



# ESSSuper Accumulation Plan Product Disclosure Statement

For all ESSSuper members

**Proudly serving our members**

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Issued by: Emergency Services Superannuation Board ABN 28 161 296 741 (Board)  
as Trustee of the Emergency Services Superannuation Scheme ABN 85 894 637 037 (Scheme)

**ESSSuper**   
Emergency Services & State Super

At ESSSuper, we work hard to provide super that works even harder for our members. So when it's time to stop working, you can focus on enjoying your retirement.

## What this Product Disclosure Statement (PDS) covers

1. About ESSSuper's Accumulation Plan
2. How super works
3. Benefits of investing with ESSSuper's Accumulation Plan
4. Risks of super
5. How we invest your money
6. Fees and costs
7. How super is taxed
8. Insurance in your super
9. How to open an account

## The purpose of this PDS

This PDS is a summary of significant information about ESSSuper's Accumulation Plan. It includes references (marked with ⓘ) to important information contained in a number of incorporated guides which are taken to form part of this PDS. You should consider the information in this PDS and the incorporated guides before making a decision about the Accumulation Plan. You can obtain documents at [esssuper.com.au/pds](http://esssuper.com.au/pds) or by calling our Member Service Centre (see back cover for details). The information provided in this PDS and incorporated guides is general information only and doesn't take into account your financial situation or needs. You should obtain financial advice tailored to your circumstances if you need more than general advice. The Board is not licensed to provide financial product advice.

This PDS is only available to persons receiving it in Australia (electronically or otherwise). The information in this document is current at the time of issue but may change. When a change isn't materially adverse, it will be updated and published at [esssuper.com.au](http://esssuper.com.au).

A free hard copy can also be obtained by contacting ESSSuper's Member Service Centre on 1300 650 161 (for emergency services members) or 1300 655 476 (for state super members).

## Best value for money fund

Best value for money fund SuperRatings awarded ESSSuper's Accumulation Plan a 'Platinum Super 2019' rating for the tenth consecutive year.

SuperRatings described the Accumulation Plan as a 'best value for money' super fund. Ratings and awards are only one factor to consider when deciding whether to invest.

See [www.superratings.com.au](http://www.superratings.com.au)



## 1. About ESSSuper's Accumulation Plan

### Who is the Accumulation Plan for?

The Accumulation Plan is for current and former Victorian emergency services employees, state super members and their spouses (including same sex and de facto couples).

### How the Accumulation Plan can work for you

The Accumulation Plan is available to you while you're working and when you retire. If eligible, both you and your employer can contribute and you can apply for insurance cover to age 65. With flexible contributions, insurance, investment and beneficiary options, you can manage your super to meet your retirement goals. The Accumulation Plan provides lump sum benefits (with the exception of some insurance benefits). Spouse accounts are also available so your spouse can keep their super with ESSSuper. You can choose the Accumulation Plan for your employer's superannuation guarantee contributions if you change careers.

If you're a member of one of ESSSuper's defined benefit funds, the Accumulation Plan lets you top up your super or apply for extra insurance cover.

We're one of Australia's biggest super funds with more than 132,000 members and over \$29 billion in assets as at 31 March 2019. We're proud to be the dedicated, not-for-profit super fund serving Victorian emergency services and state employees.

### How the Accumulation Plan works



#### Increases through:

- Employer contributions
- Your contributions
- Transfers/rollovers in
- Positive investment returns
- Government co-contributions and credits



#### Your Balance



#### Decreases through:

- Tax
- Fees and costs
- Insurance premiums
- Withdrawals and transfers out
- Negative investment returns

### Investing your super

The Accumulation Plan gives you a choice of nine investment options: seven standard options being Shares Only, High Growth, Growth, Balanced, Conservative, Defensive and Cash; and two alternative options being, Basic Growth and Ethically Minded. These vary in risk level and expected investment returns. Contributions are invested based on your selection (or the default option if you don't make a selection). See Section 5 of this PDS for more information.



## Getting financial advice

If you need personal financial advice that is tailored to your individual circumstances, you should seek advice from a licensed financial adviser.

ESSSuper has an arrangement with Link Advice Pty Ltd (Australian Financial Services Licence (AFSL) No. 258145) (Link Advice) under which Link Advice and its authorised representatives may provide you with fee-for-service (commission free) financial product advice. This means you only pay for the time it takes to provide you with the advice or to complete a financial plan. Under this arrangement, Link Advice authorises certain qualified ESSSuper financial advisers to provide financial product advice to ESSSuper members. Although these financial advisers are employed by ESSSuper, the advice will be provided under Link Advice's AFSL and Link Advice is responsible for the financial services advice provided to you. ESSSuper pays Link Advice a fee for this service. However, neither the Board, ESSSuper nor the Victorian Government guarantee or endorse any advice given by Link Advice or its authorised representatives.

A qualified financial adviser can provide financial advice specific to your personal needs, goals and financial situation. They can also work with you to develop a tailored plan to help you reach your retirement goals.

For more information about our financial advice arrangements, please visit our website at [esssuper.com.au/advice](http://esssuper.com.au/advice) or call our Member Service Centre.

## 2. How super works

Apart from being a means of saving for your retirement, how much do you understand about your super?

Super is in part compulsory. The Federal Government requires employers to make superannuation guarantee (SG) contributions (this is currently 9.5% of an employee's ordinary time earnings and is proposed to increase to 12% in coming years) on behalf of their employees to a super account. Most people can choose which super fund their employer pays the SG contribution to. However, you should check with your employer whether choice of fund applies to you. Members of a defined benefit fund generally can't choose which super fund their employer contributes to.

### Contributing to super

In addition to any compulsory employer SG contributions, you can make voluntary contributions to super by:

- making regular or one-off contributions from your after-tax salary (including spouse contributions); and/or
- arranging for your employer to deduct an amount from your before-tax salary and pay it to your super account. This is called salary sacrifice.

To encourage you to boost your super and save for retirement, the Government provides a range of tax concessions. For more information, refer to Section 7 of this PDS.

Caps apply to the amount of concessional (before-tax) and non-concessional (after-tax) contributions that can be made each year. Extra tax may apply if the annual caps are exceeded. From age 65, you must satisfy a 'work test' or be eligible for the 'work test exemption' to make voluntary contributions. See how much difference salary sacrifice can make at [esssuper.com.au/calculators](http://esssuper.com.au/calculators)

### Other things to consider

#### Government co-contribution

If your taxable income is below a certain level and you make after-tax contributions, you may be entitled to a super co-contribution from the Government.

#### Accessing your super

The Government has restrictions on withdrawals from super. You can only access your super in specified circumstances such as attaining age 65, Retirement, Death, Total and Permanent Disablement, or when you meet another condition of release.

For more information on accessing your super, refer to the *Accessing your super guide (AP.6)* available on our website at [esssuper.com.au/pds](http://esssuper.com.au/pds)

**i** You should read the important information about contributions and accessing your super in the *Contributing to super guide (AP.1)* and *Accessing your super guide (AP.6)*.

The material relating to contributions and accessing your super may change between the time when you read this PDS and the day when you acquire the product.

The *Contributing to super guide (AP.1)* contains further details on compulsory and voluntary contributions, contributions rules and contribution splitting.

The *Accessing your super guide (AP.6)* contains further details on how you can access your super, conditions of release, payment options and what happens if certain events occur (such as if you leave your employer, or if you die or become totally and permanently disabled).

These guides are available from our website at [esssuper.com.au/pds](http://esssuper.com.au/pds)

## 3. Benefits of investing with ESSSuper's Accumulation Plan

### Why choose to invest with ESSSuper's Accumulation Plan?

Once you look at the features and benefits, it all starts to add up.

#### All-round performer

Strong long term investment performance\*  
A choice of nine investment options

#### Super value

One of the most competitive fee structures on the market

#### Tailored contributions

Choose from a range of options including the ability to split contributions into your spouse's account

#### Insurance options

Insurance for injury, illness or death, and income protection

#### Transferring your wealth

Binding death benefit nominations let you control who receives your benefit in the event of your death

#### One fund for life

Stay with ESSSuper for as long as you like. Your spouse can join too

#### Free ongoing education programs

Free seminars and individual consultations with our Member Education Consultants are provided in metropolitan and regional areas

#### Individual financial advice

Access to financial advice services provided by a licensed AFSL holder

#### Access to benefits

Subject to age-based restrictions, benefits may be payable on resignation, dismissal, retirement, retrenchment, death and total and permanent disablement

#### Simple, secure access

Secure 24-hour online access to your account

\* Past performance is not an indicator of future performance.

**i** You should read the important information about nominating beneficiaries in the *Beneficiary nominations guide (AP.5)* available from our website at [esssuper.com.au/pds](http://esssuper.com.au/pds), before making a decision. The material relating to beneficiary nominations and benefits may change between the time when you read this PDS and the day when you acquire the product.

## 4. Risks of super

Not everyone shares the same attitude to risk. Depending on your life stage, your preference may range from conservative to aggressive.

### When considering any super investment, it's important to understand that:

- ❗ all investments (including super) carry a risk
- ❗ different investment options may carry different levels of risk depending on the assets that make up the option
- ❗ assets which generally produce the highest long term returns (e.g. shares) may also carry the highest short term risk
- ❗ the value of your investments and returns will vary and future returns may differ from past returns
- ❗ returns aren't guaranteed, you may lose some money
- ❗ interest rate changes can impact investment returns (particularly fixed interest and cash assets)
- ❗ laws affecting your super may change
- ❗ changes in economic, technological, political or legal conditions and investor or consumer sentiment can affect investment values
- ❗ your future super savings (including contributions and returns) may not be enough for your retirement
- ❗ if a company or asset fails (e.g. through fraud or bankruptcy), the value of an investment in that company or asset can also fall sharply
- ❗ when a fund invests in other countries (as ESSSuper does), foreign currency changes relative to the Australian dollar may increase or decrease investment values
- ❗ The Fund itself is also exposed to operational risks such as major system errors or fraud.

### Specific risks in the Accumulation Plan

ESSSuper also invests in derivatives and unlisted assets which carry their own particular risks, such as market risk or credit risk and general risks associated with changing economic conditions. These are detailed in the *Investment guide (AP3)*.

❗ You should read the important information about investment risks in the *Investment guide (AP3)* available from our website at [esssuper.com.au/pds](http://esssuper.com.au/pds), before making a decision. The material relating to investment risks may change between the time when you read this PDS and the day when you acquire the product.

Your risk level will vary depending on a range of factors including your age, investment timeframe, risk tolerance and other investments.

## 5. How we invest your money

To suit your financial goals and attitude to risk, the Accumulation Plan offers a variety of investment options. There are seven Standard Options - Shares Only, High Growth, Growth, Balanced, Conservative, Defensive and Cash; and two Alternative Options - Basic Growth and Ethically Minded. Each option has its own mix of asset classes, performance objectives and risk profiles.

Choose one option or a combination. If you don't choose an investment option your money will be automatically invested in the current default option. The current default option is Growth.

To see how our investment options have performed visit [esssuper.com.au/performance](http://esssuper.com.au/performance)

❗ You should read the important information about our investment options contained in the *Investment guide (AP3)* available from our website at [esssuper.com.au/pds](http://esssuper.com.au/pds), before making a decision. The material relating to investment options may change between the time when you read this PDS and the day when you acquire the product.

## Summary of the Growth option

The table below provides a summary of the Growth investment option.



Strategic asset allocations as at 1 July 2019 (asset allocation ranges are shown in brackets)		
Australian shares	16.0%	(5 – 30%)
International shares	23.5%	(10 – 40%)
Private Equity	0.0%	(0 – 10%)
Property	10.0%	(5 – 15%)
Infrastructure	8.5%	(0 – 15%)
Alternative strategies	8.0%	(0 – 15%)
Multi-asset strategies	12.5%	(0 – 25%)
Credit	10.0%	(0 – 20%)
Sovereign Bonds	7.5%	(0 – 20%)
Cash	4.0%	(0 – 15%)

**Suitability** This option may be suitable if you are most interested in long term capital growth and can accept short term volatility of capital.

**Objective\*** To provide a return of 3.5% p.a. after fees and taxes above the rate of inflation over a 10 year period.

**Minimum suggested investment timeframe** 10 years

**Risk band#** 5 – MEDIUM to HIGH

**Estimated number of negative annual returns#** 3 to less than 4 over any 20 year period.

\* The investment objectives are not a promise or guarantee of any particular benefit. They represent a benchmark against which the Board monitors the performance of the investments of the Fund.

# The standard risk measure is based on industry guidance to allow members to compare investment options that are expected to deliver a similar number of negative annual returns over any 20 year period. The standard risk measure is not a complete assessment of all forms of investment risk, for instance, it does not detail what the size of a negative return could be or the potential for a positive return to be less than a member may require to meet their objectives. Further, it does not take into account the impact of administration fees and tax on the likelihood of a negative return. Members should still ensure they are comfortable with the risks and potential losses associated with their chosen investment option(s).

### How to make an investment choice

You can make an investment choice when you join the Accumulation Plan by completing the *Accumulation Plan application form* that accompanies this PDS. You can change your investment choice for your existing account balance once a month. Changes must be received by 5pm (AEST/AEDT) on the 20th day of the month for the change to take effect on the 1st day of the next month. Where the 20th day of the month is not a business day, changes must be received by close of business on the last business day prior to the 20th. You can change your investment choice for future contributions at any time. To make a change, login to your Members Online account or complete an *Investment Options Change form*, available from our website at [esssuper.com.au/forms](http://esssuper.com.au/forms) and return to us.

## Responsible Investing

ESSSuper seeks to invest in a responsible manner and considers certain investment risks associated with environmental, social and governance (ESG) issues that have the potential to erode the long term returns that ESSSuper can obtain for members. Some of the issues that ESSSuper will consider as part of its responsible investing framework include understanding the impact of climate change and pollution, labour standards adopted by companies as well as broader company governance considerations such as board composition and executive remuneration. ESSSuper does not currently screen out investments on the basis of ESG considerations other than that which is stipulated under the ESSSuper *Responsible Investment Policy* which is available on our website at [esssuper.com.au/responsibleinvestments](http://esssuper.com.au/responsibleinvestments). This may change in future.

The way in which ESSSuper manages ESG issues includes:

- i being a signatory to the United Nations backed Principles for Responsible Investment (PRI), and
- i proxy voting at Annual (or Extraordinary) General Meetings of all companies where ESSSuper has a direct holding through investment mandates.

The PRI provides the framework for ESSSuper to consider ESG issues, including actively engaging with investment managers on the integration of ESG issues into their investment process. The Board takes an active stance on corporate governance by voting on all resolutions for listed public companies it is directly invested in with the objective of aligning company boards and management with shareholders. ESSSuper also engages with investment managers to ensure that ESG considerations are explicitly considered by each investment manager, either by being a signatory to the PRI or having the financial risks of ESG issues considered in their investment approach and modelling. More information on ESSSuper's approach is contained in the ESSSuper *Responsible Investment Policy* available on our website at [esssuper.com.au/responsibleinvestment](http://esssuper.com.au/responsibleinvestment)

### Changes to investment options

ESSSuper may add, close or change investment options at any time. We'll notify you of any significant changes.

**?** **What type of investor are you?** Try our *Investment Risk Profiler* at [esssuper.com.au/calculators](http://esssuper.com.au/calculators) to see what type of investor you are.

**!** You should read the important information about our investment options, including information about all of the options available, how to make an investment choice, how to change options and the extent to which we take labour standards, environmental, social and governance considerations into account when we invest, in the *Investment guide (AP.3)* available from our website at [esssuper.com.au/pds](http://esssuper.com.au/pds), before making a decision. The material relating to investment options may change between the time when you read this PDS and the day when you acquire the product.

**!** **WARNING:** When choosing an investment option, consider the likely risk and return against your investment timeframe.

## 6. Fees and 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.

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

#### **?** To find out more

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

To help compare different superannuation products, superannuation trustees are required by law to include the Consumer Advisory Warning in a PDS. However, ESSSuper does not negotiate fees.

With one of the most competitive fee structures on the market, ESSSuper's Accumulation Plan can help you meet your financial retirement goals.

Fees and costs can be paid directly from your account or deducted from investment returns. You can use the fees and costs information below to compare costs with other super products. The fees and costs are shown inclusive of Goods and Services Tax (where applicable).

### Fees and costs for the Growth option

Type of fee	Amount	How and when paid
<b>Investment fee</b> <sup>1,2</sup>	0.59% p.a.	Deducted from the investment returns before the crediting rate is applied to your account. It is not deducted directly from your account.
<b>Administration fee</b>	\$52 p.a., plus 0.25% p.a. of your account balance (subject to a maximum of \$2,000 p.a. at 1 July 2019. This maximum is indexed annually by the greater of CPI or 3% and then rounded to the nearest \$10).	Calculated on your end of month balance and is deducted annually from your account at the end of each financial year and pro-rated upon closure of your account or as required.
<i>Account keeping fee</i>		
<i>Administration fee</i> <sup>2,3</sup>		
<b>Buy-sell spread</b>	Nil	Not applicable.
<b>Switching fee</b>	Nil	Not applicable.
<b>Exit fee</b>	Nil	Not applicable.
<b>Advice fees</b> <sup>4</sup>	Nil	Not applicable.
<b>Other fees and costs</b> <sup>5</sup>		
<b>Indirect cost ratio (ICR)</b> <sup>1</sup>	0.28% p.a.	Indirect costs are deducted on the last day of the month from earning rates. These costs are not deducted from your account; rather, they reduce the value of the assets of each investment option before the crediting rate is applied to your account.

<sup>1</sup> The investment fee and ICR are indicative only and are based on the investment fee and ICR for the Growth investment option for the year ended 30 June 2018 and may differ from future fees and costs. The investment fee also includes performance-based fees. For more information see *Fees and costs guide (AP.7)* available from our website at [esssuper.com.au/pds](http://esssuper.com.au/pds)

<sup>2</sup> If you have an account balance under \$6,000 on the last day of a financial year or upon closure of your account, the total fees (administration and investment) will be capped at a maximum of 3% of your account balance.

<sup>3</sup> The Fund claims a tax deduction for the administration costs each year. The amount of the deduction is paid into the Fund's reserves.

4. Additional fees may apply if you consult a financial adviser. The Financial Services Guide and Statement of Advice from the financial adviser will set out these fees. For more information see 'Additional fees and costs' in *Fees and costs guide (AP.7)* available from our website at [esssuper.com.au/pds](http://esssuper.com.au/pds)
5. Other service and activity fees may apply. For more information see 'Additional fees and costs' in *Fees and costs guide (AP.7)* available from our website at [esssuper.com.au/pds](http://esssuper.com.au/pds)

### Example of annual fees and costs for the Growth (default) investment option

This table gives an example of how fees and costs in the Growth option can affect your superannuation investment over a 1 year period. Use this table to compare ESSSuper's product with other superannuation products.

Example: the Growth investment option		Balance of \$50,000
<b>Investment fees</b>	0.59% p.a.	For every \$50,000 you have in the Growth investment option you will be charged \$295 each year.
<b>PLUS</b> Administration fees <sup>1</sup>	Account keeping fee \$52 p.a. Administration fee 0.25% p.a.	<b>And</b> , you will be charged \$52 in account keeping fees regardless of your balance plus an administration fee of \$125 each year.
<b>PLUS</b> Indirect cost ratio	0.28% p.a.	<b>And</b> , indirect costs of \$140 each year will be deducted from your investment.
<b>EQUALS</b> Cost of product <sup>2</sup>		If <b>your balance</b> was \$50,000 then for that year you will be charged fees of <b>\$612</b> for the Growth investment option.

<sup>1</sup>. Administration fees deducted from your account.

<sup>2</sup>. Additional fees may apply.

**Note:** This example is illustrative only and is based on the factors stated and assumes a balance for \$50,000 for the year. The example should not be taken to contain or provide an estimate of the earnings you will receive.

### Things to know

ESSSuper can change fees from time to time. We'll give you at least 30 days notice of any fee increase.

Fees may vary from year to year depending on the experience of ESSSuper and the underlying investments.

**⚠ WARNING:** Additional fees may apply if you consult a financial adviser. *The Financial Services Guide and Statement of Advice* from the financial adviser will set out these fees. For more information see 'Additional fees and costs' in *Fees and costs guide (AP.7)* available from our website at [esssuper.com.au/pds](http://esssuper.com.au/pds)

## 7. How super is taxed

It's important to know the impact of tax on your super, particularly tax concessions.

### 1. Tax on contributions

The table below shows the tax that applies to contributions if we have your Tax File Number (TFN). If we don't have your TFN, all contributions are taxed at 47%<sup>1</sup> (including Medicare levy of 2%).

Type of contribution	Tax Rate
Concessional (e.g. employer SG and salary sacrifice)	<ul style="list-style-type: none"> <li>15% on amounts up to \$25,000<sup>2</sup> a year.</li> <li>Where your combined income including concessional contributions exceeds \$250,000 p.a., an additional 15% tax will apply to concessional contributions relating to the income exceeding \$250,000.</li> </ul>
Non-concessional	<ul style="list-style-type: none"> <li>0% on amounts up to \$100,000<sup>2,3,4</sup> a year.</li> <li>47%<sup>1</sup> on amounts above \$100,000<sup>2,3</sup> a year.</li> </ul>

- <sup>1</sup>. Rates shown include the Medicare levy of 2%.
- <sup>2</sup>. Contribution caps are for the 2019/20 year and may change in the future.
- <sup>3</sup>. If you're under age 65 at 1 July, and your Total Super Balance is less than \$1.4 million, you may be able to make non-concessional contributions up to a total of \$300,000 over 3 years. When you make contributions greater than the annual cap, you will automatically gain access to the future year caps. Any contributions above the cap (\$300,000 over three years, if applicable) are taxed at 47% (including Medicare levy of 2%).
- <sup>4</sup>. You can only make non-concessional contributions if your Total Super Balance is less than the general transfer balance cap (\$1.6 million for 2019/20 financial year) at the beginning of the financial year.

Excess concessional contributions over the above caps will be taxed at your marginal rate (plus an interest charge). You may be able to elect to release up to 85% of your excess concessional contributions from the fund. You should monitor all contributions (made by you and on your behalf) into your account to ensure they don't exceed the caps. Contributions tax is deducted from your account as at 30 June each year and on closure of your account (after insurance premiums and administration fees have been deducted from your account).

### 2. Tax on investment earnings

Investment earnings are generally taxed at 15%, however, the rate may be less due to tax credits or other rebates. Tax is deducted from investment earnings before crediting rates are declared and credited to or debited from your account.

### 3. Tax on lump sum payments

If you're aged 60 or over, lump sum payments from the Accumulation Plan are tax free. If you're under 60, tax may be withheld from your payment if your benefit contains a taxable component (see table below). The rates below assume you have provided your TFN.

Component of your benefit	If you're under preservation age <sup>1</sup>	If you're between preservation age <sup>1</sup> and 59
Tax-free	Nil	Nil
Taxable (taxed)	22% <sup>2</sup>	<ul style="list-style-type: none"> <li>Nil on amounts up to \$210,000<sup>2</sup></li> <li>17%<sup>2</sup> on amounts above \$210,000<sup>3</sup></li> </ul>

<sup>1</sup>. Preservation age ranges from age 55 to age 60 depending on your date of birth. For more detail, refer to the *Accessing your super guide (AP.6)* available from our website at [esssuper.com.au/pds](http://esssuper.com.au/pds)

<sup>2</sup>. Rates include the Medicare levy of 2%.

<sup>3</sup>. The threshold of \$210,000 is effective for the 2019/20 financial year and indexed to Average Weekly Ordinary Time Earnings, but it increases in \$5,000 increments.

Tax doesn't apply to transfers to other funds from ESSSuper, death benefits to tax dependants and terminal illness benefits.

**⚠ WARNING:** You should provide your TFN when you join the Accumulation Plan. ESSSuper is authorised by tax laws, the *Superannuation Industry (Supervision) Act 1993* and the *Privacy and Data Protection Act 2014*, to request members' Tax File Numbers (TFNs) when joining the ESSSuper Accumulation Plan. If you provide your TFN, ESSSuper will use it for lawful purposes only. If you don't, higher tax may apply to concessional contributions (e.g. employer SG and salary sacrifice) and payments, we will not be able to accept personal contributions and other taxes may be higher. Refer to the *How Super is taxed guide (AP.4)* available from our website at [esssuper.com.au/pds](http://esssuper.com.au/pds)

**!** You should read the important information about tax in the *How super is taxed guide (AP.4)* available from our website at [esssuper.com.au/pds](http://esssuper.com.au/pds), before making a decision. The material relating to tax may change between the time when you read this PDS and the day when you acquire the product.



## 8. Insurance in your super

To protect and provide for your loved ones adequate insurance is vital. Considering insurance in conjunction with super can be a cost-effective way to provide for both yourself and your family.

- i Death cover provides a lump sum benefit if you die
- i Total and Permanent Disablement (TPD) cover provides a lump sum benefit if you become totally and permanently disabled
- i Income Protection cover provides a regular monthly income if you can't work due to illness or injury
- i Terminal illness benefit provides a lump sum benefit if you're suffering from a terminal medical condition if you have Death and TPD cover.

### Eligibility for cover

Members under age 65 may be eligible for death, TPD and Income Protection cover. Cover is subject to conditions and exclusions, including a two-year pre-existing condition exclusion.

### Default cover

When you join the Accumulation Plan, you'll automatically receive three units of Death and TPD cover if you meet the eligibility requirements, including:

- i you're under age 65, and
- i you have an employer who makes the required superannuation guarantee (SG) contributions to the Accumulation Plan (provided the first SG contribution is received by ESSSuper within three months of you becoming eligible for default cover and you meet the eligibility criteria).\*

\* Excludes police recruits and police officers on supplementary duties.

Default cover is provided without an Insurer assessment. If you're not receiving employer SG contributions when you join, but SG contributions are received at a later date, you'll receive default cover from the date we first receive SG contributions.

### Amount of default cover

The table opposite shows the amount of default cover (equal to three units of death and TPD cover) which depends on your age and occupation. Broadly, the three occupational categories are:

**Teacher/Professional** includes members who have an accredited higher education qualification, belong to a professional body and whose salary is more than \$60,000 p.a., or members who are part of the senior management of the employer and whose salary is more than \$80,000 p.a. In either case, the member must work in an office environment in a sedentary capacity with no manual work or in a teaching role.

**Non-operational** includes members not covered by the Teacher/Professional or Operational categories.

**Operational** includes operational emergency services employees including police officers, protective services officers, fire-fighters and ambulance officers.

### Optional cover you can apply for

If you're not eligible for default cover, or you are eligible and want to change your cover, you can choose Death Only or Death and TPD cover but not both. You can add Income Protection cover. Optional cover may be subject to assessment and approval by the Insurer.

- i You should read the important information about insurance cover, including the cost of cover, optional cover, eligibility for cover, occupational categories, changing or cancelling insurance cover and conditions and exclusions, in the *Insurance guide (AP2)* available from our website at [esssuper.com.au/pds](http://esssuper.com.au/pds), before making a decision. The material relating to insurance cover may change between the time when you read this PDS and the day when you acquire the product.

### Amount of default cover (equal to three units of Death and TPD cover)

Current Age	Occupational category		
	Teacher/ Professional	Non-operational	Operational
15-16	\$492,600	\$372,000	\$121,500
17-23	\$479,100	\$361,800	\$118,200
24	\$484,200	\$365,700	\$119,400
25-26	\$492,600	\$372,000	\$121,500
27-28	\$479,100	\$361,800	\$118,200
29-31	\$466,200	\$352,200	\$115,200
32	\$459,000	\$346,800	\$113,400
33	\$423,600	\$320,100	\$104,400
34	\$393,600	\$297,300	\$99,000
35	\$373,500	\$282,000	\$90,600
36	\$339,000	\$256,200	\$83,700
37	\$314,700	\$237,600	\$77,700
38	\$282,600	\$213,300	\$68,700
39	\$253,500	\$191,400	\$62,400
40	\$227,100	\$171,600	\$56,100
41	\$206,100	\$155,700	\$50,400
42	\$186,600	\$141,000	\$45,900
43	\$169,200	\$127,800	\$41,700
44	\$154,800	\$117,000	\$38,100
45	\$141,000	\$106,500	\$34,800
46	\$128,700	\$97,200	\$31,800
47	\$117,300	\$88,500	\$28,800
48	\$104,100	\$78,600	\$25,500
49	\$93,600	\$70,800	\$22,800
50	\$83,400	\$63,000	\$20,400
51	\$74,100	\$56,100	\$18,300
52	\$66,600	\$50,400	\$16,200
53	\$60,000	\$45,300	\$14,700
54	\$54,300	\$41,100	\$13,200
55	\$50,100	\$37,800	\$12,300
56	\$45,900	\$34,500	\$11,100
57	\$42,000	\$31,800	\$10,200
58	\$38,400	\$28,800	\$9,300
59	\$34,800	\$26,400	\$8,400
60	\$32,100	\$24,000	\$7,800
61	\$29,400	\$22,200	\$7,200
62	\$26,400	\$20,100	\$6,300
63	\$24,000	\$18,000	\$5,700
64	\$21,900	\$16,500	\$5,400

**WARNING:** Unless you choose to decline or cancel the default cover, the cost of the cover will be deducted from your account. Terms and conditions (in particular, eligibility criteria, cover cessation circumstances and other conditions and exclusions) may affect your entitlement to cover or the payment of insured benefits. Please read the *Insurance guide (AP2)* available from our website at [esssuper.com.au/pds](http://esssuper.com.au/pds), before deciding whether the insurance is appropriate for you.

### Cost of cover

There are costs associated with obtaining insurance cover through ESSSuper. The costs (called 'premiums') depend on the type and amount of cover you have. The cost of automatic cover is \$3 per week (i.e. \$1 per unit per week) or \$156.54 per year. The costs will be deducted from your account twice yearly pro-rated on your birthday and on 30 June each year, or on closure of your account. If the balance in your account isn't enough to cover one month's premium, your insurance cover will cease and we will notify you in writing.

## How to apply for, change, or cancel your insurance cover

To apply for cover, increase your cover (above any default cover that applies to you), decline, decrease or cancel your insurance cover please complete the *Vary your insurance cover form (ES167)* available from our website at [esssuper.com.au/forms](http://esssuper.com.au/forms)

## 9. How to open an account

A straightforward process is part of our plan to make super simpler.

To join ESSSuper's Accumulation Plan, complete the *Accumulation Plan application form* online by logging into your Members Online account at [esssuper.com.au/login](http://esssuper.com.au/login), or by downloading the form from [esssuper.com.au/pds](http://esssuper.com.au/pds)

If we receive a contribution from your participating employer but you don't have an account, we'll open an account for you and invest all contributions in the default Growth investment option until you make a different investment choice.

We'll notify you when your account is established. You can make an investment choice, nominate beneficiaries or apply for or change your insurance cover any time.

### Cooling-off period

You can cancel your membership by writing to us within 14 days of the date we write to you confirming your membership. We'll transfer any money (adjusted for investment earnings, fees, taxes and insurance premiums where applicable) to a complying superannuation fund account in your name, or directly to you if you meet a condition of release.

### Keeping you informed

#### Manage your account online

A secure Members Online account is a great way to manage your super with us. As a registered user of Members Online, you will find details about your account balance, investment switches, insurance changes, contributions to your account, fees and costs, taxes, payments and all other account related information. You can also check your account balance, view your transaction history, change your investment mix and even receive electronic statements.

#### Electronic statements

To help you stay informed about your super, we will make available online the following:

- your Annual Benefit Statement
- an Investment Update
- an Annual Report

We will also make available in Members Online other communications such as confirmation of your transactions and other changes that are required by law to be notified to members.

When a communication is made available for you to access on Members Online, we will send you an email notification.

ESSSuper may also write to you from time to time with important information about your account.

Alternatively, if you would prefer paper copies of your statements, you can opt-out of receiving electronic statements by notifying us at any time (this will also apply to all your accounts you have with ESSSuper).

You can also request copies of the *Emergency Services Superannuation Act 1986*, ESSSuper's *Privacy Policy* and *Privacy Collection Statement*, Fund Accounts and Auditor's Reports. If you would like access to any of these documents, please visit our website at [esssuper.com.au](http://esssuper.com.au) or call our Member Service Centre.

**Disclaimer:** This Product Disclosure Statement was prepared and issued by the Emergency Services Superannuation Board (Board) ABN 28 161 296 741, the Trustee of the Emergency Services Superannuation Scheme ABN 85 894 637 037 (Scheme). The Board and the Scheme were both established under the Emergency Services Superannuation Act 1986 (Act). The Scheme is an exempt public sector superannuation scheme. This PDS has been issued to help you make an informed decision about ESSSuper's products, features and benefits. It's of a general nature only and doesn't take into account your personal and financial objectives, situation or needs. Examples in this document are for illustration purposes only. They're not intended to be recommendations or preferred courses of action. Before making a decision about an ESSSuper product, consider seeking professional advice from a licensed financial adviser. Note that all investments carry risks and past investment performance gives no indication of future performance. Benefits in ESSSuper's Accumulation Plan are not guaranteed or underwritten by the Victorian Government or ESSSuper, and ESSSuper does not come under the jurisdiction of the Australian Financial Complaints Authority. ESSSuper provides insurance cover to members through group insurance policies that the Board holds with The Colonial Mutual Life Assurance Society Limited, otherwise known as CommInsure. CommInsure is used under licence by The Colonial Mutual Life Assurance Society Limited. The Commonwealth Bank of Australia has reached an agreement with AIA International Limited to sell CMLA to AIA, subject to securing all necessary regulatory approvals. The sale is expected to be completed in 2019/20. There will be no changes to your insurance arrangements as a result of this change in ownership of CMLA. Copies of the insurance policy documents are available on request. Cover is subject to the terms of the applicable policy.

## If you have a complaint

If you have a complaint relating to ESSSuper or the Accumulation Plan, contact:

**Address** Complaints Officer  
ESSSuper, GPO Box 1974, Melbourne VIC 3001

**Phone** 1300 650 161 (for emergency services members)  
1300 655 476 (for state super members)

**Email** [info@esssuper.com.au](mailto:info@esssuper.com.au)

If your complaint relates to a Board decision about an Accumulation Plan account entitlement, you may be able to lodge a complaint with the Victorian Civil and Administrative Tribunal if the subject matter of the complaint falls within its jurisdiction.

For information on the complaints process, please visit our website at [esssuper.com.au](http://esssuper.com.au) or call the Member Service Centre.

As ESSSuper does not come under the jurisdiction of the Australian Financial Complaints Authority (AFCA), the AFCA is unable to hear complaints from ESSSuper members.

! You should read the important information about account and complaints handling in the *Accessing your super guide (AP6)* available from our website at [esssuper.com.au/pds](http://esssuper.com.au/pds), before making a decision. The material relating to account and complaints handling may change between the time when you read this PDS and the day when you acquire the product.

## We respect your privacy

ESSSuper treats the privacy and confidentiality of our members' personal information seriously, and complies with the guidelines in the *Privacy and Data Protection Act 2014*. ESSSuper collects and uses personal information to manage your account, administer the Accumulation Plan and comply with the Board's obligations under relevant laws. We may also use this information to inform you about other products and services that we have that may interest you. Copies of our *Privacy Policy* and *Privacy Collection Statement* are available from our website at [esssuper.com.au](http://esssuper.com.au)

Proudly  
serving our  
members

### Contact us

W [esssuper.com.au](http://esssuper.com.au)

E [info@esssuper.com.au](mailto:info@esssuper.com.au)

T 1300 650 161 (for emergency services members)

T 1300 655 476 (for state super members)

#### ESSSuper

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