated as indirect costs and not fees, incurred by the trustee of the entity or in an interposed vehicle or derivative financial product; and
- costs that are 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 fee

A fee is an Advice fee if:

- the fee relates directly to costs incurred by the trustee of the superannuation entity because of the provision of financial product advice to a member by:
  - a trustee of the entity; or
  - another person acting as an employee of, or under an arrangement with the trustee of the entity; and

- 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 spread

A Buy-sell spread is a fee to recover transaction costs incurred by the trustee of the superannuation entity in relation to the sale and purchase of assets of the entity.

### Exit fee

An Exit fee is a fee to recover the costs of disposing of all or part of members' interests in the superannuation entity.

### Indirect cost ratio

The Indirect cost ratio for a MySuper product or an investment option offered by a superannuation entity is the ratio of the total of the indirect costs for the MySuper product or investment option to the total average net assets of the superannuation entity attributed to the MySuper product or investment option.

**Note:** A fee deducted from a member's account or paid out of the superannuation entity is not an indirect cost.

### Investment fee

An investment fee is a fee that relates to the investment of the assets of a superannuation entity and includes:

- fees in payment for the exercise of care and expertise in the investment of those assets (including performance fees); and
- costs that relate to the investment of assets of the entity, other than:
  - borrowing costs; and
  - indirect costs that are not paid out of the superannuation entity that the trustee has elected in writing will be treated as indirect costs and not fees, incurred by the trustee of the entity or in an interposed vehicle or derivative financial product; and

- iii. costs that 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.

**Note:** The costs referred to in paragraph b. do not include transactional or operational costs referred to in paragraphs (b), (f) and (g) of the 'definition of transactional or operational costs'.

### Switching fee

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

### Investment management fees

The range of investment options available in Media Super require different levels of management which means that some are more expensive to manage than others. The total fee charged is made up of the Investment fee and Indirect cost ratio.

### Transactional and operational costs

Transactional and operational costs are estimates of costs such as brokerage, buy-sell spreads and settlement costs associated with investing in the Fund's assets. These costs are deducted from investments rather than paid directly and are included in the ICR, except for the Direct Investment option where these costs are shown on page 46 of the *Pensions Guide PDS*.

Transactional or operational costs are incurred when assets are bought or sold and are an additional cost to members. They comprise a broad range of costs including the following:

- a. Brokerage;
- b. Buy-sell spreads;
- c. Settlement costs (including custody costs);
- d. Clearing costs;
- e. Stamp duty on an investment transaction;
- f. where an asset is acquired other than through a financial market, any part of the acquisition price of the asset that exceeds the price at which the asset could have been disposed of;
- g. where an asset is acquired through a financial market, any part of the acquisition price of the asset that exceeds the bid price in the financial market that would apply without the acquisition having occurred either:
  - i. immediately following the acquisition; or
  - ii. if the acquisition was a part of multiple acquisitions reflecting a single and non-recurring instruction to acquire, after the last acquisition made in accordance with the instruction;

- h. property operating costs;
- i. costs incurred in or by an interposed vehicle that would be transactional and operational costs if they had been incurred by the superannuation entity to which the superannuation product or investment option relates or for the registered scheme to which the managed investment products relate.

Transactional and operational costs do not include borrowing costs or indirect costs related to derivative contracts.

### Maximum fees

The Trust Deed does not provide any limits on the maximum amounts that may be charged by the Trustee in respect of the fees and charges outlined in this section.

However, the Trustee will endeavour to ensure that the level of fees and charges is comparable with its competitors and that it represents good value for members.

### Increases or alterations to fees and charges

All fees are current, and may be revised or adjusted by Media Super from time to time without members' consent. Media Super may also introduce new fees.

The Exit fee, the Family Law application for information fee and the Family Law benefit split fee are indexed each year on 1 April in line with AWOTE (Average Weekly Ordinary Time Earnings for full-time adult persons, private sector) as measured at the end of the prior November.

If there is an increase in fees other than the annual increases in line with AWOTE as described in this 'Fees and costs' section, the Trustee must notify you at least 30 days in advance of the change (unless the increase is an increase in the investment fee that arises from increases in costs – the Trustee may notify you of these after the increase), or for Advice fees, prior to your agreement to engage with the planner.

Changes to the indirect cost ratio may be disclosed on the Fund's website.

### Tax

All fees and costs are inclusive of GST less any input tax credit and stamp duty (if applicable). Taxation of benefits is set out on page 17 in the 'Taxation on pensions' section of this PDS.

# 6. TAXATION ON PENSIONS

Different tax rules apply based on your age and the type of pension you have.

## Your age

The tax applied to your pension depends on your age.

### 60 years and over

#### Pension account

- > pension income payments – tax free
- > additional payments – tax free
- > investment returns attributable to your pension – tax free

#### TTR account

- > pension income payments – tax free
- > additional payments – tax free
- > investment returns attributable to your TTR account – taxed at 15%

### Under 60

#### Pension account

- > pension income payments – taxed
- > additional payments – taxed [see table on page 18]
- > investment returns attributable to your pension – tax free

#### TTR account

- > pension income payments – taxed
- > additional payments – taxed [see table on page 18]
- > investment returns attributable to your TTR account – taxed at 15%

## Tax on income

### Tax components

Your pension balance is made up of two components – the taxable component, and the tax-free component. As their names suggest, the taxable component attracts tax, while the tax-free component doesn't. The proportion of these two components is calculated when you start your pension. This fixed proportion then applies to each payment you receive.

**If you reach your preservation age (55 to 59, depending on your date of birth)** your pension payments will be taxed as follows:

- > tax-free component is tax-free;
- > taxable component is taxed at marginal tax rates plus the Medicare Levy, less 15% pension offset.

**If you are aged under your preservation age** your pension payment will be taxed as follows:

- > tax-free component is tax-free;
- > taxable component is taxed at marginal tax rates plus the Medicare Levy (no tax offset).

In some circumstances, individuals under preservation age may be eligible for the tax pension offset (for example, if the pension is paid because of an eligible disability).

## TAX FILE NUMBERS

Under the *Superannuation Industry (Supervision) Act 1993*, your superannuation fund is authorised to collect your TFN, which will only be used for lawful purposes.

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

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

- > the trustee will be able to accept all permitted types of superannuation contributions on your behalf;
- > other than the tax that may ordinarily apply, no additional tax will be deducted when you start drawing down your superannuation benefits; and
- > it will make it much easier to trace different superannuation accounts in your name so that you receive all your superannuation benefits when you retire.



**Warning:** If you do not provide Media Super with your TFN, you will be taxed at the highest marginal tax rate plus Medicare levy on all employer and salary sacrifice contributions, and Media Super will not be able to accept your personal contributions.

### It's your responsibility to provide your TFN

As a member of Media Super, it is your responsibility to ensure that Media Super has your TFN on file. If your employer has neglected to supply your TFN, you may still be subject to additional tax.

The additional tax will be deducted directly from your Media Super account either at the end of the financial year or when any part of your account balance is withdrawn, whichever occurs first.

Note: The information in this 'Taxation on pensions' section is general in nature and is based on the applicable tax rates for the 2018-19 financial year (except where stated otherwise). As the tax treatment of pensions is complex and may change from time to time, we recommend that you seek professional financial advice in relation to tax matters.

The information in relation to the taxable component of pension payments in this 'Tax on income' section relates only to the taxed element of the taxable component. Any untaxed element of a taxable component of a pension payment may incur additional tax.

## PAYG tax

If your pension payments are taxable, tax will be deducted on a PAYG (Pay As You Go) basis. This is similar to the way tax is withheld from salary and wages.

We will deduct the appropriate amount of tax from the payments, and pay it to the Australian Taxation Office (ATO).

## SUPERANNUATION SURCHARGE TAX

The superannuation surcharge tax was abolished from 1 July 2005. However, the surcharge may still be payable for periods prior to this date.

If the ATO assesses that you are liable to pay a superannuation surcharge, you will be required to pay this directly. If you need to withdraw additional funds from your pension to pay the surcharge, that withdrawal will be tax-free.

## Tax on lump sum withdrawals

Your pension benefit is made up of taxable and tax-free components, with different tax treatments applying to each component. The table below summarises the tax payable on lump sum withdrawals of your pension benefit.

Any untaxed element of a taxable component of a lump sum withdrawal may incur additional tax.

TAX ON LUMP SUM WITHDRAWALS			
Component	Age	Payments	Tax rates
Tax-free	All	All	Nil
Taxable (taxed element)	Under your preservation age	All	Max. of 20% + Medicare levy
	Your preservation age to 59	Up to the low-rate cap of \$205,000	Nil
	Your preservation age to 59	Over the low-rate cap of \$205,000	Max. of 15% + Medicare levy
	60+	All	Nil

**Warning:** If you haven't advised Media Super of your tax file number, higher tax rates may apply.

## Tax on benefits

### Permanent incapacity

If you are under age 60, then, in order for a permanent incapacity benefit to be taxed concessional, the following conditions must be satisfied:

- > the payment is made because you stopped being gainfully employed;
- > you stopped being gainfully employed because you suffered from ill health (whether physical or mental);
- > your gainful employment stopped before your last retirement day – generally before age 65; and
- > two medical practitioners certify that it is unlikely that you can ever be gainfully employed in a capacity for which you are reasonably qualified by education, training or experience.

If you satisfy the above, then part of the normal taxable component may generally be recalculated to form part of your tax-free component. Generally, the tax-free component is increased to reflect the period where you could have expected to be gainfully employed if the disability had not occurred. This amount is calculated on the basis of your age, length of service and the amount of your benefit.

Your adjusted tax-free and taxable components will be taxed at the rates shown in the adjacent table.

If you are under your preservation age and you get a disability super benefit as an income stream, you will get tax offsets that reduce your tax rate by 15% on the taxed element of the taxable component that you get.

**Age 60 plus:** No tax applies.

### Death

If your Media Super death benefit is paid to a dependant for tax purposes as a lump sum, then the benefit is tax-free. If it is paid to a non-dependant as a lump sum, tax is deducted from the taxable component of the benefit at an effective rate of their marginal tax rate or 15% (whichever is lower) plus Medicare levy. A higher rate will apply if the death benefit recipient does not provide their TFN to Media Super.

### Will my beneficiary pay tax on my pension?

The taxation applied to your pension on your death depends on the circumstances of you and your beneficiary, as well as how the benefit is paid.

**If the benefit is paid as a pension,** and you OR the dependant are aged 60 years or over, the pension benefit will be paid entirely tax-free. If you AND the dependant are under 60 at the time of death, the pension benefit will be taxed as follows:

- > the tax-free component is tax-free
- > the taxable component is assessable income [i.e. it will be taxed at the dependant's Marginal Tax Rate] but the dependant is entitled to a tax offset equal to 15% of the taxable component, and
- > when the dependant turns 60, the income stream is tax-free.

**If the benefit is paid as a lump sum,** see information at left for taxation details.

## Tax on investment earnings

Investment earnings attributable to the assets supporting your:

- > pension account are entirely tax-free;
- > TTR account are taxed at 15%.

## Tax on commencement

If any part of the superannuation you use to start your pension consists of an untaxed rollover amount (previously a post June 1983 untaxed element), this portion will generally be taxed at 15%. Generally, this is only applicable if you are transferring from an untaxed super fund. For most members, tax has already been deducted by their super fund, so this tax will not be applicable.

### IMPORTANT INFORMATION IF CLAIMING A TAX DEDUCTION ON PERSONAL CONTRIBUTIONS

If you have made personal super contributions into your Media Super account and wish to claim a tax deduction on those contributions, you will need to do this before you commence your pension.

Please contact our Helpline on **1800 640 886** to request the ATO form *Deduction for personal super contributions* to be sent to you. This form details the amount you have paid in super contributions during the year. To claim a tax deduction, you must complete the form, return it to Media Super, and receive acknowledgment of the amount from Media Super.

# 7. OTHER INFORMATION

## Eligible Rollover Fund (ERF)

Please refer to the Eligible Rollover Fund Factsheet on Media Super's website for information about Media Super's ERF arrangements.

## Lost members

A Media Super member is regarded as a 'lost member' if the member is:

- > **uncontactable** – this means that:
  1. Media Super has never had a postal or email address for you, Media Super has made one or more attempts to contact you at your last known address (or addresses);
  2. Media Super believes, on reasonable grounds, that you are no longer contactable at any address known to it; and
  3. no contributions or rollovers have been paid into your account within the last 12 months of your Fund membership; or
- > **inactive** – you were a standard Employer-sponsored member when you joined the Fund, you have been a member of the Fund for longer than two years, and no contributions or rollovers have been paid into your account within the last five years of your Fund membership;

unless:

- > within the last two years of your Fund membership, we have verified that your address is correct and have no reason to believe that the address is now incorrect; or
- > you are permanently excluded from being a lost member.

All super funds regularly provide the ATO with a 'lost' members report. The ATO maintains a register of these members. You can see if you are registered as a lost member, either at [ato.gov.au/super](https://ato.gov.au/super) using the SuperSeeker feature, or by contacting **131 020**. Alternatively, try searching at [unclaimedsuper.com.au](https://unclaimedsuper.com.au).

## Unclaimed money

Media Super is required to transfer your account balance to the ATO as unclaimed super if:

- > you are a departed temporary resident, at least six months have passed since the later of your visa expiring or your departure from Australia, you are not currently the holder of a temporary, permanent or prescribed visa, and you are not an Australian or New Zealand citizen and have not made a valid application for a permanent visa; or
- > you have reached age 65 or more, we have not received an amount for you in the last two years, and after a period of five years since we last had contact with you, we have been unable to contact you again after making reasonable efforts; or
- > you are a lost member, and either:
  - the balance of your account is less than \$6,000; or
  - your account has been inactive for a period of 12 months or more, and we are satisfied that it will never be possible to pay an amount to you; or
- > in the event of your death, we have not received an amount for you in the last two years, and we cannot ensure that your benefit is received by your beneficiaries after reasonable searches by us.

If your account balance is transferred to the ATO, you will no longer be a member of Media Super. As a result, you will not earn investment returns with Media Super. You may claim your benefit from the ATO once we have transferred it.

The ATO must pay interest on all unclaimed superannuation monies transferred to the ATO and subsequently reclaimed by members.

If your account balance has been transferred to the ATO, you can apply to the ATO to claim your benefit. The ATO can be contacted on **131 020**.

Relying on relief provided by ASIC, the Trustee is not obliged to notify or give an exit statement to a member who was a temporary resident where we transfer their superannuation to the ATO following their departure from Australia.

Media Super will pay any unclaimed money to:

**Australian Taxation Office**  
**GPO Box 9990**  
**Melbourne VIC 3000**

**Phone: 131 020**  
**Website: [ato.gov.au](https://ato.gov.au)**

## Unallocated money

If we receive money for a member without sufficient information (e.g. the member's name, employer's address etc.), we will be unable to allocate the money to the correct account. Wherever possible, we hold the money in trust while we try to obtain information which enables us to allocate the money to the correct member account. If we are unable to obtain sufficient information, we will return the money to the employer or to the person who made the contribution.

Any interest earned on unallocated money held in trust by us is not payable to a member but may be retained by us or paid into the Fund.

If it is not possible for us to identify who made the contribution, we will pay the money to ASIC, generally within one month from the date we receive the money. If you think you may be entitled to unallocated money, contact:

### Australian Securities and Investments Commission Unclaimed Money Unit

Phone: 1300 301 198

Email: [unclaimed.money@asic.gov.au](mailto:unclaimed.money@asic.gov.au)

Website: [moneysmart.gov.au](http://moneysmart.gov.au)

## Family Law & superannuation

Superannuation benefits can be considered as property and may be included within the asset pool of a property settlement after the breakdown of a relationship. A superannuation split may only be made in respect of superannuation which is \$5,000 or more.

For further information or to obtain a copy of the Superannuation Information Kit, visit [familylawcourts.gov.au](http://familylawcourts.gov.au).

## Your privacy

### What personal information will Media Super keep about me?

The type of personal information we may collect about you includes your name, address, date of birth, contact details (including telephone and email), gender, occupation, payroll number, nominated beneficiaries, salary, financial information and tax file number.

Some information we collect is 'sensitive information'. Sensitive information which we may collect includes medical history information for insurance purposes.

Where practicable, we will collect your personal information directly from you. However, we may sometimes need to collect personal information about you from your employer, other super funds or government bodies to efficiently administer your account and provide our services to you.

In addition, in order to process insurance underwriting or disablement claims which you have requested, medical information may be collected from medical professionals.

### Why does Media Super need my personal information?

Media Super collects, uses and discloses your personal information primarily in order to administer your fund membership and, if applicable, to establish and maintain your insurance cover.

Media Super also collects, uses and discloses your personal information for the following purposes:

- > establish and manage your account(s);
- > communicate with you
- > implement your investment choices;
- > process contributions, transfer money and pay benefits;
- > provide information to you about promotions, products and services which may be of interest to you;
- > conduct research to improve our services to members;
- > help your employer to meet their superannuation obligations;
- > comply with our tax payment and statutory reporting obligations; and
- > allow the location and identification of lost or unclaimed super.

If applicable, Media Super and the Insurer may also collect personal information about you, including sensitive information, to:

- > establish and maintain your insurance cover; and
- > assess your insurance claims and pay any benefit to which you or your beneficiaries or your estate may be entitled.

### To whom does Media Super disclose my personal information?

Media Super may disclose your personal information to:

- > our administrator, the Insurer, and our former fund insurers and administrators;
- > printers and mail houses;
- > our professional advisers;
- > other super funds and rollover entities to which a benefit is transferred or rolled over;
- > medical practitioners and consultants;
- > your employers;
- > your beneficiaries or their representatives, in relation to death benefits;
- > providers of internet, data storage and data access services;
- > authorised financial institutions such as banks, credit unions and building societies, in relation to actioning payments;
- > government and regulatory authorities or other third parties;
- > any person(s) as required under the *Family Law Act 1975*; and
- > any person(s) nominated by you in writing.

Media Super may disclose personal information to service providers outside of Australia who assist with the management and administration of members' superannuation. Personal information is most likely to be disclosed to our administrator's processing centre in India and other relevant countries, including the UK, USA, New Zealand, Bermuda and Singapore.

### What are the consequences of not providing personal information?

If you choose not to provide all or part of your personal information to Media Super, the main consequences are that:

- we may be unable to contact you;
- we may be unable to pay your super benefit to you, or may be delayed in paying or processing it;
- we may not be able to correctly calculate your super benefit;
- if applicable, your eligibility for death or disability cover may be affected;
- if applicable, the processing of your death or disability claim may be delayed;
- the tax treatment of your account may be affected; and
- we may not be able to provide appropriate information and advice to you about superannuation, retirement planning or the services and products offered by Media Super.

### Does Media Super engage in direct marketing?

Yes, from time to time, we may contact you to let you know about promotions, products and services available to our members. We may contact you via mail and email to let you know about these offers. We will always let you know that you can opt out from receiving our marketing offers.

If you do not wish to continue receiving information about products or services which Media Super thinks you may be interested in, you can opt out by calling us on **1800 640 886** or by logging in to your online account and updating your current details.

### What does Media Super do with government-related identifiers?

In certain circumstances we may be required to collect government-related identifiers such as your tax file number. We will not use or disclose this information unless we are authorised by law.

### Can I access and correct my personal information?

If you would like to request access to, or correction of, your personal information we hold about you, please contact us on **1800 640 886** or at [mediasuper.com.au](https://mediasuper.com.au).

We will provide you with access to the information we hold about you, including for the purpose of correcting or updating that information, unless there is an exception which applies under the Australian Privacy Principles.

We may recover from you our reasonable costs of supplying you with access this information. However, we will not charge you for the making of the request or to correct or update your personal information.

Your request to access this information will be dealt with as soon as reasonably practicable.

If we refuse to provide you with access to, or correct, the information, we will generally notify you of our reasons for refusal to the extent required and how you may complain about the refusal.

For further details, including:

- how to access or correct personal information we hold about you; or
- how to make a complaint about a privacy breach or about the way Media Super deals with personal information,

refer to the Media Super Privacy Policy, which is available at [mediasuper.com.au/privacy-policy](https://mediasuper.com.au/privacy-policy) or by phoning **1800 640 886**.

Note: References to 'Media Super' in this Policy include our administrator, Mercer Outsourcing [Australia] Pty Ltd ABN 83 068 908 912 and AFSL 411980 [Mercer], and our fund insurer, Hannover Life Re of Australasia Limited [ABN 37 062 395 484], who collect and use your details on behalf of Media Super in their capacity as agents of Media Super.

### Complaints

Media Super welcomes feedback, and has a procedure in place to deal with member complaints. If you have a complaint write to us at:

**Complaints Officer**  
**Media Super**  
**GPO Box 4303**  
**Melbourne VIC 3001**

All complaints will be acknowledged promptly and, in most cases, addressed within 30 days. You will receive a written reply detailing Media Super's decision.

**UNTIL 31 OCTOBER 2018**

## Superannuation Complaints Tribunal

If you are not satisfied with our response to your complaint, or you have not received a response within 90 days, you may take your complaint to the Superannuation Complaints Tribunal (SCT). Strict time limits apply.

The SCT is an independent tribunal set up by the Federal Government to review certain types of trustee decisions. If the SCT accepts your complaint, it will attempt to resolve the matter through conciliation. If conciliation is unsuccessful, the complaint is referred to the Tribunal for a determination, which is binding.

The SCT may be contacted by:

**Superannuation Complaints Tribunal**  
**Locked Bag 3060**  
**Melbourne VIC 3001**

**Phone: 1300 884 114**  
**Website: [sct.gov.au](http://sct.gov.au)**

## Financial Ombudsman Service

The Financial Ombudsman Service (FOS) deals with complaints about financial services providers including life insurers and some super providers.

If you have a complaint about the financial services provided to you by the Trustee, you may lodge a complaint with FOS.

FOS has restrictions on the type of complaints it will hear, and time limits apply. Also, FOS will not hear your complaint unless you have first lodged a complaint with Media Super's internal procedure (i.e. a complaint with our Complaints Officer). The Trustee generally has 45 days to reply to your complaint, although they may request an extension to deal with your complaint.

If you do not receive a decision, or are not satisfied with the decision in relation to your complaint, you may lodge your complaint with FOS.

FOS may be contacted at:

**Financial Ombudsman Service**  
**GPO Box 3**  
**Melbourne VIC 3001**

**Phone: 1300 780 808**  
**Website: [fos.org.au](http://fos.org.au)**

**COMPLAINTS LODGED ON OR AFTER  
 1 NOVEMBER 2018**

## Australian Financial Complaints Authority

If an issue has not been resolved to your satisfaction, you can lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to consumers.

**Website: [www.afca.org.au](http://www.afca.org.au)**  
**Email: [info@afca.org.au](mailto:info@afca.org.au)**  
**Telephone: 1800 931 678 (free call)**

In writing to:

**Australian Financial Complaints Authority**  
**GPO Box 3**  
**Melbourne VIC 3001**

## Regulated Superannuation fund

The fund is:

- > a resident regulated super fund within the meaning of the *Superannuation Industry (Supervision) Act 1993* (SIS), and
- > not subject to a direction under section 63 of SIS.

## Proof of identity

By law, we are required to ensure that the Fund is not being used to launder money or finance terrorism. Media Super may ask you to provide proof of identity before you withdraw any money from the Fund or start a pension with us. For example, we may need proof of your name, date of birth and address. We may decide to delay or refuse any request or refuse any request or transaction, including by suspending a withdrawal application, if we are concerned that the request or transaction may breach any obligation we have, or cause us to commit or participate in an offence, under law. We will incur no liability to you if we do so.

## HOW DO I INVEST IN LIFETIMEPLUS?



If you are already a Media Super Pension or TTR account member, you can apply for LifetimePlus through your online account or complete the *LifetimePlus investment form* included in the middle of this PDS.

### Not a Pension or TTR Member?

Read the *Pensions Guide PDS* and complete the *Pension Application form*. Once your Pension or TTR account is set up, you can apply to invest in LifetimePlus.

### CONSULT A FINANCIAL PLANNER

If you are considering investing in LifetimePlus, we recommend you consult a Financial Planner before making any investment decisions.

LifetimePlus is not suitable for every investor, so it's a good idea to consider your options carefully.

### MANAGE YOUR ACCOUNT ONLINE

Go to [mediasuper.com.au](https://mediasuper.com.au) and login to your online account.

- > invest in LifetimePlus
- > choose and manage your other investments
- > update your details.

# FINANCIAL PLANNING SERVICES

Before investing in the LifetimePlus option, we recommend you speak to a licensed or appropriately authorised financial planner for advice on whether the option may meet your needs and objectives.

Media Super Financial Planners\* can help you make informed decisions and provide you with the right tools to build your retirement savings. Our Financial Planners are dedicated to providing high-quality, non-commission based and personalised financial advice to members.

## Meet with a planner

Our Financial Planners\* are available to meet with you to assess the health of your super, set goals and develop strategies to achieve them.

As a valued member of Media Super, you are entitled to an initial one hour, face-to-face or phone consultation with a Media Super Financial Planner, at no cost to you and without any obligation.

Your planner will only suggest you seek advice if they are confident that it will improve your situation and is in your best interests to do so.

Find your state-based planner at [mediasuper.com.au/financial-planners](https://mediasuper.com.au/financial-planners) or call our Super Helpline **1800 640 886** to be put in touch.

## Over the phone advice

We have a highly trained team of telephone-based advisers\*\* who can assist you with limited personal advice about contribution strategies, insurance and investment options available to you within Media Super.

Simply call our Super Helpline **1800 640 886**.

\* Media Super has engaged Industry Fund Services Limited (IFS) ABN 54 007 016 195 AFSL No 232514 to facilitate the provision of financial advice to members of Media Super. Advice is provided by one of our Financial Planners who are Representatives of IFS. Fees may apply. Further information about the cost of advice is set out in the relevant Financial Services Guide, a copy of which can be obtained by calling IFS on 1300 138 848. IFS is responsible for any personal advice given to you by its Representatives.

\*\* Helpline Advisers are representatives of Mercer Financial Advice (Australia) Pty Ltd, ABN 76 153 168 293, Australian Financial Services Licence No. 411766.

# EXTRA MEMBERSHIP BENEFITS FOR YOU

Media Super membership provides extra benefits – access to helpful and cost-effective services such as those below.

## Financial planning

At Media Super we want to see you thrive. That's why we offer you the opportunity to meet with one of our Financial Planners\* to assess the health of your super, set goals and develop strategies to achieve them.

Our Fund-based planners can help you understand your current position, determine what your goals are and look specifically at your superannuation and retirement planning needs, including:

- > Determining if you're on track to having enough super to fund your desired retirement lifestyle.
- > Taking advantage of the various options and strategies available to boost your super, such as transition to retirement.
- > Creating a complete retirement solution, by exploring the Age Pension and how other benefits from Centrelink work, and what can be done to maximise these.
- > Determining if your current investment strategy is appropriate for your personal situation, needs and tolerance to risk.

As a valued member of Media Super, you are entitled to an initial one hour, face-to-face or phone consultation with a Media Super Financial Planner, at no cost to you and without any obligation.

Your planner will only suggest you seek advice if they are confident that it will improve your situation and is in your best interests to do so.

For more information or an appointment call our Super Helpline on **1800 640 886** or go to [mediasuper.com.au](http://mediasuper.com.au).

\*Media Super has engaged Industry Fund Services Limited (IFS) ABN 54 007 016 195 AFSL No 232514 to facilitate the provision of financial advice to members of Media Super. Advice is provided by one of our Financial Planners who are Representatives of IFS. Fees may apply. Further information about the cost of advice is set out in the relevant Financial Services Guide, a copy of which can be obtained by calling IFS on 1300 138 848. IFS is responsible for any personal advice given to you by its Representatives.



## Banking from ME

We were originally created by member-owned industry super funds, like Media Super, to be a fairer home loan lender, helping Australians reach the dream of owning their own home. These days we're a fully-fledged bank, but our profits still go back to the industry super funds – the very same ones that look after the retirement savings of more than seven million Australians.

We help Australians get ahead. We give you ways to get more from your savings, pay less on your loans and cut down on fees – however we can, whenever we can.

We're making banking as simple as possible. You shouldn't have to wade through jargon to find what you need, and opening an account should be easy.

And because financial know-how doesn't always come naturally, we give you tools to spend wiser and save smarter: things like our online school of money 'ed', which is fast, free and simple to use.

## More for Media Super members

As a member of Media Super, you've got access to **ME's** Member Benefits Program – a full program of special offers and deals to help you get more from your banking.

Here are just some of offers we've had in the past:

- > **More on home loans**  
Save more with ME's already-low rates
- > **More on everyday accounts**  
Enjoy bonus offers to make your money go further
- > **More on credit cards**  
Save with a competitive low rate

**ME** has new special deals regularly; to see how you could benefit from **ME's** Member Benefit Program call **13 15 63** or visit [mebank.com.au/benefitsmediasuper](http://mebank.com.au/benefitsmediasuper).

Terms, conditions, fees and charges apply. Applications for credit are subject to credit approval.

This is general information only and you should consider if these products are appropriate for you.

Members Equity Bank Ltd ABN 56 070 887 679 AFSL and Australian Credit Licence 229500.



Please note: The information detailed on this page is provided by the service providers, and not the Media Super Trustee. Media Super does not recommend, endorse or accept responsibility for products or services provided by third-party organisations. Terms and conditions apply which should be obtained from the relevant third-party provider. As these are not Media Super products, we do not accept liability for any loss or damage caused by the products and services provided by these third-party providers.



# FOR MORE INFORMATION

Super Helpline **1800 640 886**  
[mediasuper.com.au/lifetimeplus](http://mediasuper.com.au/lifetimeplus)

