

Updates to the Mason Stevens Super Fund Product Disclosure Statement

DATED: 1 JULY 2019

Treasury Laws Amendment (Protecting Your Superannuation Package) Act 2019

The Treasury Laws Amendment (Protecting Your Superannuation Package) Act 2019 (“the Act”) comes into effect from 1 July 2019 and includes the following key changes to the superannuation industry:

- Total administration and investment fees and indirect costs to be capped at 3% of fund balance (as calculated at the end of the fund year) for accounts with a balance below \$6,000.
- Exit fees to be banned for all MySuper and choice accounts, commencing 1 July 2019.
- All accounts that have balances less than \$6,000 that the member has not interacted with (contributed to, switched investment options, nominated a binding beneficiary, purchased or changed insurance, etc.) in the past 16 months as of an unclaimed money day pursuant to the Superannuation (Unclaimed Money and Lost Members) Regulations must be reported to, and transferred to, the ATO by the next scheduled statement day, from 30 June 2019.
- Trustees must not purchase or maintain insurance for accounts that have not received contributions for the past 16 months (regardless of the balance), unless the member has specifically elected otherwise.

PDS changes

1. The Act also includes changes to the Product Disclosure Statement and other documents incorporated by reference (the PDS) given to members from 1 July 2019, reflecting the legislative changes described above. The substantive changes are detailed below.

a. **Updated disclosure in Fees and Costs section**

In the section dealing with Fees and other Costs, above the table illustrating the Type(s) of fees, Amounts and How and when paid (Fees and Costs table):

Delete the following sentence where appearing, ‘Other fees, such as activity fees, advice fees for personal advice and insurance fees, may also be charged, but these will depend on the nature of the activity, advice or insurance chosen by you.’, and **replace with** ‘Other fees, such as activity fees, advice fees for personal advice and insurance fees, may also be charged, but these will depend on the nature of the activity, advice or insurance chosen by you. Entry fees and exit fees cannot be charged.’

In the fees and costs table of the PDS, remove the row titled ‘Exit fee’.

There are some minor footnote re-numbering changes to accommodate the introduction of the new additional footnote relating to the 3% cap on administration fees, investment fees and indirect costs for account holdings below \$6,000, and the need to refund any excess fees charged above this cap.

Beneath the Fees and Costs table of the PDS, insert the following footnote:

1 If your account balance is less than \$6,000 at the end of the financial year, the total combined amount of administration fees, investment fees and indirect costs charged to you is capped at 3% of the account balance. Any amount charged in excess of that cap must be refunded.

b. In the Defined Fees section of the PDS:

Delete the reference to ‘an exit fee’ contained in the definition of each of the following terms: Activity Fee, Administration Fee and Advice Fee.

Delete the existing definition of Exit Fee and substitute with – ‘An exit fee is a fee, other than a buy-sell spread, that relates to the disposal of all or part of a member’s interests in a superannuation entity.’

2. There is also a correction to be made in the Fees and Costs section:

- a. In the row “Investment fee”, replace the sentence “Calculated daily and deducted monthly from your Self Directed Portfolio” with “Calculated daily and deducted monthly from your Managed Portfolio”.

This Update is issued by Diversa Trustees Limited (ABN 49 006 421 638, AFSL 235 153, RSE License No. L0000635) as Trustee of the Mason Stevens Super Fund (ABN 34 422 545 198) and should be read together with the Mason Stevens Super Fund Product Disclosure Statement (PDS), which can be found at www.masonstevens.com.au/super.

The information contained in this update is general information only and doesn’t take into account your personal objectives, financial situation, needs or circumstances. Before acting on this information, you should consider its appropriateness, having regard to your personal objectives, financial situation, needs and circumstances.

Before you make any decision about whether to acquire or continue to hold the product or an investment available in the Fund, you should consider the PDS and other associated documents referred to in the PDS. The PDS and any associated documents incorporated by reference can be found at www.masonstevens.com.au/super.