

FIRSTCHOICE EMPLOYER SUPER EMPLOYER

Product Disclosure Statement

This is a combined Financial Services Guide
and Product Disclosure Statement

Issue No 2016/1, dated 16 May 2016

Colonial First State FirstChoice Employer Super USI FSF0361AU
Investments in FirstChoice Employer Super are offered from
the Colonial First State FirstChoice Superannuation Trust
ABN 26 458 298 557 by Colonial First State Investments Limited
ABN 98 002 348 352 AFS Licence 232468



Colonial
First State

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This Product Disclosure Statement (PDS) is made up of the PDS, the Investment Options Menu and all of the following documents which contain all statements and information incorporated by reference:

- Reference Guide for Employers
- FirstChoice Employer Super Insurance booklet
- Reference Guide for Members
- Reference Guide – Complex Funds.

A reference to 'the PDS' includes a reference to all of those documents. You should assess whether the product is appropriate for you and speak to your financial adviser before making a decision to invest in the product. You can obtain a copy of that information, free of charge, by calling us on 1300 654 666, visiting our website at colonialfirststate.com.au/fces and colonialfirststate.com.au/fcesinv, or from your financial adviser.

You should regularly review how the superannuation and taxation laws affect you and your plan members with your financial adviser.

If any part of the PDS (such as a term or condition) is invalid or unenforceable under the law, it is excluded so that it does not in any way affect the validity or enforceability of the remaining parts.

FirstChoice Employer Super is offered through the Colonial First State FirstChoice Superannuation Trust ABN 26 458 298 557 (FirstChoice Trust). The FirstChoice Trust is a public offer superannuation fund which offers personal super, employer super and pension products.

FirstChoice is a resident, regulated superannuation fund within the meaning of the Superannuation Industry (Supervision) Act 1993 and is not subject to a direction not to accept contributions.

This PDS is issued by Colonial First State Investments Limited ('Colonial First State', 'the trustee', 'we', 'our' or 'us'), the trustee of the FirstChoice Trust and the responsible entity for most of the investment options in FirstChoice. The insurance provider is The Colonial Mutual Life Assurance Society Limited ABN 12 004 021 809 AFS Licence 235035 ('Commlnsure' or 'the insurer'). The insurance cover is provided under policies issued to the trustee by Commlnsure. Colonial First State and Commlnsure are subsidiaries of Commonwealth Bank of Australia ABN 48 123 123 124 AFS Licence 234945 ('the Bank'). The Bank and its subsidiaries do not guarantee the performance of FirstChoice Employer Super or the repayment of capital by FirstChoice Employer Super. Investments in FirstChoice Employer Super are not deposits or other liabilities of the Bank or its subsidiaries. Investments in FirstChoice Employer Super are subject to investment risk, including loss of income and capital invested.

The issue of the FirstChoice Employer Super PDS is authorised solely by Colonial First State. Apart from Colonial First State, neither the Bank nor any of its

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subsidiaries are responsible for any statement or information contained within the PDS relating to FirstChoice Employer Super.

The trustee may change any of the terms and conditions contained or referred to in the PDS, subject to compliance with the trust deed and laws and, where a change is material, the trustee will notify you in writing within the timeframes provided for in the relevant legislation.

Information contained in this PDS which is not materially adverse information is subject to change from time to time and may be updated via our website and can be found at any time by visiting colonialfirststate.com.au. A paper copy of any updated information is available free of charge on request by contacting us on 1300 654 666.

An interest in FirstChoice Employer Super cannot be issued to you unless you complete the application form attached to or accompanied by either a paper or an electronic copy of the PDS.

The offer made in the PDS is available only to persons receiving the PDS within Australia.

You should note that, unless an investment option is suspended, restricted or unavailable, your plan members may withdraw from an investment option in accordance with our normal processes.

The investment managers of the investment options available for investment through FirstChoice Employer Super have given, and not withdrawn, their consent to be included in the PDS in the form and context in which they are included. The investment managers are acting as investment managers only for the relevant options. They are not issuing, selling, guaranteeing, underwriting or performing any other function in relation to the options.

Colonial First State reserves the right to outsource any or all of its investment management functions, including to related parties, without notice to investors.

Taxation considerations are general and based on present taxation laws, rulings and their interpretation as at 16 May 2016. You should seek independent professional tax advice before making any decision based on this information.

Colonial First State is also not a registered tax (financial) adviser under the Tax Agent Services Act 2009, and you should seek tax advice from a registered tax agent or a registered tax (financial) adviser if you intend to rely on this information to satisfy the liabilities or obligations or claim entitlements that arise, or could arise, under a taxation law.

Colonial First State can at any time remove an adviser or refuse to record or deal with an adviser nominated on your account.

The information provided in this PDS is general information only and does not take account of your personal financial or taxation situation or needs. You should consider obtaining financial advice relevant to your personal circumstances before investing.

All monetary amounts referred to in the PDS are, unless specifically identified to the contrary, references to Australian dollars.

FirstChoice and FirstNet are trademarks of Colonial First State Investments Limited.

Privacy

We form part of the Commonwealth Bank Group of companies ('the Group'), a well-known financial services organisation. The Group offers a broad range of products and services. Your personal information which you provide to the Group is important to us. The Group's Privacy Policy may be accessed at commbank.com.au

Information about how we collect, use, exchange and protect your personal information is also set out in the Reference Guide for Employers. Our Privacy Statement outlines how we do this and covers:

- information we collect
- how we use your information
- who we exchange information with
- keeping your information secure
- accessing, updating and correcting your information
- making a privacy complaint.

You should read this information when you apply to make an investment in our products and also when you transact with us. We regularly update this information, so it's important to check the most up-to-date Privacy Statement available online.

If you do not want to receive any direct marketing information, including telemarketing, please call us on 1300 654 666 to opt out of direct marketing.

You consent and agree to how we deal with the collection, use and disclosure of your personal information as set out in the current Reference Guide for Employers when you apply to make an investment in or otherwise transact on the products available. This consent continues to operate even though your relationship with us may come to an end.

1 About Colonial First State

At Colonial First State, we've been helping Australians with their investment needs since 1988.

We've become one of Australia's leading financial services organisations that provides investment, superannuation and pension products to individual, corporate and superannuation fund investors. Our investment management expertise spans Australian and global shares, property, fixed interest and credit, cash, infrastructure and alternatives.

Our business has been built on people who exercise good judgement and are acknowledged as leaders in their respective fields of expertise. We've succeeded by doing the small things well, and we're absolutely dedicated to the financial wellbeing of our investors.

Colonial First State's consistent, disciplined approach to investing has been recognised by many awards within the investment management industry.

The Colonial First State Group currently manages or administers more than \$200 billion globally.

2 Benefits of investing with FirstChoice Employer Super

FirstChoice Employer Super helps employers meet their super responsibilities with ease and provides a super account that helps employees reach their retirement goals. FirstChoice Employer Super offers a MySuper product, FirstChoice Lifestage. This ensures that you meet your legal obligations by making default Superannuation Guarantee (SG) contributions to a MySuper product.

We are committed to providing you with:

- easy administration – our online tool is designed to minimise the administration demands on your payroll department
- a competitively priced product – that gives your employees value for money
- flexible insurance options – above and beyond the minimum legal requirements, with generous Automatic Acceptance Limits and competitive premiums
- a diverse investment menu – your employees will be defaulted into our MySuper product, FirstChoice Lifestage, which actively manages their asset allocation until retirement,¹ or they can choose from a wide investment menu, known as our 'Select' options
- a dedicated employer super support team – who understand FirstChoice Employer Super and can respond quickly and effectively to enquiries from you and your employees
- some of the fastest statement delivery times in the industry.

FirstChoice Employer Super is one of the best rated and most successful corporate super platforms in Australia. It has received the highest possible '5 apples' rating (for small and medium plans) from independent super ratings agency Chant West every year from 2004 to 2013 and has also achieved the highest possible award of 5 Heron Quality Stars for small and medium plans 2012–13 to 2014–15 from The Heron Partnership.

Who can participate?

Employers who use FirstChoice Employer Super need at least two plan members and a minimum average balance of \$5,000 per employee. A member's spouse can also invest in the plan.

If you have employees who reside overseas, please contact us to discuss their eligibility to participate in your plan.

Who can join the fund?

You can only set up an account in the fund for a person for whom you have an obligation to make superannuation contributions under Superannuation Guarantee legislation. This includes an employee and a remunerated director, as defined in the trust deed.

You cannot set up an account in the fund for a person for whom you do not have an obligation to make superannuation contributions. For example, you cannot set up an account for a partner (excluding an employed partner), a non-remunerated director, a sole trader or a contractor where the contract is with someone other than the person who'll actually provide the labour (eg a company or trust), unless agreed with the trustee.

How to administer your super

FirstNet Employer (FirstNet) is Colonial First State's secure online service that allows you to easily administer your company's FirstChoice Employer Super plan from your office. Access to FirstNet is given to plan contacts nominated on your employer application form. These contacts are usually the administrators (eg payroll managers) of your company's FirstChoice Employer Super plan. Once we have established your plan, we will send you welcome information including an Online Identity Number (OIN) and a password which allow you to access FirstNet. The plan contacts will be able to log on to FirstNet to update employee details and make employee super contributions.

CFS Clearing House

We offer a free clearing house through FirstNet to employers who have FirstChoice Employer Super as their default fund. It processes all your employees' super contributions in the one place. All you need to do is send us a single payment, and we'll forward the contributions to your employees' chosen super funds.

Payments to your FirstChoice Employer Super fund are processed on the same day, while payments to other funds are transferred on the next working day. The contributions you pay for employees not in your FirstChoice Employer Super fund won't be considered paid until they reach the relevant superannuation fund for the employee. Therefore, you must pay your contributions and upload and confirm your contribution file on FirstNet well in advance of the SG due dates and before the end of the financial year.

If you don't allow enough time for this processing, your contributions may not reach the relevant superannuation fund in time and may impact:

- whether you will be considered to have complied with your SG obligations
- in which financial year the contribution is made for the purposes of tax deductibility
- in which financial year a contribution will count against an employee's contribution caps.

¹ Large plans may apply for a tailored investment default.

Investment options

FirstChoice Employer Super offers a MySuper product, FirstChoice Lifestage, for your employees, as well as a wide range of investment options from well-respected Australian and international fund managers, across different asset classes such as shares, fixed interest, property and cash.

More ways for your employees to achieve their specific investment goals

FirstChoice Employer Super has a wide range of investment options across different asset classes and investment managers to tailor an investment portfolio that is just right for each employee.

They can also choose from:

- multi-manager portfolios – which are pre-mixed, and/or
- single manager investments – allowing them to tailor-make their portfolio.

FirstRate Saver is a low-risk cash alternative, which offers a competitive variable interest rate with no ongoing investment fee, percentage-based administration fee or transaction costs. The administration fee of \$5 per month is still payable.

When your employees' contributions are invested in FirstChoice Employer Super, their money is combined with other investors' money in FirstChoice. Each FirstChoice investment option is a separate investment option within this superannuation fund.

Each investment option invests in an underlying 'pool' which is managed according to the investment option's objectives.

Each investment option has a different level of risk and potential level of returns.

MySuper product – FirstChoice Lifestage default investment option

If your plan member does not make an investment selection, then all contributions made on the member's behalf are placed in the trustee's MySuper default – FirstChoice Lifestage.

Product dashboards and other documents

Product dashboards set out information such as investment returns and fees to help members compare superannuation products. You can find the current dashboards at colonialfirststate.com.au/mysuperdashboard

Information regarding trustee and executive remuneration and other documents we are required to provide under superannuation legislation (such as a copy of the trust deed) will be made available online at colonialfirststate.com.au/about-us/corporate-governance/trustee-and-fund-documents.html

Accrued default amounts (ADAs)

A member may have an ADA if they have not told us how they want their super invested. The Government's Stronger Super legislation requires us to identify ADAs in members' balances and to transfer these amounts to a MySuper product by 30 June 2017. ADA balances will be transferred to the relevant FirstChoice Lifestage option by 30 June 2017. If a member's balance includes an ADA, we will contact them before the transfer with more details and give them the opportunity to opt out of the transfer.

Other features

- Retained benefit accounts – employees have a super fund that they can take with them from job to job. Employers can benefit from an increased plan size.
- Spouse accounts – members' spouses can also join FirstChoice Employer Super.
- Non-lapsing death benefit nominations – members only need to complete this form once to nominate who they'd like to inherit their super and any approved insurance benefits in the event of their death.
- Regular investment plans – members have the option to set up regular contributions.
- Auto-rebalancing – members can also choose to have their investment allocations reweighted quarterly or annually.

Insurance

You can choose from:

- Death only cover
- Death and Total and Permanent Disablement (TPD) cover
- Salary Continuance Insurance (SCI) cover.

You should refer to section 7 – Insurance in super for more information.

You should read the Investment Options Menu and all the statements and information incorporated by reference in the Reference Guide for Employers, available online at colonialfirststate.com.au/fces or by calling 1300 654 666. The material relating to investments may change between the time you read the PDS and the day you sign the application form.

3 How super works

Super is a long-term form of concessional tax savings which is designed to be paid to your employees when they retire. As an employer, you are generally required to contribute a percentage of your employees' salary or wages to a superannuation fund for them. You may also agree to increase the contributions you make for an employee where they agree to forgo part of their pre-tax salary or wages in return for additional employer contributions – these contributions are known as salary sacrifice contributions.

To encourage people to save for retirement, the Federal Government provides a number of super tax concessions. These include generally applying a 15% tax rate to employer contributions, which includes salary sacrifice contributions, and allowing super benefits to be paid tax free after age 60. These concessions can make superannuation one of the most tax-effective ways for your employees to save for their retirement.

Super contributions

There are different types of contributions that can be made to a super fund. These are summarised as follows:

- Compulsory employer contributions – these are contributions an employer is required to make by law. They include Superannuation Guarantee contributions and contributions required under an industrial award.
- Voluntary employer contributions – these are contributions an employer makes in excess of any compulsory contributions. They include salary sacrifice contributions, where an employee negotiates to give up some of their pre-tax salary in return for additional employer contributions. You can also make other voluntary contributions, for example, to help cover the costs of fees and/or premiums that are deducted from your employees' accounts.
- Personal contributions – these are contributions that your employees make for themselves. Depending on their circumstances, they may be entitled to claim a tax deduction for the amount of the contribution, or they may be entitled to a Government co-contribution.
- Spouse contributions – these are contributions that a person makes to their spouse's super account.

However, to limit the tax concessions associated with making super contributions, the Federal Government applies caps to the different types of contributions. Some types of contributions made in excess of these caps are subject to tax rates of up to 49%.

Refer to section 6 – How super is taxed, for more information.

How your super plan works

FirstChoice Employer Super is an accumulation super fund. This means that each member has an account balance with money flowing in and out of the account.

When a contribution is made to a member's account, the contribution is used to purchase units in their chosen investment option. For example, if they make a contribution of \$100 and the entry unit price for their chosen investment option is \$1.00, then they will receive 100 units.

The value of the member's units may fluctuate due to the receipt of investment income and/or changes in the value of the underlying assets held in each investment option. The unit price may also be affected by other factors such as the payment of tax and other fund costs from the assets of the fund. Other costs that relate specifically to each member, such as the payment of insurance premiums or an adviser service fee, may also be deducted from their account via the withdrawal of units. This means that their account balance can fluctuate on a daily basis depending on market movements, the costs of running the fund and any expenses that relate specifically to their account.

The following table provides a number of factors which may impact the value of a member's superannuation account.

Things that may increase a member's super account balance	Things that may reduce a member's super account balance
<ul style="list-style-type: none">• Contributions, such as employer, personal and spouse contributions• Rollovers from other funds• Increases in the unit price of an investment option due to the accrual of investment income and changes in the market value of the underlying assets• Family law payment splits received and spouse contribution splitting payments received• Co-contributions or low income super contributions paid by the Government	<ul style="list-style-type: none">• Tax (including tax levied on contributions and the fund's investment income)• Decreases in the unit price of an investment option due to changes in the market value of the underlying assets• Benefit payments (lump sum payments)• Fund fees and charges• Insurance premiums and adviser service fees• Family law payment splits and spouse contribution splitting payments

When can a member access their super?

Generally, a member cannot access their super until after they reach their preservation age and retire. This age is set by the Federal Government. If they were born before 1 July 1960, their preservation age is 55. If they were born later, their preservation age is between ages 56 and 60 depending on their date of birth.

Other ways in which a member may be able to access their super include:

- commencing a pre-retirement pension after reaching preservation age
- turning age 65
- financial hardship
- compassionate grounds
- permanent incapacity
- a terminal medical condition
- death.

In the event of the death of one of your plan members, a death benefit will become payable from the fund either to:

- their dependants or their legal personal representative nominated on their valid non-lapsing death benefit nomination form, or
- in any other case to their legal personal representative, to be distributed in accordance with their Will or the laws of intestacy.

Your employees can make a non-lapsing death benefit nomination, which is a request by the employee to the trustee of FirstChoice to pay their death benefit to the person or persons nominated on their non-lapsing death benefit nomination form. The trustee may consent to their nomination if their nomination satisfies the relevant requirements, which can be found on the non-lapsing death benefit nomination form which is in their Welcome Kit or available from our forms library online, or by calling us on 1300 654 666.

You should read the important information (incorporated by reference) about preservation, taxation, accessing super and transaction processing before making a decision. Go to the Reference Guide for Employers or call 1300 654 666. The material relating to super may change between the time you read this PDS and the day you sign the application form.

4 Risks of super

It is important to understand that:

- all investments are subject to risk
- there may be a loss of principal, capital or earnings
- different strategies carry different levels of risk depending on the assets that make up the strategy, and
- assets with the highest long-term returns may also carry the highest level of short-term risk.

When considering your plan members' investment in super, it is important to understand that:

- the value of investment options will go up and down
- returns are not guaranteed
- your plan members may lose money
- previous returns don't predict future performance
- laws affecting superannuation may change
- the amount of your employees' superannuation savings may not be adequate for their retirement
- their level of risk will vary, depending on their age, investment timeframe, where other parts of their money are invested and how comfortable they are with the possibility of losing some of their super in some years.

Different investments perform differently over time.

Investments that have provided higher returns over the longer term have also tended to produce a wider range of returns. These investments are generally described as more risky, as there is a higher chance of losing money, but they can also give your plan members a better chance of achieving their long-term objectives. Investments that have provided more stable returns are considered less risky, but they may not provide sufficient long-term returns for them to achieve their long-term goals. Selecting the investments that best match their investment needs and timeframe is crucial in managing this risk.

Your adviser can help you understand investment risks, including those applicable to complex options, and design an investment strategy that is right for your plan members.

General risks for all options

The main risks which typically affect all investment options are:

Market risk

Investment returns are influenced by the performance of the market as a whole. This means that your employees' investments can be affected by things like changes in interest rates, investor sentiment and global events, depending on which markets or asset classes they invest in and the timeframe they are considering.

Security and investment-specific risk

Within each asset class and each option, individual securities like mortgages, shares, fixed interest securities or hybrid securities can be affected by risks that are specific to that investment or that security. For example, the value of a company's shares can be influenced by changes in company management, its business environment or profitability. These risks can also impact on the company's ability to repay its debt.

Management risk

Each option in the PDS has an investment manager to manage members' investments on their behalf. There is a risk that the investment manager will not perform to expectation. Management risk may arise from the use of financial models by the investment manager to simulate the performance of financial markets. The performance of financial markets may differ to that anticipated by the financial models.

Liquidity risk

Liquidity risk refers to the difficulty in selling an asset for cash quickly without an adverse impact on the price received. Assets such as shares in large listed companies are generally considered liquid, while 'real' assets such as direct property and infrastructure are generally considered illiquid. Under abnormal or difficult market conditions, some normally liquid assets may become illiquid, restricting our ability to sell them and to make withdrawal payments or process switches for investors without a potentially significant delay.

Counterparty risk

This is the risk that a party to a transaction such as a swap, foreign currency forward or stock lending fails to meet its obligations such as delivering a borrowed security or settling obligations under a financial contract.

Legal, regulatory and foreign investment risk

This is the risk that any change in taxation, corporate or other relevant laws, regulations or rules may adversely affect your plan members' investment.

In particular, for funds investing in assets outside Australia, your employees' investment may also be adversely impacted by changes in broader economic, social or political factors, regulatory change and legal risks applicable to where the investment is made or regulated.

Option-specific risks

Typical option-specific risks are described below and cross-referenced to particular options in the table on pages 13 to 14 in the Investment Options Menu.

Securities lending risk

When an option engages in securities lending, there is a risk that the borrower may become insolvent or otherwise become unable to meet, or refuse to honour, its obligations to return the loaned assets. In this event, the option could experience delays in recovering assets and may incur a capital loss. Where an option invests any collateral it receives as part of the securities lending program, such investments are also subject to the general investment risks outlined above.

Further information on securities lending is provided on page 6 in the Investment Options Menu.

Currency risk

Investments in global markets or securities which are denominated in foreign currencies give rise to foreign currency exposure. This means that the Australian dollar value of these investments may vary depending on changes in the exchange rate. Investment options in the PDS which have significant currency risks adopt different currency management strategies. These strategies may include currency hedging, which involves reducing or aiming to remove the impact of currency movements on the value of the investment, whereas some investment options remain unhedged.

Information on the currency management strategy for each option with a significant currency risk is set out in that option's description in the Investment Options Menu.

Because different options have different currency management strategies, your employees should consult their financial adviser on the best approach for them.

Derivatives risk

Derivatives are contracts between two parties that usually derive their value from the price of a physical asset or market index. They can be used to manage certain risks in investment portfolios or as part of an investment strategy. However, they can also increase other risks in a portfolio or expose a portfolio to additional risks. Risks include: the possibility that the derivative position is difficult or costly to reverse; that there is an adverse movement in the asset or index underlying the derivative; or that the parties do not perform their obligations under the contract.

In general, investment managers may use derivatives to:

- protect against changes in the market value of existing investments
- achieve a desired investment position without buying or selling the underlying asset
- leverage a portfolio
- manage actual or anticipated interest rate and credit risk
- alter the risk profile of the portfolio or the various investment positions
- manage currency risk.

Derivatives may be used in an option to provide leverage and may result in the effective exposure to a particular asset, asset class or combination of asset classes exceeding the value of the portfolio. The effect of using derivatives to provide leverage may result not only in capital losses but also an increase in the volatility and magnitude of returns (both positive and negative) of the option.

As financial instruments, derivatives are valued regularly, and movements in the value of the underlying asset or index should be reflected in the value of the derivative. Information on whether an investment option in this PDS uses derivatives such as futures, options, forward currency contracts and swaps, is outlined in the strategy of the investment option in the Investment Options Menu.

Credit risk

Credit risk refers to the risk that a party to a credit transaction fails to meet its obligations, such as defaulting under a mortgage, a mortgage-backed security, a hybrid security, a fixed interest security or a derivative contract. This creates an exposure to underlying borrowers and the financial condition of issuers of these securities.

Gearing risk

Some of the options in the PDS use gearing. Gearing means that the option borrows so that it can invest more to increase potential gains. Gearing can magnify gains and always magnifies losses from the option's investments.

For an option geared at 50%, if the underlying investments rise is less than the option's borrowing and investment and 0.60% pa administration fees, then it is unlikely that the geared option will outperform an equivalent ungeared portfolio. Consequently, a geared option will not always magnify market gains (particularly in a low return environment), but it will always magnify market losses.

In extreme market conditions, such as a rapid fall of over 40% in the value of investments in the geared options, your employees may lose all their capital.

We suggest they consult a financial adviser regarding the impact of these investments on their overall portfolio.

Short selling risk

Some of the options in the PDS use short selling. Short selling means the option sells a security it does not own to try and profit from a decrease in the value of the security. This is generally done by borrowing the security from another party to make the sale. The short sale of a security can greatly increase the risk of loss, as losses on a short position are not limited to the purchased value of the security.

Short selling strategies involve additional risks such as:

- **Liquidity risk**

In certain market conditions, an option that adopts a short selling strategy may not be able to reverse a short position because the security it needs to buy may not be available for purchase in a reasonable timeframe or at all. In this event, losses may be magnified.

- **Leverage risk**

Whilst short selling can often reduce risk, it is also possible for an option's long positions and short positions to both lose money at the same time.

- **Prime broker risk**

When short selling is employed, the assets of the investment option are generally held by the prime broker (which provides the broking, stock lending and other services). As part of this arrangement, assets may be used by or transferred to the prime broker under a securities lending arrangement which will also expose the option to securities lending risk. There is a risk that the prime broker does not return equivalent assets or value to the option (for example, because of insolvency). This would have a substantial negative impact on the value of your employees' investments. This risk is managed by having arrangements with large, well established and globally operating prime brokers. If you would like details of our prime broker, please contact us.

If an option uses short selling, this is detailed in the strategy of the option – refer to the Investment Options Menu.

Emerging markets risk

Due to the nature of the investments in emerging markets, there is an increased risk that the political and/or legal framework may change and adversely impact your employees' investments. This could include the ability to sell assets. Options that invest in global markets may have exposure to emerging markets.

All of the investment options in the PDS are subject to some or all of these risks, which can also vary from time to time. Your employees should consult their financial adviser before making a decision to invest. Their financial adviser is required to be qualified in understanding the risk and return associated with the wide range of investment options available to them and can help them make decisions regarding these options.

Further details about option-specific risks, such as currency, gearing, emerging markets and short selling risks and ways to manage investment risk are contained on pages 10 to 12 of the Investment Options Menu, which forms part of the PDS.

Your employees should read all the important information about the investment risks and diversification in the Investment Options Menu, which forms part of the PDS, before making an investment decision. The material relating to investments may change between the time you read the PDS and the day you sign the application form.

Additional disclosure required for hedge funds and other complex options

Hedge funds and funds with certain hedge fund characteristics can pose more complex risks for investors than traditional managed investment schemes. This can arise due to their diverse investment strategies, in many cases involving the use of leverage and complex and offshore structures.

The Australian Securities and Investments Commission (ASIC) has identified some characteristics that distinguish hedge funds from other managed investment schemes in its Regulatory Guide 240, such as the use of leverage, derivatives and short selling, charging performance fees, or funds that have complex investment strategies or structures.

Where an option exhibits two or more of the characteristics defined, ASIC now requires responsible entities to provide additional reporting and disclosure. Whilst these ASIC requirements only apply to managed investment schemes, not superannuation options, we will still provide this additional reporting and disclosure for the following superannuation investment options:

Option name
Aspect Diversified Futures
Platinum Asia
Platinum International

For each option identified, we will report against the following benchmarks as required by ASIC:

- valuation of assets: information about whether assets which are not exchange-traded are valued by an independent administrator or an independent valuation service provider, and
- periodic reporting.

Where we can't provide all the components of the periodic reporting benchmark, we will explain why we can't and the types of information which will be provided instead, so that you can monitor the investment performance of your investment.

In addition, for each option identified, we will provide the following information in the Reference Guide – Complex Funds, available online at colonialfirststate.com.au/complex. This information will be updated from time to time, in accordance with our legal obligations.

Disclosure principle	Description
Investment strategy	Details of the option's investment strategy, including the type of strategy, how it works and how risks are managed.
Investment manager	Information about the people responsible for managing the option's investments.
Fund structure	An explanation of the investment structures involved.
Valuation, location and custody of assets	Disclosure on the types of assets held, where they are located, how they are valued and the custodial arrangements.
Liquidity	The option's ability to realise its assets in a timely manner and the risks of illiquid classes of assets.
Leverage	Outlines the maximum level of leverage (where applicable) of the option.
Derivatives	The purpose and types of derivatives used by the appointed investment manager and the associated risks.
Short selling	How short selling (where applicable) may be used as part of the investment strategy and the associated risks and costs of short selling.
Withdrawals	Circumstances in which Colonial First State allows withdrawals. A full explanation of how your withdrawal will be processed can be found in the Reference Guides for the product you are investing in, which are available on our website, colonialfirststate.com.au

This disclosure principle information is available on our website at colonialfirststate.com.au/complex

5 Fees and other costs

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your employees' long-term returns. For example, total annual fees and costs of 2% of their account balance rather than 1% could reduce their 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 may be able to negotiate to pay lower administration fees. Ask the fund or your financial adviser.

To find out more

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

This document shows fees and other costs that your plan members may be charged. These fees and other costs may be deducted from their money, from the returns on their investment or from the assets of the superannuation entity as a whole. 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 your plan member. Taxes, insurance fees and other costs relating to insurance 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 plan members' investment.

The fees and other costs for each MySuper product offered by the superannuation entity and each investment option offered by the entity are set out on pages 8 to 9.

FIRSTCHOICE EMPLOYER SUPER

Type of fee	Amount ¹	How and when paid							
Investment fees									
FirstChoice Lifestage (MySuper product)	0.40% pa	The investment fee is reflected in the daily unit price and payable monthly or as incurred by the investment option. Performance fees may also be payable on some options. See pages 10 to 11 for details of investment options with performance fees. The amount that plan members pay for specific investment options is shown on pages 8 to 9.							
Select investment options (other than FirstRate Saver)	0.14% pa to 3.07% pa								
FirstRate Saver	0.00% pa								
Administration fees²									
FirstChoice Lifestage (MySuper product) and Select investment options (other than FirstRate Saver)	0.60% pa	The administration fee of 0.60% pa is reflected in the daily unit price and payable monthly or as incurred by the investment option. The administration fee of \$5 per month is payable at the beginning of each month by deduction of units from one of your plan member's investment options. You may be able to negotiate the monthly administration fee for employee members. Please refer to page 12 under the heading 'Negotiation of fees' for further details. The employer superannuation plan may be entitled to a plan balance rebate. The rebate is based on the previous month's account balance and is paid as additional units to your plan members' accounts at the beginning of each month. This rebate is not available for spouse members and for former employees in the fund (ie retained benefit members). Any amount is negotiated between you and Colonial First State. The rebates are as follows:							
FirstRate Saver	0.00% pa								
	plus \$60 pa (\$5 per month) per account ⁴								
			<table><tr><th>Employer plan balance</th><th>Employer plan balance rebate (pa)⁵</th></tr><tr><td>First \$5,000,000</td><td>Nil</td></tr><tr><td>Over \$5,000,000</td><td>0.20%</td></tr></table>	Employer plan balance	Employer plan balance rebate (pa) ⁵	First \$5,000,000	Nil	Over \$5,000,000	0.20%
Employer plan balance	Employer plan balance rebate (pa) ⁵								
First \$5,000,000	Nil								
Over \$5,000,000	0.20%								
		Your plan members may be entitled to other rebates which may reduce the fees and costs of their investment. Please refer to page 12 under the heading 'Negotiation of fees' for further details.							
Buy/sell spread	0%–0.50% per transaction, depending on the option	This fee is payable each time your plan members add to, withdraw from or switch to/from an investment option. Refer to pages 8 to 9 for the buy/sell spreads (also known as transaction costs) that apply to each investment option.							
Switching fee³	Nil	N/A							
Exit fee³	Nil	N/A							
Advice fees relating to all members investing in a particular MySuper product or investment option	Nil	N/A							
Other fees and costs									
Insurance costs		Refer to page 14 and the Insurance booklet for the insurance costs that apply to your plan member's account.							
Adviser service fees		Negotiated with your plan member's adviser. Please refer to page 12 for further details.							
Indirect cost ratio	Nil	N/A							

1 All figures disclosed include the net effect of GST, except for the employer plan balance rebate, which is exclusive of GST.

2 The trustee may determine to charge an additional administration fee should significant costs be incurred to comply with the Government's regulatory requirements. Refer to 'Increases or alterations to the fees' on page 11.

3 Transaction costs (buy/sell spreads) apply to most options (refer to page 12 for further details).

4 This dollar-based administration fee is sometimes referred to as a 'monthly administration fee', 'investor fee' or 'member fee'.

5 The trustee may also apply the employer plan balance rebate in other circumstances at its discretion.

INVESTMENT AND ADMINISTRATION FEES¹ AND BUY/SELL SPREADS

Option name	Total investment and administration fee (pa) ¹	= Investment fee (pa)	+ Administration fee (pa) ¹	+ Estimated performance fee (pa) ²	Buy/sell spread (%)
MYSUPER PRODUCT (This investment option is located in the 'Investment Options Menu' on pages 15 to 17.)					
FirstChoice Lifestage	1.00%	0.40%	0.60%		0.15
SELECT INVESTMENT OPTIONS					
MULTI-MANAGER MULTI-SECTOR (These investment options are located in the 'Investment Options Menu' on pages 18 to 19.)					
FirstChoice Defensive	1.03%	0.43%	0.60%		0.15
FirstChoice Conservative	1.09% ²	0.47%	0.60%	0.02% ²	0.15
FirstChoice Diversified	1.18% ^{2, 5}	0.58% ⁵	0.60%	0.00% ²	0.15
FirstChoice Moderate	1.17% ²	0.54%	0.60%	0.03% ²	0.15
FirstChoice Balanced	1.21% ²	0.57%	0.60%	0.04% ²	0.20
FirstChoice Growth	1.24% ²	0.60%	0.60%	0.04% ²	0.20
FirstChoice High Growth	1.32%	0.72%	0.60%		0.25
MULTI-MANAGER SINGLE SECTOR (These investment options are located in the 'Investment Options Menu' on pages 20 to 21.)					
FirstChoice Fixed Interest	0.97%	0.37%	0.60%		0.20
FirstChoice Australian Share	1.19%	0.59%	0.60%		0.20
FirstChoice Australian Small Companies ⁷	1.52%	0.92%	0.60%		0.25
FirstChoice Global Share	1.42%	0.82%	0.60%		0.15
FirstChoice Property Securities ⁷	1.07%	0.47%	0.60%		0.20
FirstChoice Global Infrastructure Securities ⁷	1.43%	0.83%	0.60%		0.20
FIRSTCHOICE MULTI-INDEX SERIES (These investment options are located in the 'Investment Options Menu' on pages 22 to 23.)					
FirstChoice Multi-Index Conservative	0.83%	0.23%	0.60%		0.10
FirstChoice Multi-Index Diversified	0.88%	0.28%	0.60%		0.15
FirstChoice Multi-Index Moderate	0.91% ⁵	0.31% ⁵	0.60%		0.15
FirstChoice Multi-Index Balanced	0.95%	0.35%	0.60%		0.15
FirstChoice Multi-Index High Growth	1.00%	0.40%	0.60%		0.15
SINGLE MANAGER SINGLE SECTOR (These investment options are located in the 'Investment Options Menu' on pages 24 to 31.)					
Cash and deposits					
FirstRate Saver	0.00%	0.00%	0.00%		nil
Diversified fixed interest					
Colonial First State Diversified Fixed Interest	0.90%	0.30%	0.60%		0.20
UBS Diversified Fixed Income	1.01%	0.41%	0.60%		0.15
Australian fixed interest					
Aberdeen Australian Fixed Income	0.98%	0.38%	0.60%		0.10
Alternatives⁶ Suggested to be no more than 20% of a plan member's portfolio					
Aspect Diversified Futures	3.67% ^{2, 9}	1.39%	0.60%	1.68% ^{2, 9}	nil
Australian share					
Ausbil Australian Active Equity	1.20%	0.60%	0.60%		0.20
Bennelong ex-20 Australian Equities	1.30% ^{2, 5}	0.70% ⁵	0.60%	0.00% ²	0.25
Colonial First State Australian Share – Core	1.20%	0.60%	0.60%		0.20
Colonial First State Index Australian Share	0.79%	0.19%	0.60%		0.10
Fidelity Australian Equities	1.21%	0.61%	0.60%		0.20
Perennial Value Australian Share	1.21%	0.61%	0.60%		0.20
Schroder Australian Equity	1.20%	0.60%	0.60%		0.20
Global share					
Magellan Global Share	2.20% ²	1.11%	0.60%	0.49% ²	0.15
MFS Global Equity	1.44%	0.84%	0.60%		0.15
Platinum International	1.95%	1.35%	0.60%		0.25
Realindex Global Share	0.97%	0.37%	0.60%		0.15
Realindex Global Share – Hedged	0.97%	0.37%	0.60%		0.15
Global share – emerging markets⁶ Suggested to be no more than 50% of a plan member's portfolio					
Platinum Asia	2.10%	1.50%	0.60%		0.25
Realindex Emerging Markets	1.09%	0.49%	0.60%		0.20

Please note: Administration fees of \$60 pa (\$5 per month) per account are payable in addition to the fees shown above.

Refer to page 9 for footnotes 1–9.

INVESTMENT AND ADMINISTRATION FEES¹ AND BUY/SELL SPREADS

Option name	Total investment and administration fee (pa) ¹	=	Investment fee (pa)	+	Administration fee (pa) ¹	+	Estimated performance fee (pa) ²	Buy/sell spread (%)
Australian property securities⁶		Suggested to be no more than 50% of a plan member's portfolio						
Colonial First State Index Property Securities	0.74%		0.14%		0.60%			0.10
Ironbark Property Securities	1.05%		0.45%		0.60%			0.20
Global property securities⁶		Suggested to be no more than 50% of a plan member's portfolio						
Colonial First State Global Property Securities	1.20%		0.60%		0.60%			0.20
Geared⁶		Suggested to be no more than 30% of a plan member's portfolio						
Colonial First State Geared Share ³	1.19%(g)/2.68%(n)		0.92%(g)/2.08%(n)		0.60%			0.20–0.50 ⁴

Please note: Administration fees of \$60 pa (\$5 per month) per account are payable in addition to the fees shown above.

Additional explanation of fees and costs

Defined fees

The trustee may only charge the following fees in the MySuper product (FirstChoice Lifestage) for FirstChoice Employer Super:

Type of fee	Description	Does this fee apply?
Activity fees	the fee relates to costs incurred by the trustee of the superannuation entity that are directly related to an activity of the trustee (i) that is engaged in at the request, or with the consent, of a member; or (ii) 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	N/A
Administration fees	the fee relates to the administration or operation of the superannuation entity and includes costs incurred by the trustee of the entity that relate to the administration or operation of the entity; and are not otherwise charged as an investment fee, a buy/sell spread, a switching fee, an exit fee, an activity fee, an advice fee or an insurance fee	Yes – refer to pages 7 to 9 for details
Advice fees	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 (i) a trustee of the entity, or (ii) 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	N/A
Buy/sell spreads	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	Yes – refer to pages 7 to 9 for details
Exit fees ⁸	a fee to recover the costs of disposing of all or part of members' interests in the superannuation entity	N/A
Indirect cost ratio	the indirect cost ratio (ICR), 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 Please note: A dollar-based fee deducted directly from a member's account is not included in the indirect cost ratio.	N/A
Insurance fees	the fee relates directly to either or both of the following: (i) insurance premiums paid by the trustee of the superannuation entity in relation to a member or members of the entity, (ii) costs incurred by the trustee of the superannuation entity in relation to the provision of insurance for a member or members of the entity	Yes – refer to page 14 for details
Investment fees	the fee relates to the investment of the assets of the superannuation entity and includes (i) fees in payment for the exercise of care and expertise in the investment of those assets (including performance fees) and (ii) costs incurred by the trustee of the entity that relate to the investment of assets of the entity; and 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	Yes – refer to pages 7 to 9 for details
Switching fees ⁸	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	N/A

These figures are inclusive of the net effect of GST.

- Administration fees of \$60 pa (\$5 per month) per account are payable in addition to the fees shown above.
- Refer to pages 10 to 11 for more details on the calculation of performance fees and how performance fees have been estimated in the assessment of fees.
This estimate is generally based on the performance of the option over the 12 months to 31 January 2016 and the associated performance fee. As past performance is no indicator of future performance, the performance fee charged in the future may differ.
- The two figures shown above for the geared share option are based on the gross (g) assets (which includes the option's borrowings (as at 31 January 2016) and is the lower of the two fees) and on net (n) assets (which excludes the option's borrowings and is the higher of the two fees). Please note: Borrowings include any exposure to borrowings from an option investing directly or indirectly into another managed investment scheme which borrows.
- Buy/sell spreads depend on the specific gearing level of the option.
- As these options have not been in existence for 12 months (as at 31 January 2016), this is an estimated investment and administration fee.
- The trustee suggests that your plan members' portfolios hold no more of their value in these investment categories than the maximum limit shown. See the Investment Options Menu for more information on diversifying a portfolio.
- The trustee suggests that no more than 50% of your plan members' portfolios is invested in these options. See the Investment Options Menu for more information on diversifying a portfolio.
- Transaction costs (buy/sell spreads) apply to most options (refer to page 12 for further details).
- This estimated performance fee has been calculated on a per annum basis from the option's inception (March 2010) to 31 January 2016. The actual performance fee paid in the last 12 months to 31 January 2016 was 2.42% on Aspect Diversified Futures. As past performance is no indicator of future performance, the performance fee, if any, charged in the future may differ.

Examples of annual fees and costs for a MySuper product

These tables give examples of how fees and costs for the MySuper product (FirstChoice Lifestage option) for this superannuation product can affect a plan member's superannuation investment over a one-year period.

You should use these tables to compare this superannuation product with other superannuation products.

EXAMPLE

MySuper product – FirstChoice Lifestage option		Balance of \$50,000 and total employer plan asset value of \$1,000,000
Investment fees	0.40% pa	For every \$50,000 a plan member has in the MySuper product, they will be charged \$200 per year
Plus Administration fees	0.60% pa plus \$60 pa (\$5 per month)	For every \$50,000 a plan member has in the MySuper product, they will be charged \$300 per year And , they will be charged \$60 in administration fees, regardless of their balance
Plus Indirect costs for the MySuper product	Nil	And , indirect costs of \$0 each year will be deducted from their investment
Equals Cost of product		If your total plan size was \$1,000,000 and if your plan member's balance was \$50,000, then for that year they will be charged fees of \$560 for the MySuper product

EXAMPLE

MySuper product – FirstChoice Lifestage option		Balance of \$50,000 and total employer plan asset value of \$10,000,000
Investment fees	0.40%	For every \$50,000 a plan member has in the MySuper product, they will be charged \$200 per year
Plus Administration fees	0.60% pa less employer plan balance rebate of up to 0.20% pa plus \$60 pa (\$5 per month)	For every \$50,000 a plan member has in the MySuper product, they will be charged \$250 per year And , they will be charged \$60 in administration fees, regardless of their balance
Plus Indirect costs for the MySuper product	Nil	And , indirect costs of \$0 each year will be deducted from their investment
Equals Cost of product		If your total plan size was \$10,000,000 and if your plan member's balance was \$50,000, then for that year they will be charged fees of \$510 for the MySuper product

These figures are inclusive of the net effect of GST.

Additional fees may apply, and if your plan member leaves the fund early, they may also be charged an exit fee of \$0.

Please note that these are just examples. In practice, the actual investment balance of an investor will vary daily and the actual fees and expenses we charge are based on the value of the option, which also fluctuates daily. Buy/sell spreads also apply. Refer to pages 8 to 9.

Performance fees

In addition to the investment and administration fees, on some options a performance fee may also be payable. The performance fee is reflected in the daily unit price and paid monthly at the relevant performance rate (inclusive of the net effect of GST). The fee is calculated as a percentage rate of the relevant option's outperformance.

The option's outperformance is the percentage return (before tax), above the relevant benchmark, as outlined below.

Please note: There is no standard that is applied to how performance fees are calculated. You should carefully compare the different performance fee types in the tables below, noting which benchmark they aim to outperform and whether performance fees are calculated before or after the investment and 0.60% pa administration fees are charged.

For options where a performance fee applies, an estimate of the performance fees is included within the total investment and administration fees for the option. This estimate is generally based on the actual performance fees paid from the option over the 12 months to 31 January 2016. For options which do not have 12 months of performance history (as at 31 January 2016) or for new investment options, we have assumed that the option has achieved performance in line with the comparable FirstChoice Personal Super option. As past performance is no indicator of future performance, the performance fee charged in the future may differ.

The tables below show which options within this PDS are subject to performance fees.

PERFORMANCE FEE BEFORE INVESTMENT AND ADMINISTRATION FEES

Option	Benchmark	Investment and administration fee (pa)	Performance fee rate ¹
Aspect Diversified Futures ²	Greater than 0% on futures and forwards trading accounts	1.95%	20%

PERFORMANCE FEE AFTER INVESTMENT AND ADMINISTRATION FEES

Option	Benchmark	Investment and administration fee (pa)	Performance fee rate ¹
Bennelong ex-20 Australian Equities ³	S&P/ASX 300 Accumulation Index (minus S&P/ASX 20 Leaders Index)	1.30%	15%
Magellan Global Share	MSCI World Index	1.65%	10%

1 This rate is inclusive of the net effect of GST.

2 The performance fee is calculated on the dollar value of positive performance (less carried forward negative performance) generated on the trading accounts only (this may include futures, forwards and/or options). **Please note:** Earnings generated on cash allocations held outside the trading accounts are excluded from attracting a performance fee. Also, the performance fee is calculated before the deduction of the option's investment and administration fees.

3 The performance fee is calculated based on the amount by which the investment return of the option (after management fees) is greater than the return generated by the S&P/ASX 300 Accumulation Index excluding that part of the return that is generated by the stocks included in the S&P/ASX 20 Leaders Index.

Dollar fee example – performance fees (after investment and administration fees) for Magellan Global Share

Assumptions for this example: 2.00% return **after** the investment and administration fees above the relevant benchmark, \$50,000 investment, performance fee rate of 10% and an investment and administration fee of 1.65% pa (excluding other operating expenses).

Total fees calculation		Total fee amount
Investment and administration fee: (excluding performance fee)	1.71% pa	\$855
Plus	0.035% pa	\$17.50
Performance fee example: $10\% \times (2.00\% - 1.65\%)$		
Total investment and administration fee (including performance fee)	1.745% pa	\$872.50 inclusive of the net effect of GST

Please note that this is just an example. In practice, the actual performance fee will depend on the option, the return of the option and the investment balance. Administration fees of \$60 pa (\$5 per month) per account will apply.

Sometimes the calculation of the performance fee will result in a negative dollar amount (negative performance fee). This negative performance fee is offset against any entitlement to future performance fees. We do not have to reimburse the option for negative performance. In extreme circumstances (eg if the net outflow from the option is more than 10% in one month), the negative performance fee which is offset may be reduced pro rata with the percentage of net outflow.

However, if there is a change to the investment option, such as a change of manager or investment strategy, the performance fee for the new option will be based on the rates prescribed in the tables above and will not take into account any negative performance fee for the previous option.

It is also possible for the manager to exceed the relevant benchmark (and therefore be entitled to a performance fee) even where an option has had negative performance over a period, as that option may have performed better relative to the benchmark.

Colonial First State may keep some of the performance fee. For periods of high outperformance, the performance fee may be substantial. We recommend your employees discuss this with their financial adviser to understand the impact of the performance fee.

Alternative investments

Alternative investments typically include investments in futures, forwards and options and are not limited to investments in shares, bonds, cash and/or property.

FirstChoice Conservative, FirstChoice Diversified, FirstChoice Moderate, FirstChoice Balanced and FirstChoice Growth may have an exposure to alternative investments by investing in multiple underlying funds that hold these investments. Their respective allocations are shown in the Investment Options Menu on pages 18 and 19.

Each of the underlying funds that hold the alternative investments may pay a performance fee to the alternative investment managers of up to 27.50% for performance above a benchmark of either 0%⁴ or a benchmark such as the Reserve Bank of Australia (RBA) cash rate.

The effect of any performance fee paid is reflected in the return of the allocation that each investment option makes to alternative investments.

Example – performance fees for alternative investments

Assuming all alternative investment managers achieve 2% performance above their relevant benchmark, FirstChoice Balanced (which has a 7% allocation to alternative investments) would effectively incur 0.039% in performance fees ($2\% \times 7\% \times 27.50\%$), which would reduce the performance of the FirstChoice Balanced option by this amount.

Increases or alterations to the fees

We may vary the fees set out on pages 7 to 9 at any time at our absolute discretion, without your consent, within the limits prescribed in the trust deed. If the variation is an increase in a fee or charge, we will give plan members 30 days prior written notice.

The trust deed provides for the following maximum fees (fees are inclusive of the net effect of GST):

- a maximum management fee (trustee fee) of 3%
- a maximum administration fee of \$7.50 (adjusted for increases in the Consumer Price Index) per month
- (for options with performance fees) a maximum performance fee rate of 25%
- a maximum insurance administration fee of 10% of premium.

Please note: These maximums are provided for information and are not the current fee charged (except for the insurance administration fee). The current fees are shown on page 7.

The law and the trust deed allow us to charge reasonable fees for requests for information relating to family law cases and the superannuation splitting provisions. At this time, we have elected not to charge these fees; however, we reserve the right to charge them at a later date. The fee structure may also change when an employee leaves their employment (refer to employer plan balance rebate on page 7).

The trustee may determine to charge an additional administration fee should significant costs be incurred to comply with the Government's regulatory requirements. If the trustee determines to charge an additional fee, we will give you 30 days prior written notice.

⁴ The performance fee is calculated on the dollar value of positive performance (less carried forward negative performance) generated on the trading accounts only (this may include futures, forwards and/or options). **Please note:** Earnings generated on cash allocations held outside the trading accounts are excluded from attracting a performance fee. Also, the performance fee is calculated before the deduction of the option's investment and administration fees.

Transaction costs ('buy/sell' spreads)

Transaction costs such as brokerage, government taxes/duties/levies, bank charges and account transaction charges are paid from each option. When you or your plan members invest, switch or withdraw all or part of their investment, we use what is called a 'buy/sell' spread to recover transaction costs incurred. Because there are costs in buying and selling assets, we use the 'buy/sell' spread to direct these costs to investors transacting rather than other investors in the option. The 'buy/sell' spread that applies to each option is shown in the table on pages 8 to 9.

Please note that the 'buy/sell' spreads are not fees paid to us. They are paid to the option. They are, however, an additional cost to your plan members. They may be altered at any time.

Transaction costs example: If your plan member makes a \$50,000 investment in or withdrawal from the Colonial First State Diversified Fixed Interest option, they will incur transaction costs of \$100.

Where short-term settlement borrowing or borrowing for underlying funds occurs (including geared options), borrowing costs such as interest on borrowings, legal fees and other related costs are payable by those options.

Other operating expenses and abnormal costs

The trust deed allows for the ongoing operating expenses (such as registry, audit, regulatory, taxation advice and offer documents) to be paid directly from the fund. The trustee recovers costs related to custody, and a portion of the costs related to audit, regulatory, production of the offer document and particular transactions. The trust deed does not place any limit on the amount of the ongoing operating expenses that can be paid from the trust.

Abnormal costs such as the costs of investor meetings, changes to the trust deed, recovery and realisation of assets and defending and pursuing legal proceedings are paid from the FirstChoice Trust. These costs are incurred fairly infrequently.

APRA Superstream levy

To fund the cost of the Government's Superstream measures, the trustee is required to pay an increased APRA levy until 2018. The trustee will recover these costs from the unit prices for each investment option (excluding the FirstRate Saver and FirstChoice Lifestage options).

The amount of the levy is determined by the Government each year. The trustee estimates this to be up to 0.01% for each option. For example, if your plan member had an account balance of \$50,000, this would mean an additional cost of \$5 pa.

The trustee currently meets these costs out of the investment and administration fees, and they are not an additional cost to you or your plan members.

What is paid to an adviser?

The adviser recommending this product may receive from us certain non-monetary benefits allowed under law ('soft dollar'). Under our obligations pursuant to the Corporations Act 2001 and the Financial Services Council Code of Practice, we keep a record of soft dollar payments which we are entitled to make to dealer groups or advisers. Please contact us if you would like to view this register.

Dealer groups and other licensees who have an arrangement with us may receive remuneration from us to the extent that it is permitted under law. This remuneration will be paid out of the fees we derive from your plan members that are indicated in the table on pages 7 to 9 in a given year. If these amounts are paid, they are paid by us from our revenue and are not an extra amount paid from the fund, nor are they a further amount your plan members pay.

From 1 July 2014, dealer groups and other licensees who have an arrangement with us may pass on the benefits received under that arrangement to your plan members. If they receive this payment, it will be reflected as additional units in their account.

Please note: For existing members prior to 11 June 2013, an adviser may receive other payments ('remuneration'), as existing fee arrangements (such as adviser trail, plan service fees and insurance commissions) may continue to apply where they remain invested in options that were available prior to 11 June 2013.

Intra-fund advice

Your adviser may be entitled to an intra-fund payment for making available and providing intra-fund advice to your plan. This payment will be up to \$80 per member per annum. If paid, these amounts are paid by us and are not an additional amount your plan members will need to pay.

Negotiation of fees

Outlined below are the circumstances in which certain employers can negotiate or receive lower fees for plan members. These discounts are generally not available to retained benefit and spouse members.

Administration fees

You may be able to negotiate lower administration fees with Colonial First State, which would generally be based on cost savings due to the size of your plan. Otherwise, the administration fee defaults to the maximum shown in the fees and costs table on page 7. The discount is available to employee members only. Retained benefit and spouse members are not entitled to this discount.

Adviser service fee

Your plan members can agree with their financial adviser to have an adviser service fee for advice relating to their investment in the fund paid directly from their investment. The adviser service fee will be paid to their current adviser or any subsequent adviser on their account.

Your plan member's adviser may agree with their dealer group or licensee that a portion of the adviser service fee will be paid to the dealer group or licensee for services they provide to your plan member's adviser, in relation to financial product advice provided by their financial adviser. Where this applies, this is not an additional amount paid by your plan member but is included in the adviser service fee.

This adviser service fee can be charged either as an ongoing fee or as a one-off fee.

An **ongoing** fee can be charged as:

- a percentage of their account value, and/or
- a set dollar amount.

They can also choose to increase any ongoing set dollar amount by a percentage based on the Consumer Price Index (or 3%, whichever is greater).¹

This ongoing fee will be deducted from one of their options on a monthly basis.

A **one-off** fee can also be charged as:

- a set dollar amount.

They can choose to have this one-off fee deducted from one or all of their options. Where they choose to deduct the fee from all of their options, it will be based on the investment weighting on the day of the deduction.

This one-off fee will be deducted within the first five business days of the following month.

The trustee may at its discretion limit, reduce or refuse to deduct an adviser service fee or refuse to record or deal with an adviser at any time. In this case, your plan member must contact their adviser directly regarding the payment of the adviser service fee.

The adviser service fee agreed with their financial adviser must be expressly stated as being in relation to financial product advice in the relevant section of the form. They must consent to the amount of the adviser service fee deducted from their account and paid to their financial adviser through their financial adviser's dealer group.

Details of the adviser service fees deducted from your plan members' investment will be included in their statements and should be disclosed to them by their adviser in the Statement of Advice which their adviser must give them.

Insurance administration fee

You may be able to negotiate a lower insurance administration fee if you have employer selected insurance default cover. Refer to 'Insurance costs' on page 14.

Administration fee rebates

Your plan members may be entitled to a rebate of part of the administration fees of their investment options, other than FirstRate Saver.

Administration fee rebates are calculated and paid net of income tax.

Administration fee rebates are calculated monthly using plan account balances² and the rebate rate that applied on the last day of the month. If a plan member closes their account, their redemption will only include a rebate calculated to the end of the month prior to the redemption. Administration fee rebates will be credited to your plan member's account monthly in the form of additional units.

Employer plan balance rebate

Your employer plan may be entitled to an employer plan balance rebate depending on the total employer plan balance. You may be able to negotiate a different rate with Colonial First State. This rebate is not available to retained benefit and spouse members. Otherwise, this rebate is calculated as outlined in the fees and costs table on page 7.

Portfolio rebate

Your plan members may be entitled to a portfolio rebate depending on the size of their portfolio invested in eligible FirstChoice products. Eligible FirstChoice products included in the calculation of the portfolio rebate are:

- FirstChoice Investments
- FirstChoice Personal Super
- FirstChoice Pension, and
- FirstChoice Employer Super.

Investments which your plan members may hold in the FirstChoice Wholesale range of products are not eligible for the portfolio rebate which your plan members may receive in relation to any of the investments described above.

Additionally, although your plan members' investments in FirstChoice Employer Super, the Colonial First State Cash and the FirstRate options in any of the eligible FirstChoice products count towards whether they are eligible for the portfolio rebate, no rebate is payable on amounts invested in those options.

FirstChoice accounts held under the same Online Identity Number (OIN) are automatically eligible and are counted towards their portfolio rebate. If your plan members have more than one OIN, they must contact us to ensure that their portfolio rebate is calculated correctly. They can also nominate investments held in joint names or as trustee for a trust or superannuation fund to be included in their portfolio rebate. Each account can only be linked to one OIN for portfolio rebate purposes. We do not allow linking of nominee company accounts.

If your plan members have more than one eligible FirstChoice product, the portfolio rebate will be paid to each eligible product in proportion to their total portfolio.

The following table details the level of portfolio rebate your plan members may be entitled to:

Value of eligible FirstChoice products and investment options	Portfolio rebate (pa)
First \$400,000	Nil
Next \$600,000	0.20%
Over \$1,000,000	0.40%

Please note: Cash, deposit and Employer Super amounts are counted first in each tier amount.

1 Indexation will be applied in August each year and may occur within the first year, depending on the date of the request. We will notify your employee in writing prior to the increase each year.

2 In calculating your portfolio rebate, your account balance is determined using the gross unit price of each option.

We may change the portfolio rebate level or eligibility criteria at any time. If you require any clarification, please refer to our website, colonialfirststate.com.au, contact Employer Services on 1300 654 666 or speak to your financial adviser.

Insurance costs

Insurance premiums

The cost of insurance premiums is dependent on the amount of cover you and your plan members choose and their personal circumstances, which may include such things as their gender, health, occupation, age and smoking status.

The insurance premium is deducted at the beginning of each month in advance from your plan member's account.

For more information on insurance, please refer to the FirstChoice Employer Super Insurance booklet.

Insurance administration fee

An insurance administration fee of up to 10.0% of Death, Death and Total and Permanent Disablement and Salary Continuance premiums is charged for administering your insurance arrangements.

This fee is already included in the insurance premiums and is not an additional fee charged from your plan member's account. For more information on insurance, refer to the FirstChoice Employer Super Insurance booklet.

Please note: Any reduction in the insurance administration fee or premium discounts provided by the insurer for the plan may increase their sum insured or decrease their premiums in some circumstances.

However, any premium loadings applied by the insurer may reduce the sum insured or increase the premiums in some circumstances.

Taxation

Refer to section 6 for further details.

Expenses

Where any expenses of an investment option, other than those outlined below, are tax deductible, the benefit is already reflected in the daily unit price of the option.

Tax deductibility of fees

The fees quoted in this PDS are shown before any allowance for tax payable.

Under current tax legislation, the fund is able to claim a tax deduction (currently at the rate of 15%) on fees payable in the fund, including administration fees. This deduction is passed on to the members of the fund at the time the fees are levied (either through the unit price for investment and 0.60% pa administration fees or when the administration fee is deducted from your plan member's account). As a result, the actual fees charged are net of the tax deduction and cannot be claimed in your plan member's personal tax return.

For example, the dollar-based administration fee charged against your plan member's account is \$5.00 per month less the tax deduction at the rate of 15%. Therefore, the actual administration fee charged against your plan member's account is \$4.25 (net of tax).

Tax deductibility of insurance premiums

Similarly, the insurance premiums quoted in this PDS are shown before any allowance for tax payable.

Under current tax legislation, the fund is able to claim a tax deduction in respect of all or part of the insurance premiums paid through your plan member's account. This deduction is passed on to the insured members of the fund upfront, at the time the premium is deducted from your plan member's account. Thus, the actual insurance premium charged against your plan member's account is net of the tax deduction and cannot be claimed in your plan member's personal tax return.

6 How super is taxed

Super is taxed at three stages: when it comes into the fund (super contributions), when it is in the fund (investment earnings) and when it leaves the fund (super benefits). There are many rules surrounding these taxes and a variety of factors which may impact the amount of tax your employees pay.

Tax on super contributions

Tax is deducted from certain contributions made to your employee's account. The trustee pays the tax directly to the Australian Taxation Office (ATO). Contributions such as employer and salary sacrifice contributions made to an account are generally subject to 15% tax unless members exceed their concessional contributions cap.

If your employees earn over \$300,000 pa, they may be subject to an additional 15% tax on part or all of their contributions within their concessional contributions cap.

The concessional cap for the 2015–16 year is:

- \$30,000 if your employees were under age 49 on 30 June 2015
- \$35,000 if your employees were 49 or over on 30 June 2015.

Please note: The lower concessional cap is subject to indexation in increments of \$5,000. Therefore, it may increase at different times in the future.

Please see your financial adviser for more information or contact the ATO for details.

Personal contributions that plan members make from their post-tax salary are classified as non-concessional contributions. They do not pay tax on those contributions as long as those contributions are below their non-concessional contributions cap and they have not claimed a tax deduction for those contributions.

The non-concessional contributions cap for 2015–16 is \$180,000, or if they are under age 65 at any time during the financial year, they can bring forward two years' worth of contributions under the bring-forward rule. Based on the current non-concessional cap of \$180,000, this could allow them to contribute up to \$540,000 over a three-year period. Members should see their adviser for more information on how the bring-forward rule operates. If they are age 65 or over for all of 2015–16, then the cap is \$180,000.

Please note: The non-concessional cap is maintained at six times the lower concessional cap. Therefore, any increase in the concessional cap due to indexation will also result in an increase in the non-concessional caps.

Personal contributions for which your employees claim a tax deduction are concessional contributions which are subject to the concessional contributions cap.

Tax on investment earnings

Income which is earned in the fund (investment earnings) is taxed at a maximum rate of 15%. The effective rate of tax varies from fund to fund, depending on the level of tax deductions in the fund plus any tax offsets available. This may actually result in the tax being lower than 15%.

Taxation costs are reflected in the unit price of each investment option, except for the FirstRate Saver option. The FirstRate Saver option has a fixed unit price, and the interest rate credited will be net of super earnings tax of 15%.

Tax on super benefits

The amount of tax your employees pay on their super benefits depends on the type of super benefit, their age and whether they choose to receive their benefits as a lump sum or as a pension. The amount of tax will also depend on the tax components that make up their super benefit.

All super benefits, both lump sum and pension, from **taxed** super funds such as this fund are not subject to tax if plan members are age 60 or over (other than certain death benefit payments). If they access their super before age 60, they may have to pay tax on all or part of their benefit.

There may be tax advantages in rolling their super into a pension, rather than taking it as a lump sum.

Warning: Tax File Number (TFN)

Under super law (Superannuation Industry (Supervision) Act 1993), we can collect your employee's TFN. If your employee has provided their TFN to you and you are making Superannuation Guarantee contributions for them, under law, you must provide us with their TFN. If you provide their TFN, it will be treated confidentially.

If you or your plan member gives us their TFN, they are giving us consent to use it for legal purposes, including:

- calculating the tax on any benefits they're entitled to
- providing information, including their TFN, to the Commissioner of Taxation.

If they ever ask us to roll over their benefits to another super fund, we may also give their TFN to that fund.

Your plan member does not have to give us their TFN – it's not required by law. But if they don't:

- they won't be able to make personal contributions to their account
- they may pay more tax on their benefits than they would otherwise have to – sometimes significantly more
- they also may not receive Government co-contributions that they may otherwise be eligible for
- it may be difficult to find and consolidate their super benefits or to pay the benefits they are entitled to receive
- you may not be able to process their contribution (via superstream).

Please note: The legal purposes may change in the future following legislative change, and the consequences of not providing the TFN may also change as a result.

You should read the important information (incorporated by reference) about how super is taxed before making a decision. Go to the Reference Guide for Employers, available online at colonialfirststate.com.au/fcesinv or by calling 1300 654 666. The material relating to tax may change between the time you read this PDS and the day you sign the application form.

7 Insurance in super

Insurance is a very important part of your plan members' financial planning, as it provides them and their family with financial security should something unexpected happen to them. Linking insurance to superannuation can potentially be both cost and tax-effective.

Insurance cover is provided through group policies issued to the trustee by The Colonial Mutual Life Assurance Society Limited ('CommInsure' or 'the insurer').

Types of insurance cover

FirstChoice Employer Super offers a range of insurance cover options to suit your plan members' individual needs. These options are:

- Death only cover
- Death and Total and Permanent Disablement (TPD) cover
- Salary Continuance Insurance (SCI) cover.

Insurance cover can be increased or reduced at any time. It is important that you regularly review your plan's insurance arrangements. We recommend you speak to a financial adviser before applying for insurance cover for your employees.

Employer selected cover

You can select one or more of the types of cover for your superannuation plan, and you have the flexibility to offer different benefits to different categories of employees. We call this type of cover 'employer selected cover'.

One of the benefits of providing employees with employer selected cover is that, subject to certain conditions, eligible employees will automatically receive insurance cover up to a specified amount without having to provide any medical evidence. This is known as the Automatic Acceptance Limit (AAL).

Employer selected cover generally starts on the date your employee commences employment with you or the plan start date (whichever is later), provided you notify us that they have commenced with you and they have joined FirstChoice Employer Super and we receive an initial contribution within 120 days.

MySuper default cover

Your employees will be provided with default MySuper death and TPD insurance cover where the employer selected formula does not satisfy the default minimums under law or no death and TPD cover is selected. The amount of cover they'll receive depends on their age, and we'll automatically adjust this amount throughout their life.

The MySuper default death and TPD insurance cover is set out in the table below:

Age	Death and TPD cover
14-34	\$50,000
35-39	\$35,000
40-44	\$20,000
45-49	\$14,000
50-55	\$7,000
56+	Nil

There are some allowable exceptions where the trustee is unable to offer MySuper death and TPD cover; for example, high risk occupations or members who have made a TPD claim.

Investor selected cover

Your plan members can apply for insurance cover by completing an insurance application form which they can find in the FirstChoice Employer Super Insurance booklet.

Their application will be assessed by CommInsure.

Their insurance cover will commence when:

- the insurer has accepted their application for insurance, and
- they have sufficient account balance in FirstChoice Employer Super to cover the monthly insurance premiums.

They will be notified in writing of CommInsure's assessment of their application and, if it is accepted, the date that their insurance cover or increase in cover commences.

How much does insurance cover cost?

Insurance premiums are the cost that is paid for insurance cover, whether the insurance is employer selected cover or investor selected cover.

Premiums vary according to age, gender, occupation and type of cover. Premiums may also be affected by health, whether or not your employee smokes and any sporting or recreational activities in which they may participate.

To work out how much a premium is likely to cost, please refer to the FirstChoice Employer Super Insurance booklet for more detailed information.

Premiums are paid at the beginning of each month in advance and are deducted from your employee's account, based on the details at the time the premium is deducted (eg age of the member and premium rate table).

Your employee can cancel their insurance at any time, but if they subsequently decide they would like to reinstate their insurance, they may be required to provide medical evidence, and this will need to be accepted by the insurer.

Important information (incorporated by reference) regarding the insurance benefits available is outlined in the FirstChoice Employer Super Insurance booklet, which is available online at colonialfirststate.com.au/fces. Alternatively, your adviser can provide you with this booklet or you can call Employer Services on 1300 654 666, and a copy will be provided to you free of charge. You should read this information carefully in order to decide whether the insurance offered is appropriate for your employees' circumstances.

8 How to set up a plan, cooling off and complaints

Read this PDS

You should read all parts of the PDS or contact Colonial First State on 1300 654 666 or email us at employer@colonialfirststate.com.au if you would like a paper copy to be sent to you free of charge. You should assess whether the product is appropriate for your employees and speak to your financial adviser before making a decision to invest in the product.

If you decide to invest in the product, you should always check that you are completing an application form from the most up-to-date version of the PDS. By completing the application, you agree to the content of the PDS available at the date you first become a member in FirstChoice Employer Super. Thereafter, we will notify you of changes to the PDS in accordance with our legal obligations.

Complete the forms required in the application forms section

Complete the application form included with or accompanied by the PDS and send it to us. Alternatively, you can complete the application online and send it to us. Please refer to the application form checklist to help you determine which forms to complete.

Is there a cooling-off period?

A 14-day 'cooling-off period' will apply to the establishment of your plan in FirstChoice Employer Super in certain circumstances. If, during the 14-day cooling-off period, you decide that FirstChoice Employer Super does not meet your needs, then simply advise us in writing.

The 14 days start when your welcome letter is received by you or five days after the units are issued to your employees, whichever is earlier. We will refund the investment, reduced or increased for market movements. We will also deduct any tax or duty incurred and an amount for reasonable transaction and administration costs we incur in relation to your investment in the fund, including determining your application. As a result, the amount returned to your employee may be less than their original investment.

Please note: You must nominate a superannuation fund, Retirement Savings Account (RSA) or Approved Deposit Fund (ADF) to receive contributions you have made on behalf of your employees.

If the plan has employer selected insurance cover, you will have 28 days from the date you receive our written confirmation to check that this cover meets your needs. If, during the 28-day period, you decide that the employer selected cover does not meet your needs, please advise us in writing. We will refund any premium paid effective the day we receive your request. For more information, please call Employer Services on 1300 654 666.

What to do if you have a complaint

We accept that sometimes we can get things wrong, and when this happens we're determined to make them right again.

Talk to us

Most problems can be resolved quickly and simply by talking with our Colonial First State Customer Service team. If you are not satisfied with the outcome, you can contact CBA Group Customer Relations.

Customer Service	1300 654 666 8am to 7pm (AEST) – Monday to Friday employer@colonialfirststate.com.au
CBA Group Customer Relations	1800 805 605 CustomerRelations@cba.com.au CBA Group Customer Relations, Reply Paid 41, Sydney NSW Australia 2001

When you make a complaint to us, we will:

- acknowledge your complaint and make sure we understand the issues
- do everything we can to fix the problem
- keep you informed of our progress
- keep a record of your complaint, and
- give you our name, a reference number and contact details so that you can follow up if you want to.

If your complaint relates to a direct debit arrangement, we will provide a response within 21 days.

We will contact you within 45 days of receiving your complaint (if it does not relate to a direct debit arrangement) to provide an update and to let you know that if we do not resolve your complaint within 90 days, you may request reasons for the delay.

We will also:

- advise you of your right to complain to the Superannuation Complaints Tribunal (SCT), and
- provide you with the SCT contact details.

External dispute resolution

If you are not happy with the response we provide, you may refer your complaint to an external dispute resolution service.

The SCT is a Commonwealth body that deals with complaints about superannuation. You can contact the SCT on 1300 884 114, or by writing to Superannuation Complaints Tribunal, Locked Bag 3060, Melbourne VIC 3001, or online at www.sct.gov.au

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Employer responsibilities checklist

As well as making your employee SG contributions to a MySuper product for default contributions, you are also responsible for keeping your employee details up-to-date. Incorrect information can result in a variety of issues for employees, including:

- being ineligible for insurance cover or having difficulties with insurance claims
- having SG contributions rejected
- not receiving mail – such as their statements
- paying higher tax, or
- paying higher insurance premiums.

The table below outlines some of the tasks which you should perform regularly, particularly when an employee has a pay rise, or has changed their address or their working hours.

Further information on your responsibilities is in the Reference Guide for Employers, available online at colonialfirststate.com.au/fces or in the FirstNet Quick Reference Guide, which is available on FirstNet Employer.

Task	Action	More information on how to update
REGULAR UPDATES – MONTHLY		
Salaries	Your employees' salaries impact their levels of insurance cover, so they must be updated when they change. Salaries should exclude SG contributions.	Refer to the FirstNet Quick Reference Guide
Contact details	If a member's contact details are incorrect and they are classified as lost (after we've sent their mail to the wrong address), their super may be sent to the ATO.	Refer to the FirstNet Quick Reference Guide
Employment categories	Each employment category may hold different insurance and fee structures. It is important that these are up-to-date, so members pay their correct insurance premiums and have their benefits paid at the time of an insurance claim (subject to claims assessment). It is important to nominate employees to the correct employment category and ensure that their salary and other details are kept up-to-date.	Refer to the FirstNet Guide on FirstNet Employer
Occupational groups (collar ratings)	The collar rating is used to work out how much a member pays for their insurance and what benefits are paid to them at the time of an insurance claim.	See the Insurance Occupational Guide located in the 'Forms & Tools' tab at colonialfirststate.com.au
Employment details	It is important to update an employee's employment details, eg casual, part-time or full-time, as well as their working hours, as this affects an eligible employee's SCI cover.	Refer to the FirstNet Guide on FirstNet Employer
ONGOING ADMINISTRATION		
Set up new employees	A new employee may not be eligible for full insurance cover if they aren't set up within the first 120 days of working for you. You can set up a new employee's super account on FirstNet by entering their details, including contact details, salary and collar rating.	Refer to the FirstNet Quick Reference Guide
Date of birth	It is important that you enter the correct date of birth, as this determines the Lifestage option your employee is placed in. It may also impact the level of insurance cover your employee receives and the premiums they pay.	Refer to the FirstNet Quick Reference Guide
Prepare and upload SG contributions	The SG legislation requires that you pay SG contributions at least quarterly to avoid paying the SG charge.	Refer to the Reference Guide for Employers for more information on 'How often should you contribute'
Remove a member when they cease employment	You will need to move an employee who has resigned to a retained benefits category. You will benefit from this, as your plan will continue to grow, and bigger plans mean bigger potential discounts on fees and costs for employee members.	Refer to the FirstNet Quick Reference Guide

Passing on your employees' Tax File Numbers (TFNs)

When your employee completes a TFN declaration, you must pass their TFN on to us if you make contributions for them to FirstChoice Employer Super. You need to do this within 14 days of receiving your employee's TFN declaration form.

If you don't pass on your employee's TFN, you are not meeting your obligations and:

- you may be liable to pay a penalty
- we may have to deduct extra tax from your employee's contributions
- your employee won't be able to make personal contributions
- your employee may miss out on super co-contribution payments.

For employees who completed a TFN declaration prior to 1 July 2007, you are only required to pass on their TFN if they have indicated on the form that you can pass it on to us.

Application form checklist

Send your completed application form to:

Colonial First State, Reply Paid 27, Sydney NSW 2001

FirstChoice Employer Super Application Form (refer to page A3)

To ensure that we are able to process your application quickly and efficiently, please check that you have completed the following steps:

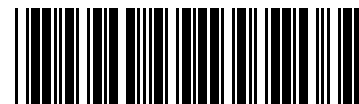
Step 1	Employer details – Complete sections 1–5
Employer details	Provide the company's full name and address details.
Australian company details	If you are an employer that is an Australian company, you must complete all relevant parts of section 2 in order for us to establish your identity for the purposes of Anti-Money Laundering and Counter-Terrorism Financing laws.
Plan details	Provide your plan name, plan commencement date, number of permanent and casual employees and expected date of first contribution.
Payroll details	Provide details for at least one pay centre. This must include banking details. Please complete the direct debit authority form on page A15 if you would like to make your employer contributions by direct debit.
Contact details	Provide details of the representatives to whom you will be giving full online access (via FirstNet) to all the plan and personal details of your employees. These people can authorise other people to have access to FirstNet (and will be contacted in the normal course of business).
Step 2	Super fund design details – Complete section 6
Category design	Provide category names and the approximate number of permanent and casual employees in each category. We recommend that you establish separate categories for casual and permanent employees. Please note: If insurance is applicable for the category, please ensure that eligibility for membership of that category is objective.
Step 3	Insurance details and declaration and signature – Complete sections 7–10
Insurance benefits	Nominate the insurance start date, type, the insurance formula and occupational classifications for each category of employees (if applicable). Refer to the FirstChoice Employer Super Insurance booklet for further details. Please call Employer Services on 1300 654 666 if you have any questions.
Transfer of insurance cover	Provide details of the current insurance provider (if applicable).
Current super fund provider	Provide full details of your current superannuation provider.
Declaration and signature	Sign the declaration.
Step 4	Identification and verification
Australian company	If you are an employer that is an Australian company, you must complete the application form as instructed in Step 1 above in order for us to establish your identity for the purposes of Anti-Money Laundering and Counter-Terrorism Financing laws.
Other entity types	If you are an employer that is not an Australian company (for example, a sole trader, a partnership or a trust), you or your adviser must complete the appropriate identification form which can be obtained from our forms library at colonialfirststate.com.au , so that we can establish your identity or the identity of other people associated with your account for the purposes of Anti-Money Laundering and Counter-Terrorism Financing laws.
Plan contact(s)	The identification and verification form on page A13 will need to be completed so that we can establish the identity of your plan contact(s) for the purposes of Anti-Money Laundering and Counter-Terrorism Financing laws.

If you have more than 10 employees, please ensure that when you lodge your application, you include, in electronic format, the following information:

- a sample contribution file generated by your payroll system in CSV format
- basic employee details for the establishment of your plan; a standard HR Data Template is available from your adviser, your Colonial First State Relationship Manager or by calling our Employer Services Team on 1300 654 666, and
- an At Work certificate for all your employees for the plan insurance start date.

If you have less than 10 employees, you can set these up online, once you have received your FirstNet Employer login details.

FirstChoice Employer Super Application Form



16 May 2016

SAVE FORM

PRINT FORM

An interest in FirstChoice Employer Super will only be issued on receipt of this completed application form, issued together with the PDS dated 16 May 2016.
Please phone Colonial First State Employer Services on 1300 654 666 with any enquiries.
Refer to page A2 for details on how to complete this form.

Please complete this form using **BLACK INK** and print well within the boxes in **CAPITAL LETTERS**. Mark appropriate answer boxes with a cross like the following ☒. Start at the left of each answer space and leave a gap between words.

Fields marked with an asterisk (*) must be completed for the purposes of anti-money laundering laws.

1 EMPLOYER DETAILS

GENERAL INFORMATION

Full name of employer or Australian company as registered by ASIC*

Full business name (if any)*

Associated employer's name (if applicable)*

ACN/ABN*

Tax File Number

Principal business activity/occupation*

Are you a charity?* Yes ☐ No ☐

Registered office address (if any) – PO Box is not acceptable*

Unit number	<input type="text"/>	Street number	<input type="text"/>	Street name	<input type="text"/>		
Suburb	<input type="text"/>			State	<input type="text"/>	Postcode	<input type="text"/>
Country	<input type="text"/>						

Principal place of business (if any)*

Unit number	<input type="text"/>	Street number	<input type="text"/>	Street name	<input type="text"/>		
Suburb	<input type="text"/>			State	<input type="text"/>	Postcode	<input type="text"/>
Country	<input type="text"/>						

Postal address (if different to above)

Unit number	<input type="text"/>	Street number	<input type="text"/>	PO Box	<input type="text"/>	Street name	<input type="text"/>	
Suburb	<input type="text"/>			State	<input type="text"/>	Postcode	<input type="text"/>	
Country	<input type="text"/>							

Your main country of residence or country established, if not Australia*

Please cross (X) this box to confirm that this plan will meet the minimum balance requirements. Refer to page 1 of this PDS.

☐

2 AUSTRALIAN COMPANY DETAILS (IF APPLICABLE)

Please note: If you are an employer that is an Australian company, you must complete all relevant parts of this section in order for us to establish your identity for the purposes of Anti-Money Laundering and Counter-Terrorism Financing laws.

If you are an employer that is **not** an Australian company, you or your adviser **must** complete the appropriate identification form which can be obtained from our forms library at colonialfirststate.com.au

LISTING AND REGULATORY DETAILS

Select (X) the following categories which apply to the company and provide the information requested.

<input type="checkbox"/>	Regulated company (licensed by an Australian Commonwealth, State or Territory statutory regulator)	
	Regulator name	<input type="text"/>
	Licence details	<input type="text"/>
<input type="checkbox"/>	Australian listed company	
	Name of market/exchange	<input type="text"/>
<input type="checkbox"/>	Majority-owned subsidiary of an Australian listed company	
	Australian listed company name	<input type="text"/>
	Name of market/exchange	<input type="text"/>
<input type="checkbox"/>	None of the above	

COMPANY TYPE

Select (X) only ONE of the following categories.

<input type="checkbox"/>	Public – go to section 3
<input type="checkbox"/>	Proprietary – complete director and shareholder information below

DIRECTORS

This section only needs to be completed for proprietary companies.

This section does NOT need to be completed for public and listed companies.

How many directors are there? Provide the full name of each director.

	Full given name(s)	Surname
1	<input type="text"/>	<input type="text"/>
2	<input type="text"/>	<input type="text"/>
3	<input type="text"/>	<input type="text"/>
4	<input type="text"/>	<input type="text"/>
5	<input type="text"/>	<input type="text"/>
6	<input type="text"/>	<input type="text"/>
7	<input type="text"/>	<input type="text"/>
8	<input type="text"/>	<input type="text"/>

2 AUSTRALIAN COMPANY DETAILS (IF APPLICABLE) (CONTINUED)

BENEFICIAL OWNERS

This section only needs to be completed for proprietary companies that are not regulated companies as selected above. Provide details of **ALL individuals** who are beneficial owners through one or more shareholdings of more than 25% of the company's issued capital.

All fields **must** be completed for the purposes of anti-money laundering laws.

Shareholder beneficial owner 1

Full given name(s)

Surname

Date of birth

 (dd/mm/yyyy)

Residential address (**PO Box is not acceptable**)

Unit number	<input type="text"/>	Street number	<input type="text"/>	Street name	<input type="text"/>		
Suburb	<input type="text"/>			State	<input type="text"/>	Postcode	<input type="text"/>
Country	<input type="text"/>						

Shareholder beneficial owner 2

Full given name(s)

Surname

Date of birth

 (dd/mm/yyyy)

Residential address (**PO Box is not acceptable**)

Unit number	<input type="text"/>	Street number	<input type="text"/>	Street name	<input type="text"/>		
Suburb	<input type="text"/>			State	<input type="text"/>	Postcode	<input type="text"/>
Country	<input type="text"/>						

Shareholder beneficial owner 3

Full given name(s)

Surname

Date of birth

 (dd/mm/yyyy)

Residential address (**PO Box is not acceptable**)

Unit number	<input type="text"/>	Street number	<input type="text"/>	Street name	<input type="text"/>		
Suburb	<input type="text"/>			State	<input type="text"/>	Postcode	<input type="text"/>
Country	<input type="text"/>						

3 PLAN DETAILS

Employer super plan name

Preferred plan
commencement date

 (dd/mm/yyyy)

Number of
permanent employees

Number of
casual employees

Number of
fixed term contractors

Generally, the first contribution will need to be received at least two weeks from the supply of all employee data and the sample payroll file.

Expected date of first contribution

 (dd/mm/yyyy)

4 PAYROLL DETAILS

If you group your employees for payroll purposes, you may wish to establish these groups as pay centres.

You must have at least one pay centre, and bank account details must be provided.

To complete the establishment of your plan, we require your bank account details for returning any surplus contributions. This will also give Colonial First State authority if you have elected to use direct debit with FirstNet. By providing your bank account details, you authorise Colonial First State to use the details for all future requests that you make.

PAY CENTRE 1

Pay centre name

Name of Australian financial institution

Branch name

Branch number (BSB)

 —

Account number

Name of account holder

Phone number

Fax number

Email address

Is your pay centre administration outsourced?

Yes ☐ Please outline below

No ☐

Company name

PAY CENTRE 2

Pay centre name

Name of Australian financial institution

Branch name

Branch number (BSB)

 —

Account number

Name of account holder

Phone number

Fax number

Email address

Is your pay centre administration outsourced?

Yes ☐ Please outline below

No ☐

Company name

5 CONTACT DETAILS

The first contact name that appears below will be the principal contact for all correspondence. All employer contacts will be given access to FirstNet. The contact(s) listed below will be set up as FirstChoice administrator(s) for your employer super plan and will have full access to the personal details of the members in the plan. The FirstChoice administrator(s) can also nominate and authorise other persons to have access to FirstNet. The identification and verification form on page A13 will need to be completed so that we can establish the identity of your plan contact(s) for the purposes of Anti-Money Laundering and Counter-Terrorism Financing laws. **FirstNet access is required to make contributions or administer the plan. The plan contact(s) will not be given access to FirstNet until they have been identified for the purposes of Anti-Money Laundering and Counter-Terrorism Financing laws.**

Fields marked with an asterisk (*) **must** be completed for the purposes of anti-money laundering laws.

CONTACT 1

Title

Mr ☐ Mrs ☐ Miss ☐ Ms ☐ Other

Full given name(s)*

Surname*

Date of birth*

 (dd/mm/yyyy)

Job title

Work phone number* OR Mobile phone number*

Email address (mandatory)

Contact's main country of residence, if not Australia*

CONTACT 2

Title

Mr ☐ Mrs ☐ Miss ☐ Ms ☐ Other

Full given name(s)*

Surname*

Date of birth*

 (dd/mm/yyyy)

Job title

Work phone number* OR Mobile phone number*

Email address (mandatory)

Contact's main country of residence, if not Australia*

6 CATEGORY DESIGN

Please indicate below the category name, the number of employees in each category and the eligibility criteria. We recommend you establish separate categories for casual and permanent employees.

CATEGORY 1 NAME

Number of permanent employees

Number of casual employees

Eligibility criteria (eg compulsory, age-based, management)

CATEGORY 2 NAME

Number of permanent employees

Number of casual employees

Eligibility criteria (eg compulsory, age-based, management)

CATEGORY 3 NAME

Number of permanent employees

Number of casual employees

Eligibility criteria (eg compulsory, age-based, management)

7 INSURANCE BENEFITS

Nominate the insurance commencement date for any employer selected cover.

(dd/mm/yyyy)

Please nominate below, by crossing (X) the appropriate box, the standard insurance cover that will apply to each category nominated under **section 6**.

	Category 1	Category 2	Category 3
Death only ¹	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Death and TPD	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Salary Continuance Insurance (SCI)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Default MySuper death and TPD cover (subject to allowable exceptions)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

DEATH AND TPD FORMULA

Please nominate the Death and TPD formula that will apply for each category and figure:

% of salary for each year of service remaining to age 65, or	<input type="text"/> %	<input type="text"/> %	<input type="text"/> %
Fixed dollar premium per week, or	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>
Fixed dollar amount of cover, or	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>
Multiple of salary	<input type="text"/>	<input type="text"/>	<input type="text"/>

	Category 1	Category 2	Category 3
Please cross (X) the box if you would like the above formula less the account balance applied (not available on the fixed dollar premium per week).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SALARY CONTINUANCE FORMULA

The Salary Continuance formula is up to 85% of salary (including up to 10% for superannuation contributions), with a maximum benefit of \$25,000 per month. Please indicate the total percentage and benefit period required.

		Category 1	Category 2	Category 3
Benefit period		<input type="checkbox"/> 2 years	<input type="checkbox"/> 2 years	<input type="checkbox"/> 2 years
	OR	<input type="checkbox"/> 5 years	<input type="checkbox"/> 5 years	<input type="checkbox"/> 5 years
	OR	<input type="checkbox"/> to age 65	<input type="checkbox"/> to age 65	<input type="checkbox"/> to age 65
Waiting period				
30 days, or	Maximum 75%	<input type="text"/> %	<input type="text"/> %	<input type="text"/> %
60 days, or	Maximum 75%	<input type="text"/> %	<input type="text"/> %	<input type="text"/> %
90 days	Maximum 75%	<input type="text"/> %	<input type="text"/> %	<input type="text"/> %
Superannuation contribution component of SCI benefit	Maximum 10%	<input type="text"/> %	<input type="text"/> %	<input type="text"/> %

¹ If you select Death only cover, eligible employees will also receive MySuper minimum TPD cover. See page 16 for more information on the amount of TPD cover that will apply.

OCCUPATION CLASSIFICATION

Please indicate the percentage of each category that meets the occupation classification detailed in the FirstChoice Employer Super Insurance booklet (there may be more than one classification for each category).

	Category 1	Category 2	Category 3
Professional	<input type="text"/> %	<input type="text"/> %	<input type="text"/> %
White collar	<input type="text"/> %	<input type="text"/> %	<input type="text"/> %
Light blue collar	<input type="text"/> %	<input type="text"/> %	<input type="text"/> %
Medium blue collar	<input type="text"/> %	<input type="text"/> %	<input type="text"/> %
Heavy blue collar	<input type="text"/> %	<input type="text"/> %	<input type="text"/> %
Heavy blue collar – Death only	<input type="text"/> %	<input type="text"/> %	<input type="text"/> %
Uninsurable	<input type="text"/> %	<input type="text"/> %	<input type="text"/> %
Total	100 %	100 %	100 %

8 TRANSFER OF INSURANCE COVER

Please indicate below the details of the current insurance provider from which you wish to transfer your cover (subject to approval from the insurer). **Please note** that takeover can only apply if an insurance formula(s) is selected in **section 7**.

Name of insurer

Contact name

Phone number

Fax number

Email address

Policy name

Policy number

By completing this section, you give Colonial First State authority to obtain information on your behalf.

9 CURRENT SUPER FUND PROVIDER

Name of provider

Contact name

Phone number

Fax number

Email address

Current balance (estimate only)

\$

By completing this section, you give Colonial First State authority to obtain information on your behalf.

10 DECLARATION AND SIGNATURE

I acknowledge that if my application is accepted, I will be subject to the terms of the trust deed.

I declare and agree that:

- I have received and read the PDS and I acknowledge that I have access to all statements and information that are incorporated by reference, together referred to below as 'the PDS', and have accepted the offer in Australia
- if I have received the PDS electronically, that I received it personally or a printout of it, accompanied by or attached to this application form
- neither Colonial First State nor Commonwealth Bank of Australia or its subsidiaries offered benefits or incentives that were conditional on the making of this application
- the information I have given in my application is true and correct
- there are no other group life arrangements in place for my employees other than those of which I have advised Colonial First State
- I will notify Colonial First State within 30 days after termination of any of my employees
- by making an application with Colonial First State, I give my consent to the collection, use and disclosure of personal information as set out in the current PDS and the Group's Privacy Policy available at www.commbank.com.au.

I acknowledge that:

- investments in FirstChoice Employer Super are not investments, deposits or other liabilities of Commonwealth Bank of Australia, or its subsidiaries, and are subject to investment and other risks, including possible delays in repayment and the loss of income and principal invested
- neither Colonial First State nor Commonwealth Bank of Australia or its subsidiaries guarantee the repayment of capital or the performance of the options or any particular rate of return from the options.

Investments in FirstChoice Employer Super USI FSF0361AU (referred to as 'FirstChoice Employer Super', 'FirstChoice' or 'the fund') are offered from the Colonial First State FirstChoice Superannuation Trust ABN 26 458 298 557 by Colonial First State Investments Limited ABN 98 002 348 352 AFS Licence 232468.

Direct Debit Request Authorisation

- I authorise Colonial First State Investments Limited (User ID 011802) to arrange for funds to be debited from my account at the financial institution identified in **section 4** above and in accordance with the Bulk Electronic Clearing System (BECS).
- I have read the 'Direct debit customer service agreement' provided in this PDS (page A16) and agree with its terms and conditions.
- I request this arrangement to remain in force in accordance with details set out in **section 4** and in compliance with the 'Direct debit customer service agreement'.

INSURANCE DUTY OF DISCLOSURE

Your duty of disclosure

Before a person enters into a life insurance contract in respect of their life or the life of another person, they have a duty to tell the insurer anything that they know, or could reasonably be expected to know, may affect the insurer's decision to provide the insurance and on what terms.

The person entering into the contract has this duty of disclosure until the insurance is provided.

The person who has entered into the contract has the same duty before they extend, vary or reinstate the contract.

The person entering into the contract does not need to tell the insurer anything that:

- reduces the risk of the insurance, or
- is common knowledge, or
- the insurer knows or should know as an insurer, or
- the insurer waives the duty to tell the insurer about.

If the insurance is for the life of another person and that person does not tell the insurer something that they know, or could reasonably be expected to know, may affect the insurer's decision to provide the insurance and on what terms, this may be treated as a failure by the person entering into the contract to comply with their duty of disclosure.

If the person entering into the contract does not tell the insurer something

In exercising the following rights, the insurer may consider whether different types of cover can constitute separate contracts of life insurance. If the insurer does, it may apply the following rights separately to each type of cover.

If the person entering into the contract does not tell the insurer anything they are required to, and the insurer would not have provided the insurance if they had been told, the insurer may avoid the contract within three years of entering into it.

If the insurer chooses not to avoid the contract, it may, at any time, reduce the amount of insurance provided. This would be worked out using a formula that takes into account the premium that would have been payable if the person entering the contract had told the insurer everything they should have. However, if the contract has a surrender value or provides cover on death, the insurer may only exercise this right within three years of entering into the contract.

If the insurer chooses not to avoid the contract or reduce the amount of insurance provided, it may, at any time, vary the contract in a way that places the insurer in the same position it would have been in if the person entering the contract had told the insurer everything they should have. However, this right does not apply if the contract has a surrender value or provides cover on death.

If the failure to comply with the duty of disclosure is fraudulent, the insurer may refuse to pay a claim and treat the contract as if it had never existed.

Original authorised signature 1

Print name

Job title

Date signed

 (dd/mm/yyyy)

Original authorised signature 2

Print name

Job title

Date signed

 (dd/mm/yyyy)

ADVISER USE ONLY

Adviser name

Contact phone number

Dealer ID

Adviser ID

Dealer/Adviser stamp (please use black ink only)

By providing your (adviser) details, you certify that you are appropriately authorised to provide financial services in relation to this product.

ADVISER DECLARATION

☐ I declare that I have complied with the terms and conditions of the Intra-fund Advice Services Agreement. I confirm that I have provided factual information only to the employer applicant and I did not make a product selection recommendation.

Signature

OR

☐ I confirm that I have taken into consideration the demographics of the members of the plan (including age profile and predicted average length of membership until retirement, occupations and the nature of employment, eg permanent/casual in advising the employer of this plan.

I certify that I am appropriately authorised and have the employer's consent to provide financial services in relation to this plan in FirstChoice Employer Super.

I further certify that the benefit design was recommended in the interests of members, and not the interests of any other party(ies).

I acknowledge I will not be entitled to an intra-fund advice payment in relation to this plan.

Signature

OR

☐ I confirm that the employer has made all decisions regarding the plan's benefit design without my advice.
I acknowledge I will not be entitled to an intra-fund payment in relation to this plan.

Signature

COLONIAL FIRST STATE USE ONLY

BDM name

RM name

Please send the completed form to:

Colonial First State
Reply Paid 27, Sydney NSW 2001

This page has been left blank intentionally.

Identification and Verification Form

– plan contact

Full name of plan contact

This form will need to be completed so that we can establish the identity of the plan contact(s) (for the purposes of Anti-Money Laundering and Counter-Terrorism Financing laws). If there is more than one plan contact, please attach a separate identification and verification form for each additional plan contact.

If a financial adviser is setting up the employer plan, they will undertake the identification and verification of the plan contact by completing sections 1 to 2 of this form or by using other industry standard forms.

Otherwise, please complete section 1 of this form and provide certified copies of the ID documents (do not send original documents) for the plan contact.

The list of the parties who can certify copies of the documents is set out below. To be correctly certified, the ID documents need to be clearly noted 'True copy of the original document'. The party certifying the ID documents will also need to state what position they hold and sign and date the certified documents. If this certification does not appear, you may be asked to send in new certified documents.

List of persons who can certify documents¹ (for the purposes of Anti-Money Laundering and Counter-Terrorism Financing laws):

- Justice of the Peace
- Solicitor
- Police Officer
- Magistrate
- Notary Public (for the purposes of the Statutory Declaration Regulations 1993)
- Employee of Australia Post (with two or more years of continuous service)
- Your financial adviser (provided they have two or more years of continuous service)
- Your accountant (provided they hold a current membership to a professional accounting body)
- Australian consular officer or an Australian diplomatic officer (within the meaning of the Consular Fees Act 1955)
- An officer of a bank, building society, credit union or finance company provided they have two or more years of continuous service.

SECTION 1: VERIFICATION PROCEDURE

Complete Part 1 (or if the individual does not own a document from Part 1, then complete either Part 2 or Part 3).

Part 1	Acceptable primary photographic ID documents
Cross <input checked="" type="checkbox"/>	Select ONE valid option from this section only
<input type="checkbox"/>	Australian State/Territory driver's licence containing a photograph of the person
<input type="checkbox"/>	Australian passport (a passport that has expired within the preceding two years is acceptable)
<input type="checkbox"/>	Card issued under a State or Territory law containing your photograph and proof of age
<input type="checkbox"/>	Foreign passport or similar travel document containing a photograph and the signature of the person ²

Continued over the page ...

1 There are additional persons who can certify documents. A full list of the persons who can certify documents is available from our forms library at colonialfirststate.com.au

2 Documents that are written in a language that is not English must be accompanied by an English translation prepared by an accredited translator. An accredited translator is any person who is currently accredited by the National Accreditation Authority for Translators and Interpreters Ltd (NAATI) at the level of Professional Translator or above. Please refer to www.naati.com.au for further information.

Part 2 Acceptable secondary ID documents – should only be completed if the individual does not own a document from Part 1Cross ☒ Select ONE valid option from this section

- ☐ Australian birth certificate
- ☐ Australian citizenship certificate
- ☐ Pension card issued by the Department of Human Services (previously known as Centrelink)

Cross ☒ AND ONE valid option from this section

- ☐ A document issued by the Commonwealth or a State or Territory within the preceding 12 months that records the provision of financial benefits to the individual and which contains the individual's name and residential address
- ☐ A Notice of Assessment issued by the Australian Taxation Office within the preceding 12 months which contains the individual's name and residential address
- ☐ A document issued by a local government body or utilities provider within the preceding three months which records the provision of services to that address or to that person (the document must contain the individual's name and residential address)
- ☐ If under the age of 18, a notice that was issued to the individual by a school principal within the preceding three months; and contains the name and residential address; and records the period of time that the individual attended that school

Part 3 Acceptable foreign photographic ID documents – should only be completed if the individual does not own a document from Part 1Cross ☒ Select ONE valid option from this section only

- ☐ Foreign driver's licence that contains a photograph of the person in whose name it is issued and the individual's date of birth¹
- ☐ National ID card issued by a foreign government containing a photograph and a signature of the person in whose name the card was issued¹

FINANCIAL ADVISER USE ONLY**IMPORTANT NOTE:**

- Either attach a legible certified copy of the ID documentation used to verify the individual (and any required translation) OR
- Alternatively, if agreed between your licensee and the product issuer, complete the Record of Verification Procedure section below and DO NOT attach copies of the ID documents

SECTION 2: RECORD OF VERIFICATION PROCEDURE

ID document details	Document 1	Document 2 (if required)
Verified from	<input type="checkbox"/> Original <input type="checkbox"/> Certified copy	<input type="checkbox"/> Original <input type="checkbox"/> Certified copy
Document issuer	<input type="text"/>	<input type="text"/>
Issue date	<input type="text"/> (dd/mm/yyyy)	<input type="text"/> (dd/mm/yyyy)
Expiry date	<input type="text"/> (dd/mm/yyyy)	<input type="text"/> (dd/mm/yyyy)
Document number	<input type="text"/>	<input type="text"/>
Accredited English translation	<input type="checkbox"/> N/A <input type="checkbox"/> Sighted	<input type="checkbox"/> N/A <input type="checkbox"/> Sighted

FINANCIAL ADVISER DETAILS – identification and verification conducted by:

By completing and signing this Record of Verification Procedure, I declare that I have verified the identity of the customer as required by AML/CTF Rules and that this identification procedure has been performed by an AFSL holder or an authorised representative of an AFSL holder.

AFS Licensee name

AFSL number

Financial adviser name

Phone number

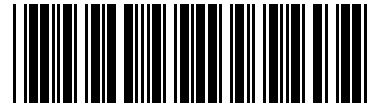
Signature

Date verification completed

 (dd/mm/yyyy)

1 Documents that are written in a language that is not English must be accompanied by an English translation prepared by an accredited translator. An accredited translator is any person who is currently accredited by the National Accreditation Authority for Translators and Interpreters Ltd (NAATI) at the level of Professional Translator or above. Please refer to www.naati.com.au for further information.

FirstChoice Employer Super Direct Debit Authority Form



Please phone Colonial First State Employer Services on **1300 654 666** with any enquiries.

Please complete this form using **BLACK INK** and print well within the boxes in **CAPITAL LETTERS**. Mark appropriate answer boxes with a cross like the following ☒. Start at the left of each answer space and leave a gap between words.

To be completed if the authorised signatories signing the application form are not signatories on the account from which funds will be debited.

1 FIRSTCHOICE PLAN DETAILS

Please provide your employer plan name here:

Employer super plan name

EMPLOYER DETAILS

Employer's name

Contact details

Title

Mr ☐ Mrs ☐ Miss ☐ Ms ☐ Other

Given name(s)

Surname

Contact number

2 ACCOUNT HOLDER OR THIRD PARTY

I/We authorise Colonial First State Investments Limited (User ID 011802), until further notice in writing to arrange for funds to be debited from my/our account, at the financial institution identified as described in the schedule below, any amounts which Colonial First State may debit or charge me/us through the Direct Debit System and in accordance with the Bulk Electronic Clearing System (BECS). Direct debits will only occur with our approval.

THE SCHEDULE (ACCOUNT TO BE DEBITED)

Name of Australian financial institution

Branch name or address

Branch number (BSB)

 —

Account number

Name of account holder

2 ACCOUNT HOLDER OR THIRD PARTY (CONTINUED)

DIRECT DEBIT REQUEST AUTHORISATION

- I/We have read the 'Direct debit customer service agreement' provided below and agree with its terms and conditions.
- I/We request this arrangement to remain in force in accordance with details set out in the schedule and in compliance with the 'Direct debit customer service agreement'.

Investments in FirstChoice Employer Super USI FSF0361AU (referred to as 'FirstChoice Employer Super', 'FirstChoice' or 'the fund') are offered from the Colonial First State FirstChoice Superannuation Trust ABN 26 458 298 557 by Colonial First State Investments Limited ABN 98 002 348 352 AFS Licence 232468.

Original signature of bank account holder or company officer

Print name

Date signed

 (dd/mm/yyyy)

Original signature of bank account holder

Print name

Date signed

 (dd/mm/yyyy)

Please mail the ORIGINAL form to:

Colonial First State
Reply Paid 27, Sydney NSW 2001

Faxed copies cannot be accepted.

Direct debit customer service agreement

Our commitment to you

- We will send you regular transaction statements in addition to the initial confirmation of your drawings.
- Where the due date for a drawing falls on a non-business day, we will draw the amount on the next business day.
- We will provide written notice of any proposed changes to your drawing arrangement, providing no less than 14 days notice. If you are unhappy with any changes we make, you may cancel your direct debit arrangement without fee or charge by providing us with written notice as outlined under the heading 'Your rights'.
- We may terminate your direct debit arrangement if drawings are returned unpaid, or if debit is unsuccessful three times in any 12-month period.
- We will keep all information provided by you, and details of your nominated account at the financial institution, private and confidential.
- We will investigate and deal promptly with any queries, claims or complaints regarding debits, providing a response within 21 business days.

Your commitment to us

- It is your responsibility to check with your financial institution prior to completing the direct debit request, that direct debiting is available on that account.
- It is your responsibility to ensure that the authorisation on the direct debit request is identical to the account signing instruction held by the financial institution of the nominated account.
- It is your responsibility to ensure at all times that sufficient funds are available in the nominated account to meet a drawing on the due date for payment.

- It is your responsibility to advise us if the account nominated by you to receive the drawings is altered, transferred or closed.
- It is your responsibility to arrange with us a suitable alternative payment method if the drawing arrangements are stopped either by you or by the nominated financial institution.
- It is your responsibility to meet any charges resulting from the use of the direct debit system. This may include fees charged by us as a result of drawings returned unpaid, such fees being equal to actual costs we incur.

Your rights

- You may request to defer or alter the agreed drawing schedule by giving written notice to us or by calling Employer Services on 1300 654 666. Such notice should be received by us at least five business days prior to the due date for the next drawing.
- You may cancel the direct debit arrangement at any time by giving written notice to us or by calling Employer Services on 1300 654 666. Such notice should be received by us at least five business days prior to the due date for the next drawing. Your nominated financial institution may also accept a request to cancel your direct debit arrangement with us.
- All transaction disputes, queries and claims should be raised directly with us. We will provide a verbal or written response within 21 business days from the date of the notice. If the claim/dispute is successful, we will reimburse you by way of cheque or electronic credit to your nominated account.

Please phone Colonial First State Employer Services on 1300 654 666 with any enquiries or send an email to employer@colonialfirststate.com.au.

Financial Services Guide

Dated 16 May 2016

This Financial Services Guide (FSG) is an important document which we are required to give to you under the requirements of our Australian Financial Services Licence. It provides you with information about Colonial First State Investments Limited ABN 98 002 348 352 ('Colonial First State', 'we', 'our', or 'us') to help you decide whether to use the financial services we provide.

This FSG outlines the types of services and products we can offer to you. It also explains how we (and other relevant persons) are remunerated for these services and includes details of our internal and external complaints handling procedures and how you can access them.

To invest in any of our financial products, you must complete the application form attached to or accompanying the relevant Product Disclosure Statement (PDS). The PDS contains information about the particular product and will assist you in making an informed decision about that product.

If we provide you with personal financial product advice rather than general financial product advice, we will give you a Statement of Advice (SOA). Personal financial product advice is advice that takes into account one or more of your objectives, financial situation and needs. The SOA will contain the advice, the basis on which it is given and information about fees, commissions and any associations which may have influenced the advice.

Who are we?

Colonial First State is one of Australia's leading wealth management providers and a part of the Commonwealth Bank of Australia Group ('the Bank').

Any financial services offered will be provided by a representative of Colonial First State. Colonial First State has an Australian Financial Services Licence granted under the Corporations Act to provide these services to you.

We are also licensed to be the trustee of superannuation funds under the Superannuation Industry (Supervision) Act 1993.

We do not act as a representative of any other licensee in relation to the services we provide you.

To contact us you can:

- call Investor Services on 13 13 36
- visit our website at colonialfirststate.com.au
- write to us at Reply Paid 27, Sydney NSW 2001
- email us at contactus@colonialfirststate.com.au

What financial services and products do we offer?

Colonial First State is authorised to offer a range of financial services including:

- dealing in financial products
- giving advice on financial products
- operating registered managed investment schemes
- being the trustee of superannuation funds.

We also offer a range of managed investment, superannuation and pension products. Some of our superannuation products offer life insurance benefits. We can help you to apply for these products and can also give you general financial advice in relation to our products, or products offered by other financial institutions, including other members of the Bank.

We do not generally provide financial planning services. We only give personal financial product advice in limited situations. Personal financial product advice is not provided through our website or Investor Services.

How can you transact with us?

You can give us instructions electronically, by telephone, mail, fax or via our website. Any dealings with us by telephone, fax or electronically will be governed by our standard 'telephone, fax and electronic communications terms and conditions'. These terms and conditions are contained in the Reference Guide for Employers for each product and are also available on the website at colonialfirststate.com.au

There are also terms and conditions of use for our website and FirstNet, our secure internet service. These terms and conditions can be obtained on the website.

How are we remunerated for the services we provide?

If you invest in a product we offer, Colonial First State will receive remuneration in relation to your investment in that product. Where we advise you about a product offered by another company of the Bank and you acquire that product, then that company will receive remuneration. This remuneration may include contribution fees and investment and administration fees (which include transaction, ongoing and, if applicable, any borrowing costs). In some situations, withdrawal fees, account fees and transaction fees may apply. The remuneration we will receive for the products we offer is set out in the PDS for the particular product. The remuneration we will receive for this product is set out in the 'Fees and other costs' section of the PDS on pages 7 to 14 of this combined document.

Colonial First State does not receive any fees, nor do we charge you additional fees for providing financial product advice.

What commissions, fees or other benefits are received?

Employees of Colonial First State who give you advice do not receive specific payments or commissions for the giving of that advice. These employees and our directors receive salaries, bonuses and other benefits from us. Bonus payments and other benefits are discretionary, and based on achievement of pre-determined objectives, in compliance with the Corporations Act 2001. You may receive advice in relation to the products we offer from financial advisers who do not work for Colonial First State or may be representatives of other licensees in the Bank. These advisers may receive some benefits from us. The adviser's remuneration is included in the fees you pay when investing in our products. The amount of this benefit is set out in the PDS for the particular product. The remuneration we pay advisers in relation to this product is set out in the 'What is paid to an adviser?' section of the PDS on page 12 of this combined document. We do not pay commissions or provide other benefits to third parties for referring customers to us.

What kind of compensation arrangements are in place for a breach of our legal obligations?

Where we are liable to meet a claim, payment will generally be paid from our cash flows and available resources.

For claims, we may rely on and claim under the professional indemnity insurances that we hold. These insurances are between us and the insurer and are intended to respond to civil liability resulting from significant claims for compensation made against us for financial services provided by us or our representatives. These insurances provide cover even if one of our representatives has ceased to act or work for us.

Our compensation arrangements comply with the legal requirements set out in section 912B of the Corporations Act.¹

How is your personal information dealt with?

Please refer to the inside cover of this combined document (the PDS dated 16 May 2016) and the Reference Guide for details on how your personal information is dealt with.

What should you do if you have a complaint?

Please refer to page 17 of this combined document (the PDS dated 16 May 2016) for details about our complaints handling procedures.

¹ Section 912B requires financial services licensees who provide financial services to retail clients to have arrangements for compensating those persons for loss or damage suffered because of breaches of relevant legal obligations by a licensee or its representatives.

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Related party remuneration

All the entities referred to below are subsidiaries of Commonwealth Bank of Australia ('the Bank') and related bodies corporate of the responsible entity and trustee.

The Colonial Mutual Life Assurance Society Limited ABN 12 004 021 809, trading as CommInsure, receives insurance premiums for the insurance benefits it provides.

Colonial First State Investments Limited (CFSIL) ABN 98 002 348 352 AFS Licence 232468 is the responsible entity for most of the investment options in FirstChoice. CFSIL receives and retains fees in connection with those investment options, as disclosed in this document and the relevant disclosure document. The Bank may charge annual maintenance levies to us as an issuer of underlying investments. These are not additional charges to you. The only fees payable in respect of those investment options are the charges disclosed in the relevant disclosure documents.

CFSIL may appoint different investment managers to manage the investment options. Some of these investment managers may be related parties of CFSIL and can include Colonial First State Asset Management (Australia) Limited ABN 89 114 194 311 AFS Licence 289017 (Colonial First State Global Asset Management) and Realindex Investments Pty Limited ABN 24 133 312 017 AFS Licence 335381.

Commonwealth Bank of Australia ABN 48 123 123 124 AFS Licence 234945 may provide products that are available through FirstChoice. The Bank receives and retains fees in connection with these products.

Your adviser may belong to a related party of the Bank, responsible entity or trustee, such as Commonwealth Financial Planning ABN 65 003 900 169 AFS Licence 231139, Financial Wisdom ABN 70 006 646 108 AFS Licence 231138 or Count Financial Limited ABN 19 001 974 625 AFS Licence 227232. Details of these relationships should be disclosed by your adviser in documents such as the Financial Services Guide which your adviser must give you.

Colonial SuperTrace Eligible Rollover Fund (SuperTrace) ABN 73 703 878 235 is the nominated eligible rollover fund of FirstChoice Super and Pension and FirstChoice Employer Super. SuperTrace receives and retains fees in connection with those services.

For more information on related party transactions, refer to the 'Managing conflicts of interest' section following.

Managing conflicts of interest

CFSIL is a subsidiary of the Commonwealth Bank of Australia.

All related party transactions are conducted on arm's length terms. Accordingly, CFSIL believes that related parties are receiving reasonable remuneration. Any conflict of interest or potential conflict of interest is managed in accordance with the Bank's Conflict of Interest Policy.

CFSIL is the responsible entity and the trustee of FirstChoice and makes its investment decisions independently from the activities of other members of the Bank. The available investments may include securities or other financial products issued by members of the Bank. As a result, the Bank's activities may have an effect on the investments.

CFSIL makes no representation as to the future performance of any underlying investments held in FirstChoice, including those issued by members of the Bank.

CFSIL, other members of the Bank and their directors and employees may hold, buy or sell shares or other financial products held by the options in FirstChoice. Members of the Bank may have business relationships (including joint ventures) with related parties or any of the options included in FirstChoice. In addition, members of the Bank may from time to time advise CFSIL in relation to activities unconnected with FirstChoice.

Such relationships and advisory roles may include acting as general financial adviser in respect of, without limitation, corporate advice, financing, funds management, property and other services.

The directors and employees of CFSIL and other members of the Bank may hold directorships in the companies held by the options included in FirstChoice. Any confidential information received by the Bank and its directors and employees as a result of the business relationships, advisory roles and directorships discussed above will not be made available to CFSIL.

Interests of the directors of the trustee

Executive directors may receive remuneration as employees of the Bank or one of its related entities. Non-executive directors are also remunerated for their services. From time to time, directors may hold interests in shares or other securities issued by the Bank or hold investments in one or more of the funds offered by Colonial First State.

This PDS has been authorised under delegation by our directors.

