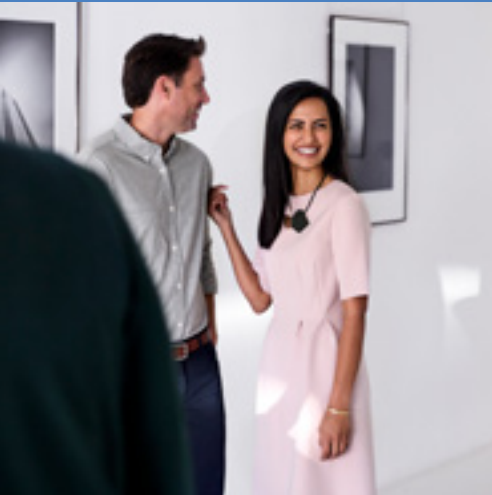




# Hostplus Self-Managed Invest.

## Product Disclosure Statement

28 November 2022



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## We are here to help you

**Call** 1300 350 819, 8am–8pm (AEST), Monday to Friday

**Visit** [hostplus.com.au/smi](http://hostplus.com.au/smi)

**Email** [smi@hostplus.com.au](mailto:smi@hostplus.com.au)

## Hostplus Trustee contact details

**Call** (03) 8636 7777

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## Important information

The Hostplus Self-Managed Invest Product Disclosure Statement (PDS) is issued by Host-Plus Pty Limited ABN 79 008 634 704 AFSL 244392 in its capacity as Trustee (Trustee) of the Hostplus Pooled Superannuation Trust (PST) ABN 13 140 019 340.

Consumer advisory warning: This document contains a summary of significant product information, as well as references to our Additional Information Brochure which forms part of this PDS, a copy of which is available at [hostplus.com.au/smi](http://hostplus.com.au/smi). You should read and consider all information before making a decision about this product.

The information in this PDS is general information only and does not take into account your objectives, personal, financial and taxation situation or needs. We recommend you seek independent financial and tax advice tailored to your personal circumstances.

The information in this PDS is current as at the date of publication. In the event of a change to any information contained in the PDS, the Trustee will notify existing investors in writing as required by law. Hostplus may update information via its website, rather than via the PDS, if that information is not materially adverse to members.

You can find this updated information at [hostplus.com.au/smi](http://hostplus.com.au/smi) and on request, we will provide you, at no charge, a paper or electronic copy.

You can obtain a copy of our current PDS at any time online at [hostplus.com.au/smi](http://hostplus.com.au/smi) or from your financial adviser.

The investments offered in the PDS are available only to investors within Australia. The Trustee is not obligated to accept any application for investment. All amounts referred to in this PDS are in Australian dollars (unless otherwise specified).

For a description of the target market, please read the Target Market Determination (TMD), available at [hostplus.com.au/ddo](http://hostplus.com.au/ddo)

The Trustee has appointed Citigroup Pty Limited ('Citi') (ABN 88 004 325 080) to act as custodian of the assets of the Hostplus PST and to provide registry and administration services. For further information refer to our Additional Information Brochure.  
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## 1. About Hostplus Self-Managed Invest.

Hostplus Self-Managed Invest (SMI) is issued by Host-Plus Pty Limited ABN 79 008 634 704 AFSL 244392 in its capacity as the Trustee of the Hostplus Pooled Superannuation Trust (PST) ABN 13 140 019 340.

The Hostplus PST is a pooled superannuation trust as defined under the Superannuation Industry (Supervision) Act 1993 (SIS Act) and is designed to pool assets of eligible complying superannuation entities to invest in high-quality assets managed by Hostplus and selected external investment managers.

You can invest in Hostplus SMI if you are a self-managed super fund (SMSF), a small APRA fund (SAF), an approved deposit fund (ADF) or other eligible complying regulated superannuation entity as determined by the Trustee. Investors can invest in Hostplus SMI by purchasing units in one or more of the investment options offered by the Trustee. The number of units issued is determined by dividing your investment amount in the relevant investment option by the unit price which takes into account any relevant fees and costs.

As an investor, should you cease to be a complying fund under the SIS Act, you must contact us and make all reasonable steps for the immediate disposal of your units in Hostplus SMI unless otherwise directed by the Australian Taxation Office or other regulator (eg. Australian Prudential Regulation Authority (APRA)). A failure to do so may amount to a breach of the SIS Act. Upon being notified of such a breach, the Trustee will act as if you have given such notice.

Hostplus PST is governed by the terms of the Hostplus Pooled Superannuation Deed (Trust Deed) relevant law, which determines the operation of Hostplus SMI and the rights and obligations of investors and the Trustee. You can obtain a copy of the Trust Deed free of charge from [hostplus.com.au/smi](http://hostplus.com.au/smi)

You can also find important information about the Trustee at [hostplus.com.au/smi](http://hostplus.com.au/smi) including:

- the Trust Deed, governing rules
- Annual Reports to investors
- Financial Services Guide
- details about our service
- how Directors are appointed
- information about our Directors and Executive team including how they are paid.

## 2. How super works.

Superannuation (super) is a long-term investment, which is in part compulsory, where individuals save money for retirement.

There are different types of contributions available to individuals such as employer contributions, voluntary contributions and government contributions.

Most people have the right to choose which superannuation fund their employer should pay their super contributions into. There are limitations on contributions and withdrawals from superannuation funds.

To encourage you to maximise your retirement savings, the Federal Government provides tax savings and other incentives to boost your super.

For further information about how super works go to [ato.gov.au/super](http://ato.gov.au/super). We recommend individuals seek independent financial advice about their own personal circumstances.



### 3. Benefits of investing with Hostplus Self-Managed Invest.

Hostplus SMI provides you with a prime opportunity to invest with one of Australia's trusted, award winning and consistent investment and superannuation providers. Established in 1988, Hostplus has grown to manage one of the largest superannuation funds in Australia with over 1.5 million members and over \$86 billion in funds under management (as at 30 June 2022).

Hostplus constantly looks for new ways to give our investors industry leading investments, performance and services. Hostplus SMI provides eligible complying superannuation funds a unique opportunity to access iconic investments, managed and delivered by the same passionate team of service and investment specialists who bring you our award winning Hostplus Superannuation Fund.

Hostplus SMI presents many benefits to eligible investors including:

- access to distinctive unlisted assets previously unavailable to retail investors
- A daily unit price structure which can provide improved liquidity position on typically illiquid assets
- straightforward and easy to understand predetermined costs in management of investments
- administration, compliance and reporting managed by Hostplus
- increased diversification of assets; and
- expertise, scale and experience of Hostplus and its selected specialised investment managers.

#### Access to iconic assets.

In its first to market offering, Hostplus SMI delivers retail investors a premium investment menu of renowned local and international property and infrastructure investments. Enhancing this menu we have also made available Hostplus' market leading Balanced option and our low-cost Indexed Balanced option. Together these specifically selected options could provide more diversification, value and high-grade investment.

#### Online service and resources.

Hostplus SMI delivers a convenient 24/7 online experience to manage your investments, monitor performance, transact, view account statements, generate tailored reporting and more. Investors also have access to a range of tools, references and educational material.

#### How Hostplus Self-Managed Invest works.

When you invest in Hostplus SMI, your money is pooled with money from other investors to buy investments on behalf of all investors. Investment options offered within the Hostplus SMI are divided into units, and when you invest you are allocated units in your selected investment options based on the value of your investment and the relevant unit price.

#### How and when we calculate unit prices.

Unit price calculations are based on the most recent valuation of assets of an investment option, less any liabilities of the option, divided by the total number of units in the investment option. Occasionally, events beyond the control of Hostplus or Citi may delay the release of unit prices.

While switches are processed on every national business day, the calculation of unit prices takes two national business days, and therefore these unit prices will only be available to you two national business days after receipt of your requested investment switch. For more information see the SMI Additional Information Brochure.

Separate unit prices are calculated for each of the Hostplus SMI's investment options.

#### How we value assets in Hostplus Self-Managed Invest.

The Trustee values the assets of each investment option at the latest available prices. In valuing the assets, an allowance is made for the following to determine the net value of the assets in the relevant Hostplus SMI investment option:

- expense recoveries
- investment costs
- transactions costs; and
- income tax.

This valuation is then divided by the total units in each option. Unit prices generally rise and fall with movements in the value of underlying assets.

#### How we value your investment.

The value of your investment is the total number of units held in an option multiplied by the applicable unit price.

#### Additional investments and withdrawals.

Transactions in relation to Hostplus SMI can be undertaken by logging into the SMI investor portal or SMI adviser portal, which is available at [hostplus.com.au/smi](http://hostplus.com.au/smi) or directly via the link provided to investors at the time of joining Hostplus SMI.

Product summary	
Minimum initial investment	\$10,000
Minimum additional investment (per option)	\$5,000
Minimum ongoing account balance amount	\$10,000 (Subject to market movement) Where investors balance falls below \$2,000, a request may be made by the Trustee to top up or withdraw the balance in full.
Minimum switch amount (per option)	\$5,000
Minimum redemption amount (per option)	\$5,000
Maximum investment	Not applicable. The Trustee reserves the right to decline any application and additional investments at its absolute discretion.
Unit pricing	Prices will be calculated each national business day (T) and available via <a href="http://hostplus.com.au/smi">hostplus.com.au/smi</a> midday T+2 on every national business day.

You should read the important information about Hostplus SMI before making a decision. Go to the Additional Information Brochure available from [hostplus.com.au/smi](http://hostplus.com.au/smi). The material relating to the Benefits of investing with Hostplus SMI may change between the time when you read this Statement and the day when you acquire the product. We reserve the right to waive or vary the minimums at our absolute discretion.

## 4. Risks of super.

It's important to know that all investments (including super) involve some risks.

To offer investors different levels of risk and return, Hostplus invests in a range of asset classes such as cash, fixed interest, infrastructure, property and equity – which can be further defined as 'defensive' or 'growth'. The mix of growth and defensive assets determines the likely net investment return and risk of a negative return for each investment option.

For example, an infrastructure option may reflect a combination of underlying defensive and growth assets. Assets that derive a high proportion of their returns from strong income (cash) flows rather than capital growth may be classified as defensive. Where they derive a high proportion of their returns from capital growth rather than income (cash) flows these assets may be classified as growth.

Investment options with potentially the highest long-term returns may also have the highest risk of loss over a shorter period of time.

When considering the risks to your investment in Hostplus SMI you should understand that:

- the amount of your future superannuation savings may not be enough to provide adequately for you retirement;
- the value of your investments can go up and down;
- the returns you receive on your investments will vary future returns may differ from past returns
- returns are not guaranteed and negative returns will result in a reduction in your account balance, and
- superannuation laws may change in the future.

Other significant risks to your investment include:

- inflation
- exchange rates
- liquidity
- use of derivatives
- broad market failure
- climate and environmental risk
- changes to superannuation and taxation law
- economic or political climate changes
- government policy and law changes, and
- the Trust's termination, the Trustee being replaced or investment managers changing.

The level of risk appropriate for you will depend on your age, investment timeframe, how long you are investing for, any other investments you may have and your tolerance to risk.

You should read the important information about the risks of investing in Hostplus SMI before making a decision. Go to the Additional Information Brochure available from [hostplus.com.au/smi](http://hostplus.com.au/smi). The material relating to the risks of investing with Hostplus SMI may change between the time when you read this Statement and the day when you acquire the product.

## 5. How we invest your money.

Hostplus SMI invests through the Hostplus PST, in order to access the investment options.

Each investment option is designed with different investment objectives, strategies and risk profiles established by Hostplus in consultation with our asset consultant, JANA Investment Advisers Pty Ltd (JANA).

Together, we closely monitor and regularly review the performance of each investment option.

Investment portfolios that make up the respective investment options are managed by professional, reputable managers selected by the Trustee in consultation (where appropriate) with the Trustee's professional advisers including JANA.

Hostplus SMI assets are held by a custodian, Citi. Citi reports on the performance of the investment managers to Hostplus.

Investors must nominate how their investment is to be allocated as no default option applies. You can purchase, withdraw or switch some or all of your investment any time between investment options offered by Hostplus SMI through the online investor portal. Refer to our **Additional Information Brochure** for more detail.

The Trustee may add, remove or change investment options (for example, due to changes to its strategic asset allocation or objectives) We will inform you as required by law about these changes, for example in writing or via our website.

The Trustee has arm's length commercial relationships with the companies it invests through.

Responsible investment is an important part of our investment approach that helps us better manage risk and optimise retirement outcomes for our members. Hostplus is committed to responsible investment across all its investment activities, though the way and extent to which responsible investment is incorporated into investment decisions will differ across the investment options available through Hostplus SMI. This will depend on the relevance of environment, social and ethical and governance (ESG) factors to a particular asset class and the style of the investment strategy.

Investment managers are assessed on their ability to integrate environment, social and governance (ESG) risks and opportunities into their investment decision making and must be in line with their asset class peer group at a minimum for inclusion in the portfolio. In this way ESG considerations will be one factor that informs how Hostplus' investment managers invest on behalf of Hostplus, including decisions about the selection, retention or realisation of Hostplus' investments across the portfolio.

Hostplus also pursues an active ownership program (which includes engagement and proxy voting). Our preference is to seek to create change within companies through engagement rather than divest and lose influence. Therefore, while ESG factors are considered across all investment activities, application of ethical screens in decisions about the selection, retention or realisation of Hostplus' investments is limited to the extent these are relevant under Hostplus' Controversial Weapons Divestment Policy. Hostplus does not explicitly apply minimum labour standards in decisions about the selection, retention or realisation of investments.

In order to manage the financial risk due to climate change in our portfolio, we are committed to incorporating climate change into all aspects of the investment process.

Refer to our **Additional Information Brochure** for more detail.

If you are a Hostplus employee or Director, you must read the information regarding the Investment Switch Restrictions in the SMI Additional Information Brochure available at [hostplus.com.au/self-managed-invest/forms-and-resources](http://hostplus.com.au/self-managed-invest/forms-and-resources)




### Consumer advisory warning.

Before making a decision to invest, it is important you consider whether the likely investment return, risk and investment timeframe of an option is consistent with your investment objectives and strategy. We recommend you obtain advice from a licensed financial planner.

You should read the important information about how we invest your money before making a decision. Go to the Additional Information Brochure available from [hostplus.com.au/smi](http://hostplus.com.au/smi). The material relating to how we invest your money may change between the time when you read this Statement and the day when you acquire the product.

Investors in Hostplus SMI can choose to invest in one or more of ten investment options. Details of the Balanced option are shown below.

Balanced			
<b>Return target</b>	<b>Accumulation:</b> CPI plus 3% p.a. on average over 10 years* CPI plus 4% p.a. on average over 20 years*	<b>Pension:</b> CPI plus 3.5% p.a. on average over 10 years CPI plus 4.5% p.a. on average over 20 years	
<b>Level of Investment risk<sup>1</sup></b>	Medium to high (Negative returns expected in between 3 to less than 4 out of every 20 years)		
<b>Investment style</b>	Investments through diversified investment portfolio, including some growth assets and some lower risk investments.		
<b>Investment objective</b>	Eligible investors with a five years plus investment horizon in pursuit of a highly diversified, actively managed, pre-mixed investment option with access to growth and defensive assets.		
<b>Minimum Suggested Time frame<sup>2</sup></b>	<b>Accumulation:</b> 5 + years	<b>Pension:</b> 5 + years	
Asset mix			
Asset Class	Range	Strategic Asset Allocation Benchmark	 <p>76% <span style="color: blue;">■</span> Growth Assets 24% <span style="color: grey;">■</span> Defensive Assets</p>
Australian Shares	10 – 40%	21%	
International Shares - Developed Markets	10 – 40%	21%	
International Shares - Emerging Markets	0 – 15%	8%	
Property	0 – 30%	11%	
Infrastructure	0 – 30%	11%	
Private Equity	0 – 25%	10%	
Credit	0 – 20%	7%	
Alternatives	0 – 20%	3%	
Diversified Fixed Interest	0 – 20%	3%	
Cash	0 – 15%	5%	

Full descriptions of the other investment options can be found in the Additional Information Brochure available from [hostplus.com.au/smi](http://hostplus.com.au/smi).

Other investment options	Asset allocation: Growth	Return target on average over 20 years	Minimum Suggested Time Frame <sup>2</sup>
<b>Capital Stable</b>	38%	Accumulation: CPI plus 2.0% p.a. Pension: CPI plus 3.0% p.a.	Accumulation: 5 + years Pension: 5 + years
<b>Conservative Balanced</b>	57%	Accumulation: CPI plus 3.0% p.a. Pension: CPI plus 3.5% p.a.	Accumulation: 5 + years Pension: 5 + years
<b>Socially Responsible Investment (SRI) – Balanced</b>	73%	Accumulation: CPI plus 3.0% p.a. Pension: CPI plus 4.0% p.a.	Accumulation: 5 + years Pension: 5 + years
<b>Indexed Balanced</b>	75%	Accumulation: CPI plus 2.5% p.a. Pension: CPI plus 3.0% p.a.	Accumulation: 5 + years Pension: 5 + years
<b>Diversified Fixed Interest – Indexed</b>	0%	Accumulation: CPI minus 0.5% p.a. Pension: CPI p.a.	Accumulation: 2 + years Pension: 2 + years
<b>Property</b>	30%	Accumulation: CPI plus 2.0% p.a. Pension: CPI plus 3.0% p.a.	Accumulation: 7 + years Pension: 7 + years
<b>Infrastructure</b>	60%	Accumulation: CPI plus 2.0% p.a. Pension: CPI plus 2.5% p.a.	Accumulation: 5 + years Pension: 5 + years
<b>Australian Shares – Indexed</b>	100%	Accumulation: CPI plus 3.0% p.a. Pension: CPI plus 4.5% p.a.	Accumulation: 5 + years Pension: 5 + years
<b>International Shares – Emerging Markets</b>	100%	Accumulation: CPI plus 4.0% p.a. Pension: CPI plus 5.0% p.a.	Accumulation: 5 + years Pension: 5 + years

\*Please note: the Balanced option's return is linked to our pension product's CPIplus option. If CPIplus falls short of a predetermined return, the Balanced option funds the shortfall meaning returns may be decreased. If CPIplus exceeds a predetermined return the excess amounts transfer to the Balanced option. Please refer to 'The investment relationship between the Balanced option and the CPIplus option' in the Additional Information Brochure available from [hostplus.com.au/smi](http://hostplus.com.au/smi). 1. The Level of investment risk is based on an industry-wide Standard Risk Measure. It shows the number of expected negative annual returns over a 20-year period. 2. The Minimum Suggested Time Frame is based on the risk and return profile of this option. The timeframe considers volatility and the likelihood of negative annual returns in any one year.

## 6. Fees and costs.



### Consumer advisory warning: DID YOU KNOW?

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

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

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

You or your employer, as applicable, may be able to negotiate to pay lower 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)** Moneysmart website ([www.moneysmart.gov.au](http://www.moneysmart.gov.au)) has a superannuation calculator to help you check out different fee options.

Please note: This Consumer Advisory Warning is prescribed by law. However, the statement concerning the possibility of negotiating fees is not applicable to Hostplus. Hostplus may change fees and costs at any time and without your consent. You will receive at least 30 days' notice before any increase to fees deducted directly from your account.

This section provides summary information about the main fees and costs for Hostplus SMI.

Other fees may apply. You should read all information about fees and costs because it is important to understand their impact on your investment. This information, including definitions for each fee type, is set out at [hostplus.com.au/smi](http://hostplus.com.au/smi)

Fees and costs are quoted inclusive of any GST consequences. Further details regarding GST and other taxes are available in Section 7 of this PDS.

We encourage you to read this information closely. Fees or costs may change from time to time, which may affect the value of your investment. Where required by law you will be provided with prior notice of any such increases.

The table below can be used to compare costs between different superannuation products. Fees and costs can be paid directly from your account or deducted from investment returns.

### Fees and costs summary

Hostplus SMI		
Type of fee or cost	Amount	How and when paid
<b>Ongoing annual fees and costs<sup>1</sup></b>		
<b>Administration fees and costs</b>	\$165 p.a. plus trustee fee* of 0.0155% p.a. of your account balance	The dollar cost is calculated and deducted from your account monthly. If you are invested in more than one investment option, the administration fee is proportionately charged to each investment option based on the end of month valuation. Deducted daily and paid to the Trustee monthly from gross investment earnings before net investment returns are applied to your account.
<b>Investment fees and costs<sup>2</sup></b>	Balanced 0.93% p.a. Balanced Pension 0.92% p.a. and varies between 0.02% and 0.62% for other investment options(s) <sup>3</sup> Refer to the Additional explanation of fees and costs in our Additional Information Brochure.	The investment fees and costs are not deducted from your account balance. It is deducted daily from gross investment earnings before net investment returns are applied to your account.
<b>Transaction costs</b>	Balanced 0.12% p.a. Balanced Pension 0.12% p.a. and varies between 0.00% and 0.40% for other investment options(s) <sup>3</sup> Refer to the Additional explanation of fees and costs in our Additional Information Brochure.	Deducted from gross investment earnings as and when incurred before net investment returns are applied to your account.
<b>Member activity related fees and costs</b>		
<b>Buy-sell spread</b>	Nil	Not applicable
<b>Switching fee</b>	Nil	Not applicable
<b>Other fees and costs</b>	Refer to the Additional explanation of fees and costs in our <b>Additional Information Brochure</b> for more information on other fees and costs. \$240	The dollar cost is deducted from your initial application amount as a joining fee. If you have nominated more than one investment option, the joining fee is proportionately charged to each investment option based on your nomination.

1. If your account balance for a product offered by the superannuation entity is less than \$6,000 at the end of the entity's income year, certain fees and costs charged to you in relation to administration and investment are capped at 3% of the account balance. Any amount charged in excess of that cap must be refunded. This statement is prescribed by law but it does not relate to interests in the Hostplus PST. 2. Investment fees and costs includes an amount up to 0.43% for performance fees. The calculation basis for this amount is set out under "Additional explanation of fees and costs" in the Additional Information Brochure. 3. These fees and costs are based on actual figures and estimates from the previous financial year, except in the case of performance fees which are generally averaged over 5 financial years. The costs payable in respect of each future year may be higher or lower. Where estimates were used, they have been informed by management, historical and industry experience, as well as information from third party service providers. \*For further information about the trustee fee go to the Additional Information Brochure available from [hostplus.com.au/smi](http://hostplus.com.au/smi)

### Example of annual fees and costs for a superannuation product.

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

Example – Balanced option		Balance of \$50,000
<b>Administration fees and costs</b>	\$165.00 p.a. (deducted from your Hostplus SMI account) plus \$7.75 trustee fee p.a. on your account balance	For every \$50,000 you have in the superannuation product, you will be charged or have deducted from your investment <b>\$7.75</b> in administration fees and costs, plus <b>\$165</b> regardless of your balance
<b>PLUS Investment fees and costs</b>	0.93%	<b>And</b> , you will be charged or have deducted from your investment <b>\$465</b> in investment fees and costs
<b>PLUS Transaction costs</b>	0.12%	<b>And</b> , you will be charged or have deducted from your investment <b>\$60</b> in transaction costs
<b>Equals Cost of product</b>		If your balance was \$50,000, at the beginning of the year, then for that year you will be charged fees and costs of <b>\$697.75</b> for the superannuation product.

Example – Balanced Pension		Balance of \$50,000
<b>Administration fees and costs</b>	\$165.00 p.a. (deducted from your Hostplus SMI account) plus \$7.75 trustee fee p.a. on your account balance	For every \$50,000 you have in the superannuation product, you will be charged or have deducted from your investment <b>\$7.75</b> in administration fees and costs, plus <b>\$165</b> regardless of your balance
<b>PLUS Investment fees and costs</b>	0.92%	<b>And</b> , you will be charged or have deducted from your investment <b>\$460</b> in investment fees and costs
<b>PLUS Transaction costs</b>	0.12%	<b>And</b> , you will be charged or have deducted from your investment <b>\$60</b> in transaction costs
<b>Equals Cost of product</b>		If your balance was \$50,000, at the beginning of the year, then for that year you will be charged fees and costs of <b>\$692.75</b> for the superannuation product.

Note: Additional fees may apply.

You can use the Superannuation calculator at [moneysmart.gov.au](http://moneysmart.gov.au) to calculate the effect of fees and costs on account balances.

### Financial adviser fees.

Financial adviser fees are not payable out of your Hostplus SMI account.

**i** You should read the important information about fees and costs before making a decision. Go to the Additional Information Brochure available from [hostplus.com.au/smi](http://hostplus.com.au/smi). The material relating to fees and costs may change between the time when you read this Statement and the day when you acquire the product.

## 7. How super is taxed.

The following section summarises some of the Australian income tax considerations relating to an investment in Hostplus SMI. Due to the complexities and changes that can occur within taxation laws, and the different ways these may impact investors, we recommend you seek independent, professional taxation advice.

### Treatment of accumulation and pension assets.

Due to differing taxation rules, investor assets are divided into accumulation and pension units. Pension units are subject to an exemption of tax payable on investment earnings and capital gains, however continue to receive the benefit of tax credits (ie. imputation credits). The net benefit of this exemption and tax credits is reflected in the daily unit price issued to pension units, of the investment option.

As an investor you are allocated accumulation and/or pension units according to your instructions provided upon establishing your account. You can update your allocation of assets between accumulation and pension online.

### Investment earnings and capital gains.

A pooled superannuation trust is a tax-paid investment vehicle. This means the declared unit price for each investment option incorporates a provision for income tax, which includes allowances for tax owing on any investment income and capital gains, as well as entitlements to tax credits (ie. imputation credits). As the responsibility for the tax liability falls on the Trustee, tax payments and/or refunds are paid from/to the Trust and are reflected in the declared unit price of the relevant investment option.

Hostplus SMI does not accept payment (or transfer) of taxable superannuation contributions or the associated tax liabilities.

A tax rate of 15% is applied to taxable investment income, realised capital gains on assets held less than 12 months, and concessional capital gains on assets held for greater than 12 months. Pension units are exempt from tax on investment income, but receive the benefit of any tax credits (ie. imputation credits). The effective rate of income tax payable may be reduced due to the impact of any allowable deductions, tax offsets and tax credits.

As Hostplus SMI is a tax-paid investment vehicle, an investor will not be assessed on any income earned while invested in Hostplus SMI and any gains or losses realised on the disposal of units in Hostplus SMI are exempt for tax purposes.

## Goods and Services Tax.

The GST disclosures in this PDS are of a general nature only. GST will not be payable on units purchased in Hostplus SMI.

Fees and costs disclosed in this PDS have been presented inclusive of any GST consequences. That is, domestic expenses of Hostplus SMI are generally subject to GST.

Generally, Hostplus SMI cannot claim full input tax credits in respect of the GST on these expenses, but will usually be entitled to reduced input tax credits in respect of some of these expenses.

Any tax deduction on investment costs is passed on to investors in the form of higher returns.

Contact your tax adviser or financial adviser for personalised taxation advice.

You should read the important information about how super is taxed before making a decision. Go to the Additional Information Brochure available from [hostplus.com.au/smi](http://hostplus.com.au/smi). The material relating to how super is taxed may change between the time when you read this Statement and the day when you acquire the product.

## 8. How to open an account.

The Hostplus SMI online application is available at [hostplus.com.au/smi](http://hostplus.com.au/smi). For any assistance please contact the Hostplus SMI Service Team at **1300 350 819**.

For information about how to invest in Hostplus SMI refer to our **Additional Information Brochure** and **website**. The offer to invest in Hostplus SMI made in this PDS is only to those persons receiving this offer in Australia (electronically or otherwise). The Trustee reserves the right to decline any applications.

### Cooling-off period.

To ensure you are happy with your decision to invest in Hostplus SMI you have a 14-day cooling off period to check that your expectations are met. The 14-day cooling-off period starts from the earlier of:

- the date that you receive confirmation of your membership in Hostplus SMI, or
- five days after your application for membership in Hostplus SMI has been accepted.

If during the cooling-off period you decide Hostplus SMI doesn't meet your needs you must advise the Trustee in writing (via email) to [smi@hostplus.com.au](mailto:smi@hostplus.com.au).

Hostplus will arrange for the disposal of your units in Hostplus SMI within a day of a valid instruction advising that you wish to take advantage of the cooling-off period. This amount could be higher or lower than your original investment, depending on market movement. Any fees incurred will be refunded. The amount will be paid into your nominated superannuation or pension fund bank account.

## Other information.

### Enquiries or complaints.

If you have an enquiry or complaint, please call **1300 350 819**. We'll do everything in our power to attend to your matter promptly and courteously. If you are not happy with the way your matter is handled, we want to know. Please write to:

Hostplus Self-Managed Invest,  
Resolutions Officer, Locked Bag 5046  
Parramatta NSW 2124

The Trustee will acknowledge complaints within 24 hours (or 1 business day) of receiving it, or as soon as practicable and a resolution will be provided to complainants within 45 days for superannuation matters and 90 days for complaints relating to the distribution of a superannuation death benefit, or reasons will be provided for the delay of a resolution for either type of complaint within each respective timeframe.

However, if you are not satisfied with either the way the Trustee handles your complaint or its resolution, you may contact the Australian Financial Complaints Authority (AFCA). Although you are able to refer the matter to AFCA at any time, they will not usually deal with your complaint until it has been through Hostplus' complaints handling process. You can contact AFCA via:

GPO Box 3, Melbourne VIC 3001  
Email: [info@afca.org.au](mailto:info@afca.org.au)  
Web: [afca.org.au](http://afca.org.au)  
Phone: **1800 931 678**

### Your privacy.

Protecting your privacy is important to the Trustee. Under the Privacy Act 1998 (Privacy Act), we are required to handle your personal information in accordance with a set of principles known as the Australian Privacy Principles (APPs).

You should read our privacy policy for more detailed information. Our privacy policy also provides information about how you can access and correct your information, as well as how you can make a complaint about a breach of the APPs or the Privacy Act.

For more information on privacy or to obtain a copy of the Hostplus privacy policy, visit [hostplus.com.au](http://hostplus.com.au) or call **1300 350 819**. You can also email us at [privacy@hostplus.com.au](mailto:privacy@hostplus.com.au) or write to us at Locked Bag 5046, Parramatta NSW 2124.

### Suspension of applications, switches and withdrawals.

The Trustee may suspend or restrict applications, switches and withdrawal requests, for all or a particular investment option at its absolute discretion. In such circumstances, transactions may not be processed or may be processed with significant delay.

We may also decide to process a transaction request for a particular type of benefit from a suspended, restricted or closed option on a case by case basis. Any decision about whether to process transactions from such an option will be made in the best interests of investors as a whole.

All impacted transaction requests will be processed using the effective unit price applicable on the date the suspension is lifted, or the date special approval is granted if earlier.

### Material changes.

The Trustee will advise investors about any material changes to this product. A material change or event includes any decisions that will affect an investor's interest in the Trust, including a change to fees and costs or investments.

Hostplus aims to provide information to investors in a clear, concise and timely manner that will enable you to understand the nature of the change or event and the effect it could have.