Maritime Contributory Accumulation

Member Guide

Issue Date 1 October 2024

Maritime Super merged with Hostplus on 2 September 2023.
Maritime Contributory Accumulation is issued by Hostplus.

The information in this document forms part of the Maritime Contributory Accumulation Product Disclosure Statement issued 1 October 2024.

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Section 1. About Maritime Contributory Advantage

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Hostplus is one of the largest industry super funds in Australia with more than 1.8 million members, more than 312,000 contributing employers and more than $115 billion in funds under management. Hostplus continues to evolve and grow as the lifetime fund of choice for Australians and employers from a broad range of backgrounds and industries. Maritime Contributory Accumulation is a superannuation product available through Hostplus.

You can join Maritime Contributory Accumulation if you are employed by a Participating Employer in the Seafarers division and your Participating Employer nominates you for membership of Maritime Contributory Accumulation.

A Participating Employer would generally nominate employees for membership of Maritime Contributory Accumulation where they have an obligation under an award or workplace agreement to contribute at least 13% of Fund Benchmark Salary* to employees' super (for example, seafarers, stewards, integrated ratings, leading hands, deckhands, cooks, chefs, IR caterers, pipe and crane operators, greasers, fitters and coxswains).

You can find important governance information about Hostplus at hostplus.com.au/about-us/company-overview including our directors' and executive team's remuneration. Hostplus offers a wide range of investment options which include pre-mixed and single sector options. Hostplus is also authorised to offer a MySuper product, which is our default Balanced investment option. You'll find our MySuper Product Dashboard at hostplus.com.au/dashboard.

* Fund Benchmark Salary is the industry standard salary as agreed on behalf of Participating Employers with the Maritime Union of Australia.

Section 2. How super works

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Maritime Contributory Accumulation is a superannuation product offered by Hostplus.

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Important note

If you joined before 1 July 2008 you may have a Protected Minimum Benefit. For more information please refer to the Maritime Contributory Accumulation with Protected Minimum Benefit section on page 102.

Superannuation may seem complex but it's just money put aside for your retirement. You and your employer make contributions to a superannuation fund, where that money is invested for you.

2.1 Maritime Contributory Accumulation contributions

Contributory Members

A Contributory Member is an employee of a Participating Employer who has not reached the age of 75 and who is making mandatory contributions to the Fund.

Contributions

Compulsory Member contributions:

As a Maritime Contributory Accumulation member, you must make compulsory contributions of 5% of Benchmark Salary if paid after tax or 5.88% of Benchmark Salary if paid before tax as salary sacrifice contributions, alternatively you may be classified as a non contributory member (see section 2.2 for further details).

You can also make voluntary contributions.

Compulsory Employer contributions:

Your Participating Employer must contribute at least 13% of Benchmark Salary where you are making Compulsory Member contributions subject to meeting the Superannuation Guarantee requirement of 11.5% (2024/25) of your Ordinary Time Earnings (OTE), if higher.

If your employer is a Group Employer, they will pay for the cost of your Default Income Protection cover (refer to Section 8: Insurance in your super on page 85 for more information). See Glossary on page 109 for definitions of Benchmark Salary, Participating Employer and Group Employer.

2.2 Non-contributory Members

Ceasing and recommencing contributions with no Protected Minimum Benefit

If you joined Maritime Contributory Accumulation from 1 July 2008, or you joined prior to 1 July 2008 and you have waived your protected minimum benefit, your Maritime Contributory Accumulation membership will cease and your benefit will be moved to Maritime Accumulation Advantage when:

- we have not received compulsory contributions for 8 months
- you elect not to make compulsory member contributions
- you cease to be employed by a Participating Employer
- you are on Approved Leave for more than 24 months
- you turn 75

If the correct compulsory employer contribution from a Participating Employer and member contributions resume, your membership will be transferred back into Maritime Contributory Accumulation.

Ceasing and recommencing contributions when you have a Protected Minimum Benefit

If you joined Maritime Contributory Accumulation joined prior to 1 July 2008 and you have not waived your protected minimum benefit, you will be deemed to be non-contributory when;

- we have not received compulsory contributions for 12 months
- you elect not to make compulsory member contributions
- you cease to be employed by a Participating Employer
- you are on Approved Leave for more than 24 months
- you turn 75

Please see Section 9: Maritime Contributory Accumulation with Protected Minimum Benefit relating to how becoming non-contributory may affect your Protected Minimum Benefit and insurance.

2.3 How your super account works

Your Maritime Contributory Accumulation account is where your employer contributions and your personal contributions are allocated. Contributions and positive investment returns are added to the balance. Fees, Government taxes, expenses and negative investment returns are deducted from the balance.

In case we cannot accept or allocate money received, the money will be returned without interest. Interest earned on any such unallocated monies is accumulated in the Fund's investment reserve for the benefit of members.

Compulsory employer contributions

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Member after-tax contributions
Salary sacrifice contributions
Transfers from other super funds
Government co-contributions and the Low Income Superannuation Tax Offset (LISTO) (if applicable)
Positive net investment returns

-

Fees
Insurance premiums
Taxes
Negative net investment returns
Transfers to other super funds

=

Your super account balance

2.4 If you're a temporary resident

Employers are required to make Superannuation Guarantee (SG) payments on behalf of temporary residents in the same way as any other employee unless exempted by law from doing so.

While temporary residents remain in Australia their superannuation will remain in the fund until they become entitled to payment of a benefit. The superannuation benefits of temporary residents can only be withdrawn under one of the following conditions of release:

- after leaving Australia and their visas have ceased,
- permanent incapacity,
- terminal medical condition, or
- death.

If you're an eligible temporary resident (not an Australian or New Zealand* citizen or permanent resident) and you depart Australia permanently, you can access your super benefits from the fund if six months has not passed since you departed Australia and your visa has expired. Otherwise your account balance will be paid to the Australian Taxation Office (ATO) ato.gov.au as unclaimed superannuation. Departed former residents will then have to claim back their superannuation from the ATO which may be done at any time. Any super benefits paid to eligible former residents is subject to the Departing Australia Superannuation Payment (DASP) withholding tax upon leaving Australia permanently: see **Temporary residents departing Australia** at hostplus.com.au.

Hostplus relies on an Australian Securities and Investments Commission (ASIC) exemption and doesn't provide former temporary resident members whose benefits are paid to the ATO with notices or exit statements at the time of or after the benefits have been paid to the ATO. However, if you have queries, you can contact us, and we'll provide relevant information about your benefit. Hostplus is obliged to pay unclaimed superannuation benefits of a former temporary resident to the ATO under Division 3 of Part 3A of the Superannuation (Unclaimed Money and Lost Members) Act 1999. Once the account has been transferred to the ATO, you will need to contact the ATO to claim your unclaimed superannuation benefits.

Please note: On the date you access your super benefits, or your account balance is paid to the ATO, you will also lose any insurance cover you may have.

* KiwiSaver rules apply to New Zealand citizens: see 2.11.4 UK Pension Transfers and KiwiSaver Transfers.

Claiming your super benefit

If you wish to claim a Departing Australia Superannuation Payment (DASP) visit Temporary residents departing Australia at hostplus.com.au.

2.5 Choosing your super fund

Super Choice gives eligible workers the ability to choose the fund into which their super contributions are paid. Choosing the right fund now can make a lifetime of difference. So it's very important to know if you are eligible and what to do if you are.

For information on Super Choice, including eligibility, talk to your employer, or call **1300 467 875**, 8am – 8pm AEST/AEDT, Monday to Friday or go to **hostplus.com.au**

2.6 Accessing your super

The Federal Government has placed restrictions on when you can access your super. Generally, your super benefits are preserved in a super or rollover fund until you:

- reach age 60 and commence a transition to retirement pension or retire from the workforce
- you have changed employers since turning age 60
- reach age 65 (even if you haven't retired)
- have been deemed totally and permanently disabled (subject to trustee approval)
- meet another condition of release (visit the ATO website for more information).

All contributions made into super are generally preserved until you meet a condition of release. Any amounts that were non-preserved benefits as at 1 July 1999 will remain non-preserved and will not increase unless you transfer or roll over other non-preserved benefits into Hostplus.

After meeting a condition of release, you do not have to cash in your superannuation benefits. You can stay in the fund as a Hostplus accumulation member or otherwise join the Hostplus Pension and continue to enjoy the benefits of being a Hostplus member in retirement. And in the event of your death, the remaining balance of your account can be paid to your beneficiaries.

2.7 Early release of your super (other conditions of release)

Subject to the Hostplus governing rules, early release of preserved benefits can only be paid to you if you satisfy one of the following conditions of release:

- termination of employment after turning age 60 without necessarily retiring permanently,
- in the event of your death,
- permanent incapacity,
- a terminal medical condition exists,
- on the grounds of severe financial hardship subject to certain conditions and trustee approval,
- on compassionate grounds as approved by the Australian Taxation Office (ATO),
- on termination of your employment with an employer sponsor where your preserved benefit is less than $200,
- on your permanent departure from Australia if you are an eligible temporary resident,
- to pay the ATO an amount in respect to a First Home Saver Super Scheme (FHSSS) release authority, or
- on complying with any other condition of release specified under superannuation law. See the ATO website for more information.

2.8 Intra-fund consolidation

Under certain circumstances, a Hostplus member may have more than one membership account with the fund or have a membership in another division of Hostplus. The fund may merge any duplicate accounts or memberships you have in other divisions of Hostplus. The fund may use your TFN as the primary identifier in this process.

When your duplicate accounts are merged, you will be notified of your membership number and the division of Hostplus you are in. You will have 28 days to advise Hostplus of your membership preference if you are not happy with the division you have been merged into.

You will retain the highest level of insurance cover you hold and this will be transferred into your merged account, on the Maritime Insurance arrangement, unless you tell us otherwise.

2.9 Death benefit nominations

How does Hostplus determine to whom your death benefit is payable?

In the event of your death, the trustee may pay a benefit to your beneficiaries, such as dependants or legal personal representative (the executor or administrator of your estate). If the trustee has not found a dependant or a legal personal representative, the death benefit payment may be made to another person, subject to superannuation law requirements. A dependant for superannuation purposes (as opposed to tax purposes), includes a spouse (including de facto, same sex or a spouse from a relationship registered on the Register of Births and Marriages under State or Territory law), your children (including step, adopted, ex-nuptial or eligible children of same sex couples), or in an interdependent relationship with you at the time of your death.

You can nominate your dependants or legal personal representatives as the persons or person to whom you'd like your super benefits to be paid in the event of your death at any time through your Member Online account at hostplus.com.au

See 3.6 Member Online – your online super account at Hostplus

In the event of your death, the recipient(s) of your death benefit will be determined according to whether you have nominated your beneficiaries as binding or non-binding.

Binding death benefit nominations

A binding death benefit nomination provides you with greater certainty about who will receive your benefit in the event of your death. In general, a binding nomination legally binds (instructs) the trustee to pay your death benefit to the person(s) nominated as your beneficiary(ies).

Binding death benefit beneficiary nominations can generally only apply to:

- your spouse (including de facto, same sex or a spouse from a relationship registered on the Register of Births and Marriages under State or Territory law),
- your children (including an adopted child, step child, ex-nuptial child or eligible child of same sex couples),
- your legal personal representative (the executor or the administrator of your estate), and
- any person with whom you have an interdependent relationship.[1]

A person must be a dependant on the date of your death to be considered a beneficiary.

You can nominate beneficiaries by completing the Binding death benefit nomination form available at hostplus.com.au/forms-and-brochures.

Binding nominations expire every three years. However, Hostplus will contact you prior to their expiry so you can update/cancel or change your nomination(s). Your current beneficiaries will also be shown on your member annual benefit statements.

We highly recommend you review your nomination(s) if your circumstances change, such as if you divorce, separate, re-marry, have children or experience the death of a beneficiary.

Non-binding death benefit nominations

If you elect to make non-binding nominations, the trustee will take into consideration your nomination but will not be bound to follow it.

You can nominate or change your non-binding beneficiaries at any time through your Member Online account at hostplus.com.au.

The trustee is required to take reasonable steps to identify and pay the benefits to your potential beneficiaries, after taking relevant factors into account. These may include the nature of your relationship(s) with your beneficiary(ies) and their financial dependence, or otherwise, at the time of your death.

The trustee would normally pay the death benefit to:

- one or more of your dependants – spouse (including de facto, same sex or a spouse from a relationship registered on the Register of Births and Marriages under State or Territory law), children (adopted children, step-children, ex-nuptial children or eligible children of same sex couples),
- any person with whom you have an interdependent relationship[1], and/or
- your legal personal representative (the executor or administrator of your estate).

Before paying out a death benefit, the trustee will consider any beneficiaries you have nominated, the information provided by any dependants, your legal personal representative(s) and your will (if you have one).

Please note: A valid binding death benefit nomination overrides any preferred beneficiary nomination(s) you have made previously.

1. Two people are in an interdependent relationship if:

- they have a close personal relationship,
- they live together,
- one or each of them provides the other with financial support, and
- one or each of them provides the other with domestic support and personal care.

An interdependent relationship also exists if two people have a close personal relationship but the other requirements are not satisfied because of a physical, intellectual or psychiatric disability.

No nomination

If you do not make a nomination or make an invalid nomination, the trustee will pay the benefit to your dependants and/or legal personal representative, as determined by the trustee, at the time of your death.

How are death-related insurance benefits invested before they're paid?

If an insurance claim is admitted in relation to your death (a death insurance benefit), this benefit will be quarantined from your super account balance. For any period that this death insurance benefit is held by the fund before being paid to your beneficiary(ies), it will not be invested. The super balance component of any benefit will remain invested in your chosen investment option/s, or the Balanced option if you haven't made a choice.

2.10 Lost members, unclaimed money and inactive low-balance accounts

The ATO has established a lost member and unclaimed money register, containing details of the superannuation accounts for members that super funds cannot locate and certain members for whom contributions have ceased. All superannuation funds provide details of lost members and transfer their accounts to the ATO on a twice yearly basis. If you have a Protected Minimum Benefit you are exempt from this process.

The following type of accounts will be deemed lost or unclaimed and transferred to the ATO:

What's a 'lost super' account?	What's an 'unclaimed super' account?
A super account which hasn't had any contributions or rolled over amounts added to it in the past 12 months.	A super account owned by a member aged over 65, who has not made contact with the fund for more than five years and to which no contributions were made in the last two years.
AND The super fund has never had an address (postal or email) for the member who owns the account, or, the trustee has made one or more attempts to send written communications to the member at the member's last known address (or addresses), and the trustee believes, on reasonable grounds, that the member can no longer be contacted at any address known to the fund. AND the member has not contacted the fund (whether by written communication, through the online portal or otherwise) within the last 12 months of the member's membership of the fund.	OR An account owned by a member who has died and the fund's trustee cannot find anyone to pay their benefit to. OR An account whose owner was a former temporary Australian resident and did not claim their benefit within six months of departure or visa expiry. OR An account whose owner received a family law split and the trustee has been unable to contact them. OR An account with a balance of less than $6,000 that belongs to a member who is 'lost'.

If you think you may fall within these categories, you may want to check with the ATO to see if you are registered as a lost or unclaimed super member. If you have inactive accounts in any other fund, you can consolidate them into your Hostplus account.

In addition, you can make enquiries at the ATO if you have lost contact with a fund and think you may be entitled to a benefit. Just call 13 10 20 or visit ato.gov.au/super and use myGov to search for lost super.

ATO Provision of Details Service

Hostplus wants to keep in contact with our members to provide them with the latest information about their super account.

To help in keeping a member's details current, Hostplus uses the ATO Provision of Details Service twice yearly to update our records where a member is reported as lost, such as:

- Where the current address status is Returned or Unusable
- No current address is recorded
- Where the current address is active but precedes the latest address as supplied to the ATO.

Records will not be updated where a current address matches the ATO held address or a member has exited the fund.

On receiving the details from the ATO, Hostplus will update member contact details such as addresses, emails and phone numbers.

Inactive low-balance accounts

All inactive low-balance accounts* are transferred to the ATO on a twice yearly basis. Your account is considered to be an inactive low-balance account if:

- it has a balance of less than $6,000; and
- for a continuous period of 16 months, we have not received a contribution or rollover into your account; and
- you haven't made any updates to your account details, such as changing investment options, insurance cover or making or amending a binding death benefit nomination, or you have not provided Hostplus with a declaration that you are not a member with an inactive low-balance amount.

If your account balance is transferred to the ATO, the ATO will try to identify if you have an active super account with another fund. If a match is found it will automatically transfer your balance into that active account.

Please note if your account is transferred to the ATO you will no longer be a member of Hostplus.

2.11 Understanding contributions

2.11.1 Boosting your super

For many people, compulsory employer contributions alone may not be enough to cover the cost of retirement. That's why the Government encourages you to maximise your retirement savings by providing generous tax advantages for extra super contributions you make.

What's more, if you organise your super early, adding just a little to your account could reap big rewards in the long term. In addition to your employer contributions you can add to your super in a variety of ways:

- rolling over super from other accounts into Hostplus – for more information click here
- contributions from your after-tax salary (known as non-concessional contributions). We will need your Tax File Number to accept personal contributions.
- concessional contributions, such as employer, salary sacrifice (deducted from your before-tax salary) and personal tax-deductible contributions. Speak with your employer to check if you are eligible to make before-tax contributions as they will need to arrange this for you.
- Government co-contributions, if you are eligible.
- the low income superannuation tax offset (LISTO), if you are eligible.
- your spouse could split their before-tax contributions with you.
- spouse contributions if you are eligible (see 2.13.5 Spouse contributions).

We can accept personal contributions from you by cheque, regular direct debit deductions and electronic transfer, subject to you providing us with your valid TFN. Go to Member Online for payment options.

You can also make a contribution by BPAY®. Visit Member Online for payment details or complete the Direct Debit authority form available at hostplus.com.au/super/forms-and-brochures

2.11.2 Super rollover

If you have multiple super accounts, you're probably paying multiple fees. By rolling all your accounts into Hostplus, you'll pay just one set of fees. It could save you thousands of dollars over the long term and mean more money for you at retirement.

Hostplus doesn't charge you to roll existing accounts into Hostplus. But before you cancel existing arrangements with another fund, check to see if they charge any exit fees/penalties and whether the cancellation will affect any related insurance cover.

You can search to see if you have other super accounts and roll them over to Hostplus. Click here for more information.

Please note: Hostplus must generally complete a standard rollover as soon as practicable but no later than 3 business days after receiving the request containing all mandated information. The three day rollover clock starts when Hostplus has received a rollover notification that is complete. However, when there is a blackout period (each January and July), the Fund may not be able to process rollovers within 3 business days. We'll post a notification on the Hostplus website when the blackout period applies. These are indicative timeframes only which may be subject to change in the future. Additional time may also be allowed for rollovers where a member's funds are invested in **Choiceplus**.

2.11.3 What if I want to transfer some of my super from my Hostplus account to another fund?

You may rollover part of your account balance* from Hostplus to another complying super fund if the amount you transfer does not reduce your Hostplus account balance to less than $6,000.

Rolling over your benefit may have an impact on your insurance cover, as continuation is subject to maintaining sufficient funds to meet insurance premiums. If your cover lapses, your insurance cover may be reinstated in certain circumstances as described in the Policy.

Members are free to make multiple transfers provided a minimum $6,000 account balance is maintained after any transfer. If a transfer results in the account balance dropping below $6,000 the trustee has discretion whether the transfer occurs. Consideration will be given on application.

Existing Choiceplus superannuation members may (as a once off when commencing a new Hostplus Pension and excluding TTR accounts) transfer their Choiceplus held shares, exchange traded funds (ETFs) and listed investment companies (LICs) via an asset transfer, without the need to sell down. For more information on asset transfers please refer to the Choiceplus Guide.

* If you have a Protected Minimum Benefit you may lose the Protected Minimum Benefit when electing to rollover all or part of an account balance. For more information please refer to the Maritime Contributory Accumulation members with Protected Minimum Benefit section on page 102. Please contact Hostplus on 1300 467 875 to confirm your options.

2.11.4 UK Pension Transfers and KiwiSaver Transfers

UK Pension Transfers

As a result of UK legislative reforms, which took effect from 6 April 2015, Hostplus is currently unable to accept transfers of funds from United Kingdom Pension Schemes.

Rollovers between Australian Superannuation Funds that contain UK benefits may also be unable to be processed unless made to a QROPS complying fund.

For more information on the implications of the UK reforms we recommend you seek advice from an authorised UK and Australian taxation adviser. For general information please contact us on **1300 467 875** 8am - 8pm weekdays AEST/AEDT.

KiwiSaver Transfers

Hostplus does not accept transfers of funds from KiwiSaver accounts, or rollovers from other Funds that include amounts previously rolled over from a KiwiSaver account.

Under the 'Tasman retirement savings portability scheme' if you are living in New Zealand on a permanent basis, you might be considering transferring your Australian superannuation benefit to your KiwiSaver account. Our 'How to transfer your Super to a KiwiSaver scheme' guide lists step by step instructions when you are requesting a transfer out of your Hostplus account to a KiwiSaver scheme. You can download the guide from our website at hostplus.com.au

2.12 Non-concessional contributions

Non-concessional contributions are generally contributions made by or for a member that are not taxed in the fund. For example, they are made from an individual's after-tax income. There is a limit on the amount of non-concessional contributions you can make in a financial year to your super. See 2.13.10 Contribution limits.

Non-concessional contributions in a financial year include:

- personal contributions (including member compulsory post-tax contributions (5% of benchmark salary)) for which you do not claim an income tax deduction,
- contributions your spouse makes to your super fund account,
- contributions in excess of your small business capital gains tax (CGT) exemption cap amount,
- amounts transferred from foreign super funds (except for amounts included in the fund's assessable income), and
- contributions made for a member who is under 18 years of age that are not employer contributions.

2.13 Concessional contributions

A concessional contribution is a contribution that is made by or for you to a complying super fund and is assessable income of the fund (which means the fund will pay tax on your behalf). Concessional contributions include contributions paid by your employer, salary sacrificed contributions deducted from your before-tax salary and personal contributions for which you have claimed a tax deduction. For each financial year, there is a cap on the contributions you can receive that are concessionally taxed. See 2.13.10 Contribution limits.

2.13.1 Salary sacrifice

Contributions made from your before-tax salary, including compulsory member pre-tax contributions, are known as salary sacrifice and are subject to contribution caps. See 2.13.10 Contribution limits. Making extra super contributions by salary sacrificing can reward you with tax benefits – 15% tax is deducted from your super money, which is lower than most people's personal tax rate which can be as high as 45% (plus Medicare levy).

It is important to note that some employers may not offer salary sacrifice.

Before entering into a salary sacrifice arrangement you should seek professional advice and obtain a copy of our **Salary sacrifice** brochure available at hostplus.com.au/forms-and-brochures. Generally, if the average tax rate payable on your income is greater than 15%, you will benefit from salary sacrificing in that, the amounts that you sacrifice will be taxed at 15%. But you must be careful not to exceed the concessional contribution caps.

2.13.2 Claiming a tax deduction for personal contributions

If your employer does not offer salary sacrifice arrangements you can still contribute extra to super and enjoy concessional tax benefits by making voluntary personal contribution from your after-tax salary and claiming a tax deduction. You cannot claim a tax deduction on your compulsory member contributions. You can reduce your taxable income and the amount of income tax you pay by converting non-concessional personal contributions into concessional contributions. However you will have to be mindful not to exceed your contribution limits because you may pay extra tax. For information about contribution limits see 2.13.10 Contribution limits. For information about contribution tax see Section 7. How super is taxed.

You can only claim a deduction for contributions made before the 28th day of the month following the month in which you turned 75. If you're aged 67 to 75, you will need to meet the Work Test (i.e. you are gainfully employed for at least 40 hours in 30 consecutive days during the current financial year) in order to make a contribution and claim a tax deduction.

If you're under the age of 18, you can only claim a tax deduction for super contributions if your income comes from operating a business or gainful employment.

To claim a tax deduction for personal contributions made you must give Hostplus a notice of intent to claim at the earliest of either:

- the date you lodge your income tax return for the financial year in which you made a personal contribution,
- or at the end of the financial year following the year in which you made the personal contribution.

You can submit your request to claim a tax deduction by logging in to your Member Online account at hostplus.com.au and selecting 'Claim a tax deduction' under the 'Super' heading.

If you're unable to submit your claim for a tax deduction online, you can complete the **Notice of Intent to Claim Form** available from our website and email your completed form to info@hostplus.com.au or send via mail to Hostplus, Locked Bag 5046, Parramatta NSW 2124.

Hostplus is required to acknowledge your request before you are able to claim a tax deduction. Please note Hostplus should receive the notice prior to making any benefit payment or rollover(full/ partial) from your account.

2.13.3 Increase your super with Government co-contributions

If you're a low or middle income earner and you make voluntary contributions to your super from your after-tax pay, the Government may also contribute to your super. This Government payment is called a super co-contribution (conditions apply).

To ensure that Hostplus is able to process your super co-contribution, your name, date of birth, address and TFN held with Hostplus must match the records held with the ATO.

If there are any inconsistencies Hostplus will be unable to accept your co-contribution. Please ensure that your details are kept up to date. For further information, contact the ATO on 13 10 20 or call Hostplus **1300 467 875**.

Are you eligible?

To qualify for the co-contribution you'll need to:

- make an after-tax personal contribution to your super up to the non-concessional contribution cap for the relevant financial year (if you claim a tax deduction for your personal contribution you may not be entitled to a Government co-contribution),
- have a Total Superannuation Balance^ that is less than the general transfer balance cap in the relevant financial year ($1.9 million for the 2024-25 financial year),
- be in full-time, part-time or casual employment, or be self-employed,
- have at least 10% of your total income (assessable income and reportable fringe benefits) attributable to eligible employment, running a business, or a combination of both,
- be under 71 years of age,
- be a permanent resident of Australia,
- have lodged a tax return,
- have provided your TFN to Hostplus.

At the end of the financial year in which you have made after-tax contributions, all you need to do is submit your usual income tax return. The ATO will work out any co-contribution amount you would receive and forward it to your Hostplus account.

Your maximum super co-contribution depends on your income. If your income is equal to or less than the lower income threshold ($45,400 for the 2024-25 income year) you can get a co-contribution of up to the full 'maximum entitlement'. For every dollar that you earn above the lower income threshold, your maximum entitlement is reduced by 3.333 cents. You cannot get a super co-contribution if your income is at or above the higher income threshold ($60,400 for the 2024-25 income year).

The amount of your super co-contribution depends on the amount of non-concessional (after-tax) contributions you put into super and the 'matching rate' for the financial year you made the contribution.

You can find out how much you may be eligible for with the super co-contribution calculator at the ATO website.

If you have more than one superannuation account

To ensure your super co-contribution is invested in your Hostplus account, you must complete a Superannuation fund nomination form and return it to the ATO. Nomination forms are available from the ATO by calling 13 10 20 or at ato.gov.au.

^ Your Total Superannuation Balance is the total value of your accumulation and retirement phase interests (including rollover amounts not yet included in those interests) across all of your superannuation accounts, reduced by the sum of any structured settlement contributions.

2.13.4 Low Income Superannuation Tax Offset (LISTO)

The LISTO provides a contribution equal to 15% of total concessional contributions made for low income earners with an adjusted taxable income of up to $37,000. The maximum LISTO that can be paid is $500 and the minimum $10 (not indexed). Eligibility is determined by the ATO who will make the payment directly to a member's super account.

A person is entitled to the low income superannuation tax offset if they satisfy the following requirements:

- the individual has concessional contributions for the year made to a complying super fund,
- the individual has not exceeded the transfer balance cap or non concessional contributions cap,
- the individual's adjusted taxable income does not exceed $37,000,
- the individual is not a holder of a temporary resident visa (New Zealand citizens in Australia do not hold a temporary resident visa and, as such, are eligible for the payment),
- the individual satisfies an income test in which 10% or more of their total income is derived from business or employment.

2.13.5 Spouse contributions

Contributing to your spouse's super could have big benefits. For instance, if your spouse is a low income earner or doesn't work, you can earn a tax rebate of up to $540 a year for contributions you've made on their behalf. It doesn't matter how much you earn. Of course, there's the long term benefit of building a valuable retirement nest egg, too.

Are you eligible?

You can make contributions for your spouse as long as you are living together and you are both Australian residents. A spouse is:

- a person who is legally married to you,
- a person who lives with you on a genuine domestic basis in a relationship as a couple, or
- a person (whether the same sex or different sex) with whom you are in a relationship that is registered under law of a State or Territory.

Government regulations don't allow spouse contributions if you are your spouse's employer or a couple living apart on a permanent basis. If you stop living with your spouse, you're not eligible to continue making spouse contributions.

The receiving spouse must be under 75 years of age. Each time you make a spouse contribution, you must confirm that you and your partner are still living together and you still meet the eligibility criteria.

Adding up your rebate

For every dollar of spouse contributions, you can claim 18% of the contribution as a tax rebate – up to a maximum rebate of $540 a year (based on a $3,000 contribution) if the receiving spouse's total assessable income (plus reportable fringe benefits amounts and reportable employee super contributions, if any) is less than$40,000 for an income year.

Tax offsets will not be available if the receiving spouse has exceeded their non-concessional contributions cap in the relevant financial year or they have a total superannuation balance^ equal to or exceeding the transfer balance cap as at 30 June before the start of the financial year in which the contribution was made.

To calculate the amount of tax offset you can receive for contributing to an eligible spouse, multiply 18% by the lesser of:

1. $3,000 less the amount by which total spouse income exceeds $37,000; or,
2. the sum of the spouse contributions made in a given financial year.

For example, Mia contributes $3,000 on behalf of her spouse David who earns $38,000 per year.

The tax offset is calculated as 18% of the lesser of:

- $3,000 less every dollar over $37,000 that David earns ($3,000 - $1,000); or,
- The value of the spouse contribution ($3,000).

In this example, $2,000 is the lesser figure and so, Mia is entitled to a $360 tax offset ($2,000* 18%).

2.13.6 What contributions can be made and when

For contributions made on or after 1 July 2024 the following rules apply.

Member age		
	Under 75	**75 and over****
Personal Contributions	Any person, irrespective of their work status, may make personal contributions.	Not allowed.
Spouse* Contributions	Can be made at any time, irrespective of the age and employment status of the receiving spouse.	Not allowed.
Downsizer Superannuation Contributions	Eligible Australians aged 55 or older (there is no maximum age) can make a 'downsizer contribution' of up to $300,000 each into their superannuation where the proceeds come from selling their home. For more information see 2.13.9 Downsizer superannuation contributions.	
Employer Contributions	An employer can make: ▪ mandated employer contributions (including SG and award contributions), and ▪ additional employer contributions (over and above the mandated contributions such as salary sacrifice).	An employer can only make mandated employer contributions.

* In order to make spouse contributions, the person contributing and the person receiving the contribution must satisfy the definition of a spouse. A spouse includes: a person (whether of same or opposite sex) with whom the person is in a relationship that is registered under the Register of Births and Marriages under State or Territory law, or a person, who although not legally married to the person, lives with the other person on a genuine domestic basis in a relationship as a couple. You and your spouse must not be living separately on a permanent basis at the time you contribute.

** In the 28 days after you turn 75 years old, the fund can accept the following types of contributions: voluntary employer contributions, such as salary sacrifice contributions, personal contributions and spouse contributions.

2.13.7 Super splitting

While super funds aren't required to offer super splitting, Hostplus offers the benefits of super splitting to members to help boost your spouse's super savings. Under Hostplus super splitting rules, eligible funds can be split between spouses and de facto couples after the end of each financial year. Split contributions will be transferred from the member's Hostplus account to their spouse's or de facto's Hostplus account where they will be fully preserved. Split funds will be allocated in arrears once a year.

Only concessional contributions (employer SG, salary sacrifice, additional employer contributions and deductible contributions) are eligible for super splitting with a spouse. You can split up to 85% of these concessional contributions.

You cannot split:

- personal after-tax contributions,
- amounts rolled over or transferred from another fund, and
- amounts subject to a family law payment split.

If you joined before 1 July 2008 and have not waived your entitlement to your Protected Minimum Benefit, some or all of your contributions may not be available for super splitting. Please call us on on **1300 467 875** for more information.

Example

On 1 July 2023, Adam's superannuation account had $50,000. During the period 1 January – 30 June 2024, Adam received $5,000 in employer contributions.

He also made a personal contribution of $2,000 in March 2024, as well as rolling over $10,000 from a previous complying superannuation fund.

The amount that Adam can split with his wife, Sarah, is:

85% of $5,000 = $4,250 (employer contributions)

Total = $4,250

The $2,000 personal contribution made in March 2024 and the $10,000 rollover are not eligible for splitting.

A $60 contribution splitting fee will be payable by the splitting member for each transaction which will be deducted from the member's account. The fund needs to receive contribution splitting advices by 31 May of the current year for the previous financial year's contributions.

To find out more about super splitting, call Hostplus on **1300 467 875**. The split amount must be more than $1,000. A member's account balance cannot be less than $1,000 after the split. You may also consider seeking advice from a licensed financial adviser.

2.13.8 First Home Super Saver Scheme (FHSSS)

The Australian Government's FHSSS is designed to help more first home buyers get into the property market.

You can make eligible voluntary contributions into your super up to a maximum of $15,000 a year with a $50,000 lifetime limit. This extra money can then be used to calculate any associated earnings by the ATO that you can withdraw together with the eligible voluntary contributions and use towards the purchase of your first home.

Eligible voluntary contributions made from 1 July 2017 can be withdrawn from 1 July 2018 and will not impact your social security entitlements.

Participants in the FHSSS must:

- be aged 18 years or older,
- have never owned a property before and,
- have never previously requested a release authority in relation to a First Home Super Saver Scheme determination.

Please note: If you have previously owned a home and suffered a financial hardship, you may still be eligible to participate in the FHSS scheme subject to ATO's approval.

When you are ready to withdraw the money from your super account under the FHSSS, you can apply to the ATO online using your myGov account. The ATO will work with you and Hostplus to help you determine the amount that can be withdrawn from your super account to buy your first home.

At the time of your application, the ATO will calculate and apply any earnings that can be released. You can only apply to release the money under this scheme once.

Salary sacrifice contributions and personal contributions claimed as a tax deduction, together with associated earnings are taxed at 15%. When withdrawn as part of the FHSSS the total amount will be taxed at the marginal tax rates less a 30% tax offset.

For more information about the FHSSS please visit First home super saver scheme at the ATO website.

2.13.9 Downsizer superannuation contributions

Eligible Australians aged 55 or older can make a 'downsizer contribution' of up to $300,000 each into their superannuation where the proceeds come from selling their home.

This measure applies to the sale of your home, which must be your main residence.

Existing contribution caps and restrictions do not apply to the downsizer contribution, so it can be a great way to make the most of your super.

Am I eligible?

To qualify for the downsizer contribution, you must meet all of the following criteria:

- You are at least 55 years old when you make the downsizer contribution (there is no maximum age limit);
- You are contributing to super from the sale of your home;
- You or your spouse owned your home (which was not a caravan, houseboat or other mobile home) in Australia for 10 or more years before the sale;
- Your home is in Australia and is not a caravan, houseboat or other mobile home;
- Any gain or loss on the sale of the home has qualified (or would have qualified if the home was a pre-CGT asset) for the main residence CGT exemption in whole or part;
- You chose to treat the contribution as a downsizer by completing and sending a Downsizer Contribution form to Hostplus;
- You make the contribution within 90 days of selling your home (generally date of settlement), or such longer time as allowed by the ATO; and
- You have not previously made a downsizer contribution.

Existing restrictions do not apply

If you are aged 55 or over and qualify you won't be restricted from making a downsizer contribution if you:

- are not working;
- are aged 75 or over;
- have a total super balance of $1.9 million; and,
- have maxed out the non-concessional contribution cap.

Things to note

- Buying and selling a home attracts costs and stamp duties.
- Your Age Pension entitlements may be reduced or lost.
- If your downsizer contribution to Hostplus is ineligible, it may be returned to you or be treated as an excess non-concessional contribution subject to additional tax.
- You cannot claim a tax deduction for a downsizer contribution.
- You can only make one downsizer contribution in your lifetime.

Existing contribution caps and restrictions will not apply to downsizer contributions; however it will count towards your personal transfer balance cap if you move your super to a retirement phase. The general transfer balance cap is currently set at $1.9 million. Your personal transfer balance cap may vary. For information on your personal transfer balance account, please refer to your my-gov account.

Also if your total superannuation balance exceeds the general transfer balance cap ($1.7 million from 2021–22, $1.9 million from 2023–24) on 30 June of the previous financial year, you will not be eligible to increase your non-concessional contributions cap by bringing forward caps from the next 1 or 2 years.

For more information about downsizer contributions please visit Downsizing contributions into superannuation.

2.13.10 Contribution limits

Contribution type	Caps for the 2024-2025 Financial Year
Concessional contributions	$30,000[1] If you don't reach your annual concessional contributions cap, you may carry forward the unused portion of your cap for up to 5 years, provided your total superannuation balance is less than $500,000. After 5 years unused amounts carried forward will expire.
Non-concessional contributions	$120,000[2] You must have a total super balance[3] of less than the general transfer balance cap ($1.9 million for the 2024-2025 financial year) on 30 June of the previous financial year to be eligible to make a non-concessional contribution in the relevant financial year. If you are aged under 75, you may be eligible to bring forward your non-concessional contribution of up to three times the annual non-concessional contributions cap in a single year. The amount of non-concessional contributions that can be brought forward in the 2024-2025 financial year will depend on your total super balance at the end of the previous financial year. If your total super balance is less than $1.66 million, your non-concessional contributions cap for the first year is $360,000 with a bring forward period of 3 years; If your total super balance is $1.66 million to less than $1.78 million, your non-concessional contributions cap for the first year is $240,000 with a bring forward period of 2 years; If your total super balance is $1.78 million to less than $1.9 million, your non-concessional contributions cap for the first year is $120,000 with no bring forward period. If your total super balance is $1.9 million or more, you cannot make any non-concessional contributions.

1. This amount is indexed to Average Weekly Ordinary Time Earnings, but only increases in increments of $2,500.
2. The non-concessional cap is indexed as concessional contributions cap in line with Average Weekly Ordinary Earnings (AWOTE).
3. Your total superannuation balance is the total value of your accumulation and retirement phase interests (including rollover amounts not yet included in those interests) across all of your superannuation accounts, reduced by the sum of any structured settlement contributions.

2.13.11 Maximum superannuation contribution base

This is the maximum limit used to calculate the SG contributions on any employee's earnings base for each quarter of the financial year. Generally, employers do not have to pay SG contributions for any earnings above this limit unless the terms of your employment provide otherwise (for example, under your contract of employment, any applicable award or other industrial agreement). For the 2024– 2025 income year the maximum contribution base per quarter is $65,070.

2.13.12 Contribution payment options

Hostplus offers the following payment methods:

Payment type	How	You need to
BPAY®	Online through your bank account or by phone banking.	Visit Member Online at hostplus.com.au for your reference number. Or call **1300 467 875**
Direct debit	Send a completed **Direct Debit authority form** available at hostplus.com.au/forms to: **Locked Bag 5046, Parramatta NSW 2124**	Send a completed **Direct Debit authority form** available at hostplus.com.au/forms to: **Locked Bag 5046, Parramatta NSW 2124**
Payroll deduction	Deducted from your after-tax salary.	Arrange with your employer.

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2.13.13 Types of benefits

There are a number of benefits you may receive, subject to meeting the applicable criteria, including:

Retirement benefit

Your super balance may be payable to you when you retire permanently from the workforce. Your balance may also be paid to you if you leave your employer after age 60 irrespective of whether you are retiring permanently from the workforce.

Once you attain age 65 you can access your super funds even if you have not yet retired from the workforce, as a lump sum. Or you can stay in the fund as a Hostplus member or otherwise join the Hostplus Pension and continue to enjoy the benefits of being a Hostplus member in retirement. And in the event of your death, the remaining balance of your account can be paid to your dependants, estate or, if neither is available, to other beneficiaries, subject to the law's requirements.

Refer to section 9 for calculation and payment of benefits for Maritime Contributory Accumulation members who were members of the Seafarers Retirement Fund (SRF) on 30 June 2008 and who have a Protected Minimum Benefit.

Unrestricted non-preserved benefit when you have not reached a condition of release

You may withdraw the unrestricted unpreserved benefit at any time regardless if you have met a condition of release. You are not obliged to take this benefit as there may be tax implications and if you want you can simply retain your benefit in the fund. Check your latest Hostplus statement to find out if you have an unrestricted non-preserved benefit component.

Termination of employment benefit

You may withdraw your super if you stop working for a standard employer-sponsor who contributes on your behalf to Hostplus, and you have a total preserved benefit of less than $200 at the time of the termination. You must be an Australian citizen or permanent resident.

Death, Total & Permanent Disability (TPD) and Terminal Illness benefit

In the event of your death, your account balance and any insured benefit (if applicable) will be paid to your dependents or legal personal representatives, or, if neither are available, to other beneficiaries, subject to the law's requirements.

See section 2.9 Death benefit nominations.

If you become totally and permanently disabled or a terminal illness exists (and you provide the trustee with the required documentation) you may be eligible to receive your account balance and any insured benefits (if applicable) before you otherwise meet a condition of release.

Death, TPD and terminal illness benefits can be paid as a lump sum or a pension.

To find out more about insurance cover, go to Section 8: Insurance in your super.

Income protection benefit

If you have income protection and are temporarily totally or partially disabled, you may be eligible to receive income protection benefits. Income protection benefits are generally paid on a monthly basis.

To find out more about insurance cover, go to Section 8: Insurance in your super.

2.14 Proof of identity

2.14.1 What are the proof of identity requirements when I rollover or withdraw my benefits

Under the Anti-Money Laundering and Counter Terrorism Financing Act superannuation funds are required to identify, monitor and mitigate the risk that the fund may be used for the laundering of money or the financing of terrorism. Because of this you may be required to provide certified proof of identity before you withdraw, rollover your benefit from the fund or commence an income stream.[1] You will need to provide identity documents when you are rolling to a SMSF. At a minimum, you may be required to provide the fund with evidence that verifies your full name, your date of birth, and your residential address.

In the event of a death claim, we would also require documentation to verify dependants and/or legal personal representatives' identities. These may include, but are not limited to, certified copies of marriage certificates, wills, birth certificates and letters of administration.

The trustee also reserves the right to request additional information. If you do not provide this information your payment may be delayed or refused.

1. Generally, identity documents are not required if you are rolling over between APRA regulated funds.

2.14.2 Providing proof of identity

When submitting forms to Hostplus you may be required to provide documentation so we can prove you are the person to whom the superannuation belongs to. You are required to provide certified copies of proof of identity documents in certain circumstances. (For example: when withdrawing your benefit).

We are required to utilise the SuperTICK service provided by the ATO to validate member information when processing rollover requests. As a result we will only contact you if we have been unable to validate your information or if you have requested a rollover to a Self-Managed Super Fund (SMSF). In these circumstances you may be required to provide evidence that verifies your full name, date of birth and residential address before we process your request. To help you provide the right documentation, please take a moment to carefully read the information provided below:

- **Part A - What supporting documentation is required?**
- **Part B - Who can certify a document?**

Part A – What supporting documentation is required?

For all cash withdrawals or rollovers to Self-Managed Super Funds (SMSFs) please submit documents from the list below:

Primary document

Certified copy of any **ONE** of the following documents:

- Current drivers licence or learners permit issued by a State or Territory of Australia with your photograph (both sides).
- Passport issued by the Commonwealth of Australia that has not exceeded 2 years of the expiry date. (Information and photo page).
- Current Foreign passport containing a photograph and the signature of the person. Documentation not written in English must be accompanied by an English translation prepared by an accredited translator National Accreditation Authority for Translators and Interpreters (NAATI)
- Card issued under a State or Territory for the purpose of containing a photograph of the person AND date of birth of the person, eg. proof of age card or key pass, boat licence

OR

Secondary documents

Certified copies of any one of the documents from List 1 and a certified copy of one of the documents from List 2 :

List 1

- Birth certificate or birth extract issued by a State or Territory of Australia
- Citizenship certificate issued by Commonwealth of Australia
- Medicare Card
- One of the following Centrelink Pension Cards:
  - Health Care Card
  - Commonwealth Seniors Health Card
  - Pensioner Concession Card
- Indigenous community card with your photograph issued by an Australian government or local indigenous community organisation.

List 2

- A letter from Centrelink regarding your government assistance payment (less than 3 months old) containing your full name and residential address
- Utility bill (less than 3 months old) containing your full name and residential address
- Rates notice from your local council (less than 12 months old) containing your full name and residential address
- Notice of assessment from the Australian Taxation Office (less than 12 months old) containing your full name and residential address.

For members under the age of 18:

- A written notice issued by a school principal containing your full name, residential address that records the period of time the individual attended the school (issued within the last 3 months).

Important Information for Indigenous Australians

If you are a member with Indigenous Australians and/or Torres Strait Islander heritage and unable to meet the above mentioned supporting document requirements please refer to hostplus.com.au/super/about-us/rap for alternative identification requirements.

Change of name

Your name must be the same as shown on your proof of identity. If you have changed your name you will need to provide a certified copy of one of the following 'linking documents' from the Registry of Births, Deaths & Marriages in addition to the certified ID requirements as above:

- Marriage Certificate
- Divorce Certificate
- Deed poll or change of name certificate from the Registry of Births, Deaths and Marriages.

Signing on behalf of a member

If you are signing on behalf of a Hostplus member, you need to provide a certified copy of one of the following in addition to the certified ID requirements as above:

- Power of Attorney
- Guardianship paper.

Signing on behalf of a minor

As part of the identification process you will need to verify the identity of any minor you are signing on behalf of by providing either one document from List 1 or two documents from List 2:

If the member is under the age of 18 the parent or legal guardian will need to sign the application on the member's behalf and provide one of the following certified documents:

- Birth certificate
- Power of Attorney
- Guardianship papers.

Part B – Who can certify a document?

Only certain people are authorised to certify identification documents. For a complete list of people permitted to certify documents go to hostplus.com.au/id. A few common examples are:

- Police officer
- Agent of the Australian Postal Corporation who is in charge of, or a permanent employee with two or more years of continuous service with, an office supplying postal services to the public
- Pharmacist
- Legal practitioner
- Medical practitioner
- Justice of the Peace.

Member residing overseas

For members residing overseas, the **only** persons who are authorised to certify identification documents are:

- An Australian Consular Officer or Australian Diplomatic Officer (within the meaning of the Consular Fees Act 1955)
- An employee of the Commonwealth or the Australian Trade Commission who is authorised and exercises his or her function in that place
- A person authorised as a notary public in a foreign country.

For further information relating to the certification of documents, refer to the Identification Requirements document.

The information in this Section contains general advice only and does not take into account your personal objectives, financial situation or needs. You should consider if this information is appropriate for you in light of your circumstances before acting on it. You may also find it beneficial to obtain advice from a licensed financial adviser. Past performance is not a reliable indicator of future performance. For a description of the target market, please read the Target Market Determination (TMD), available at hostplus.com.au/ddo

While every care has been taken to ensure that the information in this document is correct, Hostplus reserves the right to correct any error or misprint in respect of the information shown. Any updated PDSs will be available on our website at hostplus.com.au.

Host-Plus Pty Limited ABN 79 008 634 704, AFSL No. 244392 as trustee for the Hostplus Superannuation Fund (the Fund) ABN 68 657 495 890, MySuper No. 68657495890198.

Section 3. Benefits of investing with Hostplus

Section 3. Benefits of investing with Hostplus

Hostplus is highly regarded, having been awarded some of the most prestigious accolades in the super industry. All of which means your super is in good hands. Best of all, even if you change jobs or leave the industry, you can still stay with Hostplus and continue to enjoy the benefits of being a member.

Hostplus is authorised to offer a MySuper product (Balanced investment option) a straightforward option that suits most members. You'll find our MySuper Product Dashboard at hostplus.com.au/dashboard.

3.1 We're run to benefit our members

We're an industry super fund, we offer low administration fees and we're run to benefit our members.

3.2 We offer low administration fees

Hostplus members pay an administration fee of $1.50 per week. An additional $37.26 p.a.* per member is also deducted from the Fund's Administration Reserve during the year and not directly from members' account balances. Like most super funds, investment costs also apply.

*This is an estimate based on the previous financial year. Because the fees and costs are estimates based on the previous financial year's, fees and costs payable in respect of each future year may be higher or lower.

3.3 Competitive returns

We aim to achieve competitive, long-term investment performance for members.

Our Balanced investment option is ranked number one versus peers over 10 and 20 years. Source: SuperRatings Accumulation Fund Crediting Rate Survey – SR50 Balanced (60-76) Index, April 2024.

Past performance is not a reliable indicator of future performance and should never be the sole factor considered when selecting a superannuation fund.

3.4 Competitive insurance cover

Right now, your most valuable assets are your health, family and your income earning potential. Protecting these assets is an important part of a smart financial plan.

So Hostplus gives you access to three key types of insurance cover:

- Death and Total & Permanent Disability (TPD) insurance cover,
- Death Only insurance cover, and
- Income Protection insurance cover.

Any death insurance includes Terminal Illness cover.

If you are eligible, Hostplus automatically provides:

- Death insurance cover to members aged between 15 and 69 years of age and
- Total & Permanent Disability insurance cover to members aged between 15 and 69 years of age.

When you join you may also have the opportunity to apply for additional death, Total & Permanent Disability and Income Protection insurance cover with reduced underwriting requirements.

3.5 Investment choice

Hostplus gives you a choice from a wide range of investment options, offering a variety of investment strategies to suit your investment time frame, long-term goals and risk profile – from growth asset classes, like shares and property, to defensive asset classes, like fixed interest and cash.

Choiceplus allows you to invest in Australian shares (S&P/ASX 300 index), selected Exchange Traded Funds (ETFs) and Listed Investment Companies (LICs) and term deposits. You can register for **Choiceplus** through your Member Online account. Please note that members with a Protected Minimum Benefit do not have access to Choiceplus, unless you choose to waive your Protected Minimum Benefit. Please refer to Protected Minimum Benefit section for more information.

To choose how your super is invested, make your investment choice online through your Member Online account at hostplus.com.au

You can always change your investment choice free of charge.

If you prefer not to choose at all, we'll invest your contributions in the Hostplus Balanced option – the default investment option.

Find out more about investments and investment options at hostplus.com.au/investments

* If you joined before 1 July 2008 and have not waived your Protected Minimum Benefit, your investment choice is restricted. Please refer to the How we invest your money and the Protected Minimum Benefit section.

3.6 Member Online – your online super account at Hostplus

You can check and manage your account online via Member Online at hostplus.com.au 24 hours a day, seven days a week. Or download the Hostplus App at hostplus.com.au/app/download. Members with a Protected Minimum Benefit do not currently have access to the Hostplus App.

Naturally, your account is protected by its own password and other forms of security such as two factor authorisation which you will set up during registration. You can use Member Online to:

Review your account balance, investments and insurance online

- get an estimate of your account balance, and review your transactions for the previous two reporting periods.
- see how your account balance has grown and in which investment options you have invested your super.
- check your insurance cover.
- monitor your Choiceplus* investments through the dedicated online Choiceplus platform accessed via your Member Online account.

Top-up your super

- make additional contributions to your Hostplus account, quickly and easily, by BPAY® and direct debit.

Update your personal details

- advise us of changes to your personal details, including a change of address or beneficiary, or notification of your Tax File Number.

Submit requests for benefit payments

- subject to eligibility, you can make a request to withdraw your super through Member Online.

Request to claim a tax deduction

- you can submit your request to claim a tax deduction in relation to non-concessional contributions by logging in to your Member online account.

*Choiceplus is not available if you joined before 1 July 2008 and you have not waived your entitlement to your Protected Minimum Benefit. Please refer to page 102 for more information.

3.7 Financial Planning

Financial advice can help you now, and into the future. Take the stress out of the unknown by working with a team of experienced and licensed financial planners who will provide you the confidence, guidance, and clarity you need to help setup, and meet, your financial goals.

At Hostplus, in addition to having the option to engage an external financial planner of your choice for a fee, we offer a range of options to ensure you get the right level of advice to suit your changing needs:

- over the phone, personalised superannuation advice, and
- you can meet with an expert Financial Planner for specialised advice on planning for retirement.

Superannuation Advisers[1] can help you with limited advice, included in your membership, covering the following areas about your Hostplus account:

- Investment Choice – Select an investment option that best suits your risk appetite
- Contributions – Advise you the most effective way to make additional contributions to your super
- Insurance – Determine how much and what types of Hostplus insurance you need.

Superannuation Advisers can also provide personal advice, for a fee, on:

- Consolidating your super,
- Insurance outside your Hostplus account, or the
- First Home Super Saver Scheme (FHSSS).

If, however you are starting to consider your broader financial needs, our experienced Financial Planners[1] have specialist knowledge to help you (and if relevant, your partner) achieve the retirement you want. This can include:

- providing options to transition from work to the retirement phase,
- creating an income in retirement
- maximising your Centrelink entitlements, including the Home Equity Access Scheme
- aged care options, and
- estate planning, to ensure your money goes where you intend upon your passing.

Our flexible pricing structure gives you more control by helping you to understand if you're on track for retirement. You decide the level of financial advice you need, and pay for it accordingly.[2] Your Hostplus financial planner will ensure you understand and agree with the advice services to be provided before payment is required.

To arrange a meeting with a Hostplus planner, simply call Hostplus **1300 303 188**, or visit hostplus.com.au/members/our-products-and-services/financial-planning-and-advice/speak-to-a-financial-planner and book through our Hostplus Financial Advice Website Enquiry form.

1. Hostplus has engaged Industry Fund Services Limited (IFS) ABN 54 007 016 195, AFSL 232514 to facilitate the provision of personal financial advice to members of Hostplus. Advice is provided by Hostplus financial planners who are Authorised Representatives of IFS. Fees may apply for personal financial advice; for further information about the cost of personal advice, you can speak with your Hostplus financial planner or visit our website www.hostplus.com.au. Information to help you decide whether you want to use personal financial advice services being offered is set out in the relevant IFS Financial Services Guide, a copy of which is available from your Hostplus financial planner.

2. Depending on your needs, these fees will generally range between $1,500 and $6,000

3.8 Paying for financial advice

As a Hostplus member, if you receive personal financial advice from a Hostplus financial planner or an externally licensed financial planner registered with Hostplus, you may elect to pay advice fees from your superannuation account. You can elect to deduct all or a portion of the advice fee from your Hostplus account where it relates solely to your interest in Hostplus.

A minimum account balance must be retained in your Hostplus account after the deduction of the fee is applied and the fee is subject to annual caps.

For further information, please refer to our Advice Fee Fact Sheet hostplus.com.au/advice-fee

3.9 Communicating with you

On joining, you will receive your welcome letter. Any disclosure required to be provided to you by law will be made available on the website or other Hostplus digital facilities.

Hostplus issues annual statements for the period 1 July to 30 June (generally available in September) showing all transactions, switches and beneficiary details. You can view your annual statements on Member Online.

We will let you know via your nominated contact details when your statement is available and how you can access it. If you would prefer us to mail your full statement to you, you may opt out any time by calling us on **1300 467 875**, or updating your communication preferences on Member Online.

If you opt out within seven days of the date of this notification, any disclosures already delivered digitally will be sent to your nominated contact details.*

Confirmation of investment transactions will also be made available to you via Member Online.

You can access our annual report online at hostplus.com.au/about-us/company-overview/annual-reports which is available between September and December each year. In the event of significant change to products and services relating to your account Hostplus will email you the details relating to the changes. If we do not hold your email address we will write to you.

You may receive occasional marketing communications from Hostplus to keep you up to date on products and services (for which you can opt out).

* We can send notification and disclosures to you at a different electronic or postal address. Please update your contact details by calling us on 1300 467 875 or logging into Member Online.

The information in this Section contains general advice only and does not take into account your personal objectives, financial situation or needs. You should consider if this information is appropriate for you in light of your circumstances before acting on it. You may also find it beneficial to obtain advice from a licensed financial adviser. Past performance is not a reliable indicator of future performance. For a description of the target market, please read the Target Market Determination (TMD), available at hostplus.com.au/ddo

While every care has been taken to ensure that the information in this document is correct, Hostplus reserves the right to correct any error or misprint in respect of the information shown. Any updated PDSs will be available on our website at hostplus.com.au.

Host-Plus Pty Limited ABN 79 008 634 704, AFSL No. 244392 as trustee for the Hostplus Superannuation Fund (the Fund) ABN 68 657 495 890, MySuper No. 68657495890198.

Section 4. Risks of super

Section 4. Risks of super

Your super benefits are subject to investment risks and can change in value. Each investment option has different risk characteristics and volatility. Net investment returns can have a positive or negative effect on your account balance depending on investment performance.

Risks can be divided into the following main categories:

4.1 Investment risks

All investments are subject to varying risks and can change in value. There are risks in choosing to invest in superannuation and each investment option has different risk characteristics and volatility.

See Section 5: How we invest your money – 5.8 Risk versus return.

The most significant risks are:

- Concentration risk – during a market downturn, investments that are concentrated in one asset class risk suffering significant losses all at once. Diversifying your portfolio by investing in different types of assets helps reduce this risk.
- Sequencing risk – sequencing risk is the risk that the order and timing of your investment returns causes a less favourable result in your overall super balance. For example, a low or negative return when you're younger (and have a lower balance) may not have a significant overall impact on your retirement balance; but a low or negative return when you're nearing retirement may have a bigger impact on your retirement plans.
- Inflation risk – inflation may exceed the return on your investment – inflation is measured by the Consumer Price Index (CPI). Where the CPI increases, money has less purchasing power. When an investment provides a lower return than the increase in inflation, it actually loses value in terms of purchasing power. Therefore, it is important to invest in assets that are expected to generate returns in excess of inflation over the medium to long term.
- Market risks – economic, technological, political or legal conditions and even market sentiment can change and affect the value of investments.
- Changes in interest rates – interest rate changes can have a positive or negative impact on investment returns across asset classes.
- Foreign exchange – if we invest in other countries there is a risk their currencies could change in value relative to our dollar and so, increase or reduce the value of the investment.
- Investment styles – when choosing individual fund managers, varying investment styles will perform differently depending on the markets and other factors.
- Risks associated with each individual investment – including the risk of financial loss. Individual investments can fall in value for many reasons. For example:
- Australian shares – inflation, interest rates and changes in market conditions will all have an effect on the value of shares, as does the performance of the company itself.
- International shares – the risks relating to international shares are the same as for Australian shares. There are also additional risks relating to exchange rates and currencies, and political risks associated with investing in that country.
- Property – returns on property rely on general economic factors such as inflation, interest rates and employment, as well as factors unique to the property such as its location and quality.
- Australian fixed interest – changes in interest rates in particular will have an impact on fixed interest investments so that, if interest rates change during the term of a loan, there could be capital gains or capital losses. Depending on the nature of the issuer of the investment, there is a varying level of risk that the borrower may default on repayment of the loan.
- International fixed interest – similar to Australian fixed interest but with additional risks associated with exchange rates and currencies, and political developments.

Each asset class and investment option has its own level of risk and return. Typically, the greater an investment risk, the greater its potential return over the long term.

It is wise to seek professional advice when making decisions about selecting and changing your investment options as each option has a different risk/return profile.

Find out more at hostplus.com.au/financial-planning/your-advice

Other risks may also affect the accessibility or value of your investment with any super fund. These include:

- Liquidity risks – this refers to the ability to convert an investment into cash with little or no loss of capital and minimum delay. Some investments, such as direct property, unlisted infrastructure and private equity, are relatively illiquid.
- Security specific risks – where an individual company or asset fails, for example through bankruptcy, fraudulent activity or the business environment in which it operates, the value of the investment can fall sharply.

- **Derivatives risks** – derivatives are used by the Pooled Superannuation Trust (PST)* for many purposes, including hedging to protect an asset against market fluctuations, reducing costs of achieving a particular market exposure, and specifically using derivative overlays to manage the PST's exposure to foreign currency movements against the Australian dollar. Hostplus has appointed various external investment managers who can directly invest in derivatives on behalf of the Trustee in order to assist with the effective management and protection of Hostplus assets. To satisfactorily manage this risk we set appropriate terms, levels of usage and constraints. Hostplus also obtains confirmation from these investment managers that they have the appropriate risk management processes in place in relation to the use of derivatives.

  *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. **Market failure** – there is a risk of broad market failure or significant financial collapse that affects investments broadly. Such events are outside the control of the trustee. Consequently, even long term investors like superannuation fund members should be mindful of the risk that if such high impact events occur, their benefits may be less than the total amount of contributions invested.

4.2 Operational risks

Operational risks include the possibility of:

- adequacy of resources (Human, Financial and Technological),
- business continuity / disaster recovery,
- fraud and theft,
- administrative errors,
- inappropriate advice,
- unit pricing errors, or
- failure of outsourced providers.

Most operational risks can be controlled by the trustee through their internal control framework.

The trustee has a compliance and risk management program in place to manage these risks. In addition to the Operational Risks that may arise, there is also the possibility for legal or legislative risks to occur. These risks include:

- superannuation legislation changes that may affect your benefit or ability to access a benefit,
- taxation changes that may affect the value of your investment,
- economic or political climate changes,
- Government policy and law changes,
- particular events being excluded from insurance cover,
- insurance terms changes, or
- a fund's termination, the trustee being replaced or investment managers changing.

4.3 Investment risk measure

The Standard Risk Measure (SRM) has been adopted to assist members in comparing investment options (both within and across superannuation funds) using a simplified risk measure.

The SRM is based on industry guidance (SRM implementation guidance for Trustees issued by the Financial Services Council 'FSC' & the Association of Superannuation Funds of Australia 'ASFA') to allow members to compare investment options that are expected to deliver similar negative net investment returns over a 20 year period.

The SRM is not a complete assessment of all forms of investment risk; for instance, it does not detail what the size of a negative return could be or the possibility of returns not being adequate to meet a member's investment objectives. Further, it does not take into account the impact of administration fees and tax on the likelihood of a negative return.

Members should still ensure they are comfortable with the risks and potential losses associated with their chosen investment option/s.

Risk measures and categories

Relevant risk label	Level of investment risk – estimated number of negative net investment returns over a 20 year period
Very low	Less than 0.5
Low	0.5 to less than 1
Low to medium	1 to less than 2
Medium	2 to less than 3
Medium to high	3 to less than 4
High	4 to less than 6
Very high	6 or greater

This risk measure is applicable to all of our investment options with the exception of **Choiceplus**.

Section 5. How we invest your money

Section 5. How we invest your money

5.1 Your investment options

It's now time to think about how your superannuation is invested and how your super can assist you in preparing for the retirement you'd like to achieve.

Choosing the right investment option is important. It's your money, after all. Our wide range of investment options allows you to invest based on your own preferences and risk appetite.

You can choose to leave the investment decisions to us or take a more hands-on approach to making an investment choice, choosing from our award-winning product and options.

Leaving investing to Hostplus

MySuper

The government defines MySuper as a simple, cost-effective, balanced superannuation product designed for members who want to leave the investment decisions to their superannuation fund.

If you don't make any investment choice, your super will be invested in our MySuper investment option.

Hostplus MySuper option

The Balanced option is our MySuper investment option, and over a million Hostplus members are invested in this option.

It's an award-winning investment option,[1] with a history of strong long-term performance.[2]

MySuper (Balanced)

Summary

Hostplus' MySuper (Balanced) investment option is focused on delivering the best net return from investing in a portfolio that has a bias to growth assets and has high diversification.

Who is this investment suitable for?

Hostplus MySuper (Balanced) is our default investment option that is designed to be a simple and cost-effective product offered to members who would like Hostplus to manage their investment decisions.

Additional information

Please refer to section 5.2 for details of the investment objective, level of investment risk, minimum suggested time frame, the investment mix and asset ranges, and additional information.

1. Awards and ratings are only one factor to be taken into account when choosing a super fund. 2. Source: Hostplus' Balanced option is ranked number one versus peers over 10 and 20 years. Source: SuperRatings Accumulation Fund Crediting Rate Survey - SR50 Balanced (60 -76) Index, April 2024. Past performance is not a reliable indicator of future performance and should never be the sole factor considered when selecting a superannuation fund.

The rating is issued by SuperRatings Pty Ltd ABN 95 100 192 283 (SuperRatings) a Corporate Authorised Representative (CAR No.1309956) of Lonsec Research Pty Ltd ABN 11 151 658 561, AFSL No. 421445. Ratings are general advice only and have been prepared without taking account of your objectives, financial situation or needs. Consider your personal circumstances, read the product disclosure statement, and seek independent financial advice before investing. The rating is not a recommendation to purchase, sell or hold any product. Past performance information is not indicative of future performance. Ratings are subject to change without notice and SuperRatings assumes no obligation to update. SuperRatings use proprietary criteria to determine awards and ratings and may receive a fee for the use of its ratings and awards. Visit superratings.com.au for ratings information.

Making an investment choice

If you'd like more control over your super, you can choose from our **pre-mixed** options, our **single sector options**, our direct investment option, **Choiceplus**, or our **Hostplus Life option**.

You can also mix and match different options to suit your investment risk profile and financial objectives.

Restricted investment choice for members with a Protected Minimum Benefit

If you joined before 1 July 2008 and have not waived your Protected Minimum Benefit, your investment choice is restricted to the following investment options:

- Growth
- Balanced
- Conservative Balanced
- Capital Stable
- Indexed Balanced
- Socially Responsible Investment (SRI) – Balanced
- Australian Shares
- International Shares
- Cash

You can elect to waive your rights to the Protected Minimum Benefit to access the full suite of Hostplus investment options. For more information please refer to the Protected Minimum Benefit section.

Pre-mixed options

Our pre-mixed options invest in combinations of asset classes. They have varying levels of investment risk and focus on three different investment styles:

Our Core options focus on:	Our Indexed options focus on:	Our Socially Responsible investment (SRI) options focus on:
Delivering the best net return for a given level of risk	Minimising investment fees and costs	Values-based investing

Hostplus Life

Hostplus Life automatically adjusts your level of investment risk as you grow older. We'll invest your super in different Core pre-mixed investment options depending on how close you are to retirement.

Read more about our pre-mixed options in Section 5.2.

Single sector options

Our single sector options predominantly invest in a specific asset class, such as shares, cash or fixed interest. They have varying levels of investment risk. Read more about our single sector options in Section 5.3.

Choiceplus

With Choiceplus, you choose your own investments. You can invest directly into companies in the S&P/ASX 300 Index; selected Exchange Traded Funds (ETFs); Listed Investment Companies (LICs); and term deposits. Read more about Choiceplus in Section 5.4.

Before making an investment choice you should consider:

- Your needs and objectives – How much income you'll need for retirement.
- Risk and return – Your attitude to risk and the likely risk and return of each investment option. Consider how prepared you are to see your balance go down in the short term in the interest of potentially getting a better long-term return.
- Investment time frame – Your age and how long you'll be investing for.
- Investment preferences – What's important to you? Getting the best net returns, finding a low-cost option, or investing based on your values?
- Other investments – Other investments you may have (including investments outside of superannuation).

The investment information in this PDS, including strategic asset allocations (SAAs), is current at the date of publication but may change from time to time. Please visit hostplus.com.au/members/our-products-and-services/investment-options for the latest information.

For definitions of the different types of asset classes, defensive and growth assets, and the relationship between risk and return, please refer to Sections 5.5, 5.6 and 5.8.

Understanding our investment options

On the next few pages, you'll find more detail about each investment option. To help you understand what makes up each investment option, we've put together the example below.

	Balanced (MySuper)
Summary	The Balanced investment option is focused on **delivering the best net return** from investing in a portfolio that has a **bias to growth** assets and has **high diversification**.
Who is this investment suitable for?	With a **bias to growth** assets, this **Core pre-mixed** investment option is designed for members with a **medium to long-term** investment time frame, who are seeking **strong** long-term returns and have a **medium to high tolerance** of negative returns. This option is also designed for members who do not wish to make an investment choice.
Investment objective	CPI plus 3.0% per annum on average over 10 years. CPI plus 4.0% per annum on average over 20 years.
Level of investment risk	**Medium to High**. (Negative returns expected in between 3 to less than 4 out of every 20 years).
Minimum suggested investment time frame	5 years +
Growth/defensive allocation	76% growth / 24% defensive
Investment mix and asset ranges	
Additional information	Information about the past performance of this option is at hostplus.com.au/returns. Information about the fees and costs for investing in this option is in Section 6. Fees and Costs. Explanations of the bolded terms used in the 'summary' and 'who is this investment suitable for' are in the glossary at Section 5.21. Glossary.

	ASSET CLASS	RANGE %	TARGET
Listed equities	Australian shares	10–40%	21%
	International shares – Developed markets	10–40%	22%
	International shares – Emerging markets	0–15%	7%
Unlisted assets	Property	0–30%	10%
	Infrastructure	0–30%	11%
	Private equity	0–25%	10%
	Credit	0–20%	7%
	Alternatives	0–20%	4%
Bonds and cash	Diversified fixed interest	0–20%	4%
	Cash	0–15%	4%

Describes the focus of the investment option.

How risky this option is. Ranges from very low to very high risk.This is an industry wide Standard Risk Measure, which is based on the expected number of negative annual returns over a 20-year period.

The recommended minimum period that this option should be invested in for.

How the option is invested between growth assets (higher risk / higher return like shares) and defensive assets (lower risk / lower returns like cash).

The different asset classes that the investment option is invested in. Listed securities are assets that are listed on a securities exchange, like shares, while unlisted assets include assets that are not listed on an exchange, like direct property. Bonds and Cash include cash in the bank, bank bills and government bonds.

Describes the types of members that this option is suitable for, based on the characteristics of the investment option.

Describes the target investment return over a 10 and/or 20-year period.

The Target provides guidance on how much Hostplus invests in different asset classes. The Range is the minimum and maximum for each asset class. The Hostplus investment team can change actual allocations within these ranges to reflect what's happening in investment markets to maximise returns for members.

Where you can find more information about how the option has performed in the past, the fees and costs for the investment option, and explanations of bolded terms outlined in the 'Summary' and 'Who is this investment suitable for?'.

Read the full details of each investment option on pages 35 to 58.

5.2 Pre-mixed investment options

Our pre-mixed options invest in combinations of asset classes.

They have varying levels of investment risk and focus on three different investment styles. You can choose to invest in more than one pre-mixed option, or combine them with our single sector or Choiceplus options to give you greater flexibility.

Each pre-mixed option has its own mix of growth and defensive assets, investment objective, and level of investment risk (see the following pages for details of each investment option).

Investment option	Investment style	Level of investment risk	Growth assets exposure target	Minimum suggested investment time frame
High Growth	**Core:** Focused on delivering the best net returns for a given level of risk	High	100%	10 years +
Growth		Medium to High	90%	5 years +
Balanced (MySuper)		Medium to High	76%	5 years +
Conservative Balanced		Medium	56%	5 years +
Capital Stable		Low to Medium	37%	5 years +
Defensive		Very Low	19%	2 years +
Indexed High Growth*	**Indexed:** Focused on minimising investment fees and costs	High	100%	7 years +
Indexed Growth*		High	90%	7 years +
Indexed Balanced		High	75%	5 years +
Indexed Conservative Balanced*		High	55%	5 years +
Indexed Capital Stable*		Medium	37%	5 years +
Indexed Defensive*		Low	19%	5 years +
Socially Responsible Investment (SRI) - High Growth	**Socially Responsible Investment (SRI):** Focused on values-based investing	High	100%	7 years +
Socially Responsible Investment (SRI) - Balanced		Medium to High	72%	5 years +
Socially Responsible Investment (SRI) - Defensive		Low	19%	5 years +
Hostplus Life	Focused on adjusting the level of risk as members approach to retirement.	Ranges from Medium-to-High to Low-to-medium depending on age.	Ranges from 90% to 37% depending on age.	5 years +

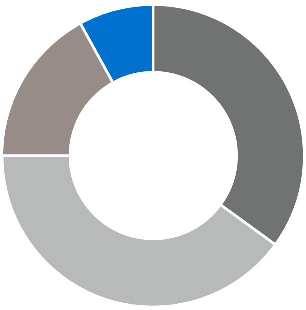
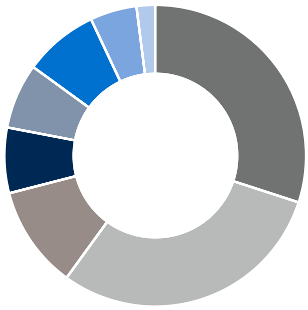
i For definitions of the different types of asset classes, defensive and growth assets, and the relationship between risk and return, please refer to Sections 5.5, 5.6 and 5.8.

* Not available to pre-1 July 2008 members who have not waived their Protected Minimum Benefit.

Core options (pre-mixed)

Focused on delivering the best net return for a given level of risk.

The six pre-mixed investment options outlined on the following pages take full advantage of Hostplus' investment expertise and feature our best investment ideas across listed and unlisted assets, bonds and cash.

	High Growth*	Growth
Summary	The High Growth investment option is focused on **delivering the best net return** from investing in a portfolio of **all growth** assets and has **medium diversification**.	The Growth investment option is focused on **delivering the best net return** from investing in a portfolio that has a **strong bias to growth** assets and has **high diversification.**
Who is this investment suitable for?	With **all growth** assets, this **Core pre-mixed** investment option is designed for members with a **long-term** investment time frame, who are seeking **very strong** long-term returns and have a **high tolerance** of negative returns.	With a **strong bias to growth** assets, this **Core pre-mixed** investment option is designed for members with a **medium to long-term** investment time frame, who are seeking **very strong** long-term returns and have a **medium to high tolerance** of negative returns.
Investment objective	CPI plus 4.5% per annum on average over 20 years.	CPI plus 4.5% per annum on average over 20 years.
Level of investment risk	**High.** (Negative returns expected in between 4 to less than 6 out of every 20 years)	**Medium to High.** (Negative returns expected in between 3 to less than 4 out of every 20 years)
Minimum suggested investment time frame	10 years +	5 years +
Growth/ defensive allocation	**100% growth / 0% defensive**	**90% growth / 10% defensive**
Investment mix and asset ranges		

High Growth*

	ASSET CLASS	RANGE %	TARGET
Listed equities	Australian shares	10–60%	37%
	International shares – Developed markets	10–60%	40%
	International shares – Emerging markets	0–30%	11%
Unlisted assets	Property	0–10%	0%
	Infrastructure	0–10%	0%
	Private equity	0–30%	12%
	Credit	0–10%	0%
	Alternatives	0–10%	0%
Bonds and cash	Diversified fixed interest	0–10%	0%
	Cash	0–10%	0%

Growth

	ASSET CLASS	RANGE %	TARGET
Listed equities	Australian shares	10–50%	30%
	International shares – Developed markets	10–50%	32%
	International shares – Emerging markets	0–20%	9%
Unlisted assets	Property	0–20%	6%
	Infrastructure	0–20%	7%
	Private equity	0–20%	8%
	Credit	0–15%	5%
	Alternatives	0–10%	3%
Bonds and cash	Diversified fixed interest	0–10%	0%
	Cash	0–10%	0%

Additional information	Information about the past performance of this option is at **hostplus.com.au/returns.** Information about the fees and costs for investing in this option is in Section 6. Fees and Costs. Explanations of the bolded terms used in the 'summary' and 'who is this investment suitable for' are in the glossary at Section 5.21. Glossary.

* Not available to pre-1 July 2008 members who have not waived their Protected Minimum Benefit.

	Balanced (MySuper)	Conservative Balanced
Summary	The Balanced investment option is focused on **delivering the best net return** from investing in a portfolio that has a **bias to growth** assets and has **high diversification**.	The Conservative Balanced investment option is focused on **delivering the best net return** from investing in a portfolio that has a **similar proportion of growth and defensive** assets and has **high diversification**.
Who is this investment suitable for?	With a **bias to growth** assets, this **Core pre-mixed** investment option is designed for members with a **medium to long-term** investment time frame, who are seeking **strong** long-term returns and have a **medium to high tolerance** of negative returns. This option is also designed for members who do not wish to make an investment choice.	With a **similar proportion of growth and defensive** assets, this **Core pre-mixed** investment option is designed for members with a **medium to long-term** investment time frame, who are seeking **moderate** long-term returns and have a **medium tolerance** of negative returns.
Investment objective	CPI plus 3.0% per annum on average over 10 years. CPI plus 4.0% per annum on average over 20 years.	CPI plus 3.0% per annum on average over 20 years.
Level of investment risk	**Medium to High.** (Negative returns expected in between 3 to less than 4 out of every 20 years)	**Medium.** (Negative returns expected in between 2 to less than 3 out of every 20 years)
Minimum suggested investment time frame	5 years +	5 years +
Growth/ defensive allocation	**76% growth / 24% defensive**	**56% growth / 44% defensive**

Investment mix and asset ranges

Balanced (MySuper)

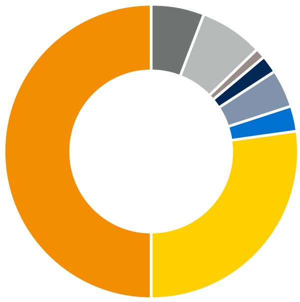
	ASSET CLASS	RANGE %	TARGET
Listed equities	Australian shares	10–40%	21%
Listed equities	International shares – Developed markets	10–40%	22%
Listed equities	International shares – Emerging markets	0–15%	7%
Unlisted assets	Property	0–30%	10%
Unlisted assets	Infrastructure	0–30%	11%
Unlisted assets	Private equity	0–25%	10%
Unlisted assets	Credit	0–20%	7%
Unlisted assets	Alternatives	0–20%	4%
Bonds and cash	Diversified fixed interest	0–20%	4%
Bonds and cash	Cash	0–15%	4%

Conservative Balanced

	ASSET CLASS	RANGE %	TARGET
Listed equities	Australian shares	10–30%	16%
Listed equities	International shares – Developed markets	10–30%	17%
Listed equities	International shares – Emerging markets	0–15%	5%
Unlisted assets	Property	0–25%	9%
Unlisted assets	Infrastructure	0–25%	9%
Unlisted assets	Private equity	0–10%	3%
Unlisted assets	Credit	0–20%	7%
Unlisted assets	Alternatives	0–20%	6%
Bonds and cash	Diversified fixed interest	10–40%	18%
Bonds and cash	Cash	0–25%	10%

Additional information

Information about the past performance of this option is at hostplus.com.au/returns. Information about the fees and costs for investing in this option is in Section 6. Fees and Costs. Explanations of the bolded terms used in the 'summary' and 'who is this investment suitable for' are in the glossary at Section 5.21. Glossary.

	Capital Stable	Defensive*
Summary	The Capital Stable investment option is focused on **delivering the best net return** from investing in a portfolio that has a **bias to defensive** assets and has **high diversification**.	The Defensive investment option is focused on **delivering the best net return** from investing in a portfolio that has a **strong bias to defensive** assets and has **medium diversification**.
Who is this investment suitable for?	With a **bias to defensive** assets, this **Core pre-mixed** investment option is designed for members with a **medium to long-term** investment time frame, who are seeking **modest** long-term returns and have a **low to medium tolerance** of negative returns.	With a **strong bias to defensive** assets, this **Core pre-mixed** investment option is designed for members with a **short-term** investment time frame, who are seeking **stable** returns and have a **very low tolerance** of negative returns.
Investment objective	CPI plus 2.0% per annum on average over 20 years.	CPI plus 1.0% per annum on average over 20 years
Level of investment risk	**Low to Medium.** (Negative returns expected in between 1 to less than 2 out of every 20 years)	**Very Low.** (Negative returns expected in less than 0.5 out of every 20 years)
Minimum suggested investment time frame	5 years +	2 years +
Growth/ defensive allocation	**37% growth / 63% defensive**	**19% growth / 81% defensive**
Investment mix and asset ranges		

Capital Stable

	ASSET CLASS	RANGE %	TARGET
Listed equities	Australian shares	0–30%	8%
	International shares – Developed markets	0–30%	9%
	International shares – Emerging markets	0–10%	2%
Unlisted assets	Property	0–25%	10%
	Infrastructure	0–25%	11%
	Private equity	0–10%	1%
	Credit	0–20%	7%
	Alternatives	0–20%	6%
Bonds and cash	Diversified fixed interest	10–50%	28%
	Cash	0–50%	18%

Defensive*

	ASSET CLASS	RANGE %	TARGET
Listed equities	Australian shares	0–30%	6%
	International shares – Developed markets	0–30%	7%
	International shares – Emerging markets	0–10%	1%
Unlisted assets	Property	0–30%	2%
	Infrastructure	0–30%	4%
	Private equity	0–10%	0%
	Credit	0–30%	0%
	Alternatives	0–30%	3%
Bonds and cash	Diversified fixed interest	10–70%	34%
	Cash	10–80%	43%

Additional information: Information about the past performance of this option is at hostplus.com.au/returns. Information about the fees and costs for investing in this option is in Section 6. Fees and Costs. Explanations of the bolded terms used in the 'summary' and 'who is this investment suitable for' are in the glossary at Section 5.21. Glossary.

* Not available to pre-1 July 2008 members who have not waived their Protected Minimum Benefit.

Indexed options (pre-mixed)

Focused on minimising investment fees and costs.

The six pre-mixed investment options outlined on the following pages generally use a passive investment style to invest in listed companies, bonds and cash, and aim to track the returns of the markets in which they invest.

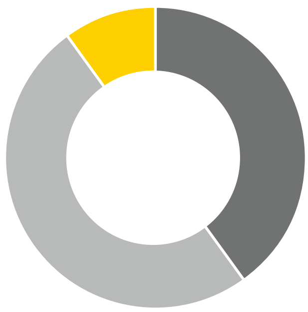
	Indexed High Growth*	Indexed Growth*
Summary	The Indexed High Growth investment option is focused on **minimising investment fees and costs** from investing in a portfolio of **all growth** assets and has **low diversification**.	The Indexed Growth investment option is focused on **minimising investment fees and costs** from investing in a portfolio that has a **strong bias to growth** assets and has **medium diversification**.
Who is this investment suitable for?	With **all growth** assets, this **Indexed pre-mixed** investment option is designed for members with a **long-term** investment time frame, who are seeking **moderate** long-term returns and have a **high tolerance** of negative returns.	With a **strong bias to growth** assets, this **Indexed pre-mixed** investment option is designed for members with a **long-term** investment time frame, who are seeking **moderate** long-term returns and have a **high tolerance** of negative returns.
Investment objective	CPI plus 3.0% per annum on average over 20 years.	CPI plus 2.5% per annum on average over 20 years
Level of investment risk	**High.** (Negative returns expected in between 4 to less than 6 out of every 20 years)	**High**. (Negative returns expected in between 4 to less than 6 out of every 20 years)
Minimum suggested investment time frame	7 years +	7 years +
Growth/ defensive allocation	**100% growth / 0% defensive**	**90% growth / 10% defensive**

Investment mix and asset ranges

Indexed High Growth*

	ASSET CLASS	RANGE %	TARGET
Listed equities	Australian shares	20–80%	48%
	International shares – Developed markets	20–80%	52%
	International shares – Emerging markets	0–30%	0%
Unlisted assets	Property	0–10%	0%
	Infrastructure	0–10%	0%
	Private equity	0–30%	0%
	Credit	0–10%	0%
	Alternatives	0–10%	0%
Bonds and cash	Diversified fixed interest	0–10%	0%
	Cash	0–10%	0%

Indexed Growth*



	ASSET CLASS	RANGE %	TARGET
Listed equities	Australian shares	20–70%	40%
	International shares – Developed markets	20–70%	50%
	International shares – Emerging markets	0–30%	0%
Unlisted assets	Property	0–10%	0%
	Infrastructure	0–10%	0%
	Private equity	0–30%	0%
	Credit	0–10%	0%
	Alternatives	0–10%	0%
Bonds and cash	Diversified fixed interest	0–20%	10%
	Cash	0–20%	0%

Additional information

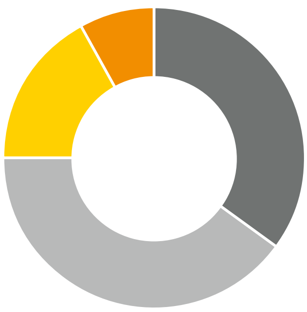
Information about the past performance of this option is at hostplus.com.au/returns. Information about the fees and costs for investing in this option is in Section 6. Fees and Costs. Explanations of the bolded terms used in the 'summary' and 'who is this investment suitable for' are in the glossary at Section 5.21. Glossary.

* Not available to pre-1 July 2008 members who have not waived their Protected Minimum Benefit.

	Indexed Balanced	Indexed Conservative Balanced*
Summary	The Indexed Balanced investment option is focused on **minimising investment fees and costs** from investing in a portfolio that has a **bias to growth** assets and has **medium diversification**.	The Indexed Conservative Balanced investment option is focused on **minimising investment fees and costs** from investing in a portfolio that has a **similar proportion of growth and defensive** assets and has **medium diversification**.
Who is this investment suitable for?	With a **bias to growth** assets, this **Indexed pre-mixed** investment option is designed for members with a **medium to long-term** investment time frame, who are seeking **moderate** long-term returns and have a **high tolerance** of negative returns.	With a **similar proportion of growth and defensive** assets, this **Indexed pre-mixed** investment option is designed for members with a **medium to long-term** investment time frame, who are seeking **modest** long-term returns and have a **high tolerance** of negative returns.
Investment objective	CPI plus 2.5% per annum on average over 20 years.	CPI plus 2.0% per annum on average over 20 years
Level of investment risk	**High.** (Negative returns expected in between 4 to less than 6 out of every 20 years)	**High.** (Negative returns expected in between 4 to less than 6 out of every 20 years)
Minimum suggested investment time frame	5 years +	5 years +
Growth/ defensive allocation	**75% growth / 25% defensive**	**55% growth / 45% defensive**

Investment mix and asset ranges

Indexed Balanced



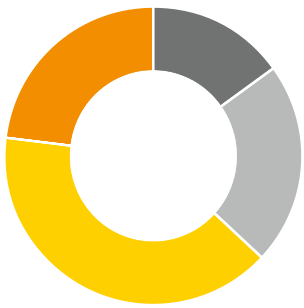
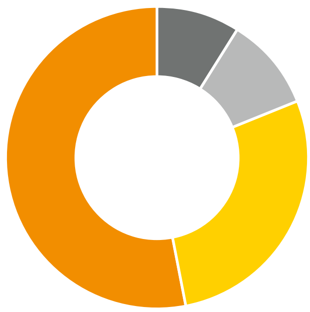
	ASSET CLASS	RANGE %	TARGET
Listed equities	Australian shares	20–60%	35%
	International shares – Developed markets	20–60%	40%
	International shares – Emerging markets	0–15%	0%
Unlisted assets	Property	0–10%	0%
	Infrastructure	0–10%	0%
	Private equity	0–10%	0%
	Credit	0–10%	0%
	Alternatives	0–10%	0%
Bonds and cash	Diversified fixed interest	10–30%	20%
	Cash	0–20%	5%

Indexed Conservative Balanced*

	ASSET CLASS	RANGE %	TARGET
Listed equities	Australian shares	10–50%	25%
	International shares – Developed markets	10–50%	30%
	International shares – Emerging markets	0–20%	0%
Unlisted assets	Property	0–20%	0%
	Infrastructure	0–20%	0%
	Private equity	0–20%	0%
	Credit	0–20%	0%
	Alternatives	0–20%	0%
Bonds and cash	Diversified fixed interest	5–40%	30%
	Cash	0–40%	15%

Additional information	Information about the past performance of this option is at hostplus.com.au/returns. Information about the fees and costs for investing in this option is in Section 6. Fees and Costs. Explanations of the bolded terms used in the 'summary' and 'who is this investment suitable for' are in the glossary at Section 5.21. Glossary.

* Not available to pre-1 July 2008 members who have not waived their Protected Minimum Benefit.

	Indexed Capital Stable*	Indexed Defensive*
Summary	The Indexed Capital Stable investment option is focused on **minimising investment fees and costs** from investing in a portfolio that has a **bias to defensive** assets and has **medium diversification**.	The Indexed Defensive investment option is focused on **minimising investment fees and costs** from investing in a portfolio that has a **strong bias to defensive** assets and has **medium diversification**.
Who is this investment suitable for?	With a **bias to defensive assets**, this **Indexed pre-mixed** investment option is designed for members with a **medium to long-term** investment time frame, who are seeking **modest** long-term returns and have a **medium tolerance** of negative returns.	With a **strong bias to defensive assets**, this **Indexed pre-mixed** investment option is designed for members with a **medium-to-long-term** investment time frame, who are seeking **stable** returns and have a **low tolerance** of negative returns.
Investment objective	CPI plus 1.5% per annum on average over 20 years	CPI plus 1.0% per annum on average over 20 years.
Level of investment risk	**Medium.** (Negative returns expected in between 2 to less than 3 out of every 20 years)	**Low.** (Negative returns expected in between 0.5 to less than 1 out of every 20 years)
Minimum suggested investment time frame	5 years +	5 years +
Growth/ defensive allocation	**37% growth / 63% defensive**	**19% growth / 81% defensive**
Investment mix and asset ranges		

Indexed Capital Stable*

	ASSET CLASS	RANGE %	TARGET
Listed equities	Australian shares	0–40%	15%
	International shares – Developed markets	0–40%	22%
	International shares – Emerging markets	0–10%	0%
Unlisted assets	Property	0–30%	0%
	Infrastructure	0–30%	0%
	Private equity	0–10%	0%
	Credit	0–30%	0%
	Alternatives	0–30%	0%
Bonds and cash	Diversified fixed interest	10–60%	40%
	Cash	0–60%	23%

Indexed Defensive*

	ASSET CLASS	RANGE %	TARGET
Listed equities	Australian shares	0–30%	9%
	International shares – Developed markets	0–30%	10%
	International shares – Emerging markets	0–10%	0%
Unlisted assets	Property	0–30%	0%
	Infrastructure	0–30%	0%
	Private equity	0–10%	0%
	Credit	0–30%	0%
	Alternatives	0–30%	0%
Bonds and cash	Diversified fixed interest	10–70%	36%
	Cash	10–80%	45%

Additional information

Information about the past performance of this option is at hostplus.com.au/returns. Information about the fees and costs for investing in this option is in Section 6. Fees and Costs. Explanations of the bolded terms used in the 'summary' and 'who is this investment suitable for' are in the glossary at Section 5.21. Glossary.

* Not available to pre-1 July 2008 members who have not waived their Protected Minimum Benefit.

Socially Responsible Investment (SRI) options (pre-mixed)

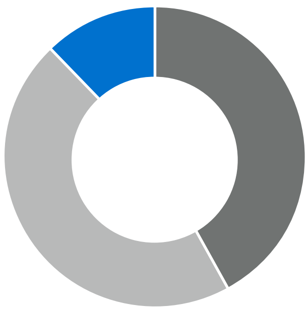
Focused on values-based investing.

The three pre-mixed investment options outlined on the following pages seek to reduce exposure to industry segments within fossil fuels and tobacco production, as well as other factors.

	Socially Responsible Investment (SRI) – High Growth*	Socially Responsible Investment (SRI) – Balanced
Summary	The Socially Responsible Investment (SRI) – High Growth investment option is focused on **values-based investing** from investing in a portfolio of **all growth** assets and has **medium diversification**.	The Socially Responsible Investment (SRI) – Balanced investment option is focused on **values-based investing** from investing in a portfolio with a **bias to growth** assets and has **high diversification**.
Who is this investment suitable for?	With **all growth** assets, this **Socially Responsible Investment pre-mixed** option is designed for members with a **long-term** investment time frame, who are seeking **strong** long-term returns and have a **high tolerance** of negative returns.	With a **bias to growth** assets, this **Socially Responsible Investment pre-mixed** option is designed for members with a **medium to long-term** investment time frame, who are seeking **moderate** long-term returns and have a **medium to high tolerance** of negative returns.
Investment objective	CPI plus 3.5% per annum on average over 20 years	CPI plus 3.0% per annum on average over 20 years.
Level of investment risk	**High.** (Negative returns expected in between 4 to less than 6 out of every 20 years)	**Medium to high.** (Negative returns expected in between 3 to less than 4 out of every 20 years)
Minimum suggested investment time frame	7 years +	5 years +
Growth/ defensive allocation	**100% growth / 0% defensive**	**72% growth / 28% defensive**

Investment mix and asset ranges

Socially Responsible Investment (SRI) – High Growth*



	ASSET CLASS	RANGE %	TARGET
Listed equities	Australian shares	20–80%	42%
Listed equities	International shares – Developed markets	20–80%	46%
Listed equities	International shares – Emerging markets	0–30%	0%
Unlisted assets	Property	0–10%	0%
Unlisted assets	Infrastructure	0–10%	0%
Unlisted assets	Private equity	0–30%	12%
Unlisted assets	Credit	0–10%	0%
Unlisted assets	Alternatives	0–10%	0%
Bonds and cash	Diversified fixed interest	0–10%	0%
Bonds and cash	Cash	0–10%	0%

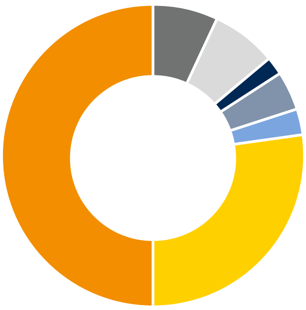
Socially Responsible Investment (SRI) – Balanced

	ASSET CLASS	RANGE %	TARGET
Listed equities	Australian shares	10–50%	24%
Listed equities	International shares – Developed markets	10–50%	26%
Listed equities	International shares – Emerging markets	0–20%	0%
Unlisted assets	Property	0–30%	8%
Unlisted assets	Infrastructure	0–30%	10%
Unlisted assets	Private equity	0–30%	9%
Unlisted assets	Credit	0–20%	0%
Unlisted assets	Alternatives	0–30%	10%
Bonds and cash	Diversified fixed interest	0–30%	8%
Bonds and cash	Cash	0–20%	5%

Additional information

Information about the past performance of this option is at hostplus.com.au/returns. Information about the fees and costs for investing in this option is in Section 6. Fees and Costs. Explanations of the bolded terms used in the 'summary' and 'who is this investment suitable for' are in the glossary at Section 5.21. Glossary.

* Not available to pre-1 July 2008 members who have not waived their Protected Minimum Benefit.

	Socially Responsible Investment (SRI) – Defensive*
Summary	The Socially Responsible Investment (SRI) – Defensive investment option is focused on **values-based investing** from investing in a portfolio with a **strong bias to defensive** assets and has **medium diversification**.
Who is this investment suitable for?	With a **strong bias to defensive** assets, this **Socially Responsible Investment pre-mixed** option is designed for members with a **medium to long-term** investment time frame, who are seeking **stable** returns and have a **low tolerance** of negative returns.
Investment objective	CPI plus 1.0% per annum on average over 20 years
Level of investment risk	**Low.** (Negative returns expected in between 0.5 to less than 1 out of every 20 years)
Minimum suggested investment time frame	5 years +
Growth/ defensive allocation	**19% growth / 81% defensive**
Investment mix and asset ranges	
Additional information	Information about the past performance of this option is at hostplus.com.au/returns. Information about the fees and costs for investing in this option is in Section 6. Fees and Costs. Explanations of the bolded terms used in the 'summary' and 'who is this investment suitable for' are in the glossary at Section 5.21. Glossary.

	ASSET CLASS	RANGE %	TARGET
Listed equities	Australian shares	0–30%	7%
	International shares – Developed markets	0–30%	7%
	International shares – Emerging markets	0–10%	0%
Unlisted assets	Property	0–30%	2%
	Infrastructure	0–30%	4%
	Private equity	0–10%	0%
	Credit	0–30%	0%
	Alternatives	0–30%	3%
Bonds and cash	Diversified fixed interest	10–70%	35%
	Cash	10–80%	42%

* Not available to pre-1 July 2008 members who have not waived their Protected Minimum Benefit.

These Socially Responsible Investment (SRI) options allow members to align their superannuation with their personal values. We select these investments based on additional responsible investment criteria compared to Hostplus' other investment options.

Specifically, our Socially Responsible Investment (SRI) options seek to:

Reduce exposure in investments in the following industries:
Fossil fuels[1]
Companies that breach Human Rights or Labour Rights standards[2]
Companies with very poor ESG policies and systems[3]
Controversial weapons[4]
Uncertified palm oil[5]
Predatory lending[6]
For-profit detention[7]
Gambling[8]
Tobacco production[9]
Live animal export[10]

1. Companies that own reserves, explore, mine, extract, produce, refine or generate energy from fossil fuels as well as those companies that receive revenue from servicing these sectors through equipment services, pipeline transport or distribution. Seeks to apply a zero-materiality threshold, but dedicated renewable energy generators with backup fossil fuel sources (<5%) may remain investible. Data is supplied by Morgan Stanley Capital International (MSCI) and Institutional Shareholders Services (ISS) Inc.

2. Companies that breach the United Nations (UN) Global Compact or International Labour Organisation's (ILO) Core Conventions. Data is supplied by Morgan Stanley Capital International (MSCI).

3. Companies with a MSCI ESG rating B or CCC.

4. Companies involved in the development, production, maintenance or sale of controversial weapons (including cluster munitions, anti-personnel mines, depleted uranium, biological weapons, chemical weapons, blinding laser weapons, non-detectable fragment weapons, incendiary weapons and nuclear weapons). Involvement includes companies directly involved as well as prime-contractors, key subcontractors, and suppliers of key components. Data is supplied by ISS.

5. Companies involved in growing, processing or using palm oil, that derive >10% of their revenue from these activities and where <50% of the palm oil is Roundtable on Sustainable Palm Oil (RSPO) Certified. Data is supplied by ISS.

6. Companies involved in predatory lending, including unfair or deceptive products, excessive interest rates, misleading marketing, inclusion of unnecessary costs and hidden fees and those targeting minority, low income or elderly consumers. Data is supplied by ISS.

7. Companies deriving >5% of their revenue from for-profit detention e.g. prisons and immigration detention. Data is supplied by ISS.

8. Companies deriving >5% of their revenue from gambling. Data is supplied by MSCI.

9. Companies that manufacture tobacco products, such as cigars, blunts, cigarettes, e-cigarettes, inhalers, beedis, kreteks, smokeless tobacco, snuff, snus, dissolvable and chewing tobacco.
This also includes companies that grow or process raw tobacco leaves. Data is supplied by MSCI.

10. Companies involved in the export of live animals for the purpose of slaughter, husbandry and breeding, including specialised transportation. Data is supplied by ISS.

Like our other investment options, our SRI options invest in unlisted assets such as private equity/venture capital as well as listed investments.

How the Socially Responsible Investment (SRI) options are designed

To develop our Socially Responsible Investment (SRI) options, we partnered with specialist external investment managers.

Hostplus or its investment managers also source sustainable investment data from external service providers (Institutional Shareholder Services (ISS) Inc and Morgan Stanley Capital International (MSCI)).

Decisions about the selection, retention or realisation of investments, particularly for listed assets, apply a rules-based approach and may therefore be affected by the accessibility and accuracy of data or an error by an external service provider. This may result in inadvertent holdings, typically over the short-term, in companies or assets the investment options seek to avoid.

While the options invest with managers through mandates or fund-of-one structures wherever possible in order to adhere fully to the above rules, there will be circumstances where the options invest in pooled funds. In such circumstances, we cannot set the specific filter criteria, but will aim for the closest fit to the criteria in selecting a pooled fund.

More information on our Socially Responsible Investment (SRI) options can be found on our website at hostplus.com.au/about-us/company-overview/investment-governance.

Hostplus Life*

Focused on adjusting the level of investment risk as you approach retirement.

The Hostplus Life option outlined on the following page automatically moves from higher-risk core pre-mixed investment options to lower-risk core pre-mixed investment options as you approach retirement.

* Not available to pre-1 July 2008 members who have not waived their Protected Minimum Benefit.

Hostplus Life*

If you choose our **Hostplus Life option**, we'll invest your super in different Core pre-mixed investment options depending on how close you are to retirement.

	Hostplus Life			
Summary	The Hostplus Life investment option focuses on **adjusting your level of investment risk** depending on your age and has **high diversification**.			
Who is this investment suitable for?	This investment option is designed for members who would like to automatically move from higher-risk Core investment options to lower-risk Core investment options as they approach retirement. Throughout your younger years, Hostplus Life is focused on long-term capital growth, with a higher investment in assets such as listed equities and property. As you move closer to retirement, your superannuation will be focused more on providing a steady income and preserving capital.			
Investment objective	**Age bracket**	**Investment option**	**Investment objective**	
	Under 40	Growth	CPI plus 4.5% per annum on average over 20 years.	
	40-49	Balanced	CPI plus 4.0% per annum on average over 20 years.	
	50-59	Conservative Balanced	CPI plus 3.0% per annum on average over 20 years.	
	60 and over	Capital Stable	CPI plus 2.0% per annum on average over 20 years.	
Level of investment risk	**Age bracket**	**Investment option**	**Level of investment risk**	**Negative returns expected out of every 20 years**
	Under 40	Growth	Medium to High	Negative returns expected in between 3 to less than 4 out of every 20 years.
	40-49	Balanced	Medium to High	Negative returns expected in between 3 to less than 4 out of every 20 years.
	50-59	Conservative Balanced	Medium	Negative returns expected in between 2 to less than 3 out of every 20 years.
	60 and over	Capital Stable	Low to Medium	Negative returns expected in between 1 to less than 2 out of every 20 years.
Minimum suggested investment time frame	**Age bracket**	**Investment option**	**Minimum suggested investment time frame**	
	Under 40	Growth	5 years +	
	40-49	Balanced	5 years +	
	50-59	Conservative Balanced	5 years +	
	60 and over	Capital Stable	5 years +	
Asset mix	Please refer to section 5.2 for the growth/defensive allocation and investment mix and asset ranges for the Growth, Balanced, Conservative Balanced and Capital Stable pre-mixed options.			
Additional information	Information about the past performance of this option is at hostplus.com.au/returns. Information about the fees and costs for investing in this option is in Section 6. Fees and Costs. Explanations of the bolded terms used in the 'summary' and 'who is this investment suitable for' are in the glossary at Section 5.21. Glossary.			

* Not available to pre-1 July 2008 members who have not waived their Protected Minimum Benefit.

We will automatically switch your balance into the next Hostplus Life investment option on your 40th, 50th and 60th birthdays. Please note if selecting Hostplus Life you cannot also select other investment options – you may only choose 100% or 0% into Hostplus Life.

Single sector investment options

Focused on investing in a single investment sector.

The single sector investment options outlined on the following pages predominantly invest in a specific asset class, such as Cash or Australian Shares, and have varying investment styles.

5.3 Single sector investment options

The single sector investment options predominantly invest in a specific asset class, such as Cash or Australian Shares.

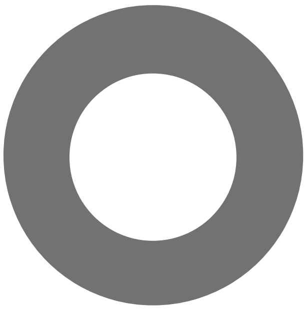
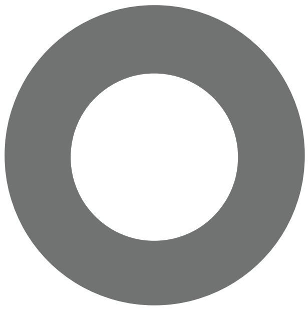
You can choose to invest in more than one single sector option, or combine them with our pre-mixed or Choiceplus options to give you greater flexibility.

If you choose one or more of the single sector investment options without adequately diversifying your investment, you could expose your super savings to a greater risk of loss.

Investment option	Level of investment risk	Growth assets exposure target	Minimum suggested investment time frame
Australian Shares	High	100%	7 years +
Australian Shares – Indexed*	Very High	100%	5 years +
International Shares	High	100%	5 years +
International Shares – Indexed*	Very High	100%	5 years +
International Shares (Hedged) – Indexed*	Very High	100%	5 years +
International Shares – Emerging Markets*	High	100%	5 years +
Diversified Fixed Interest*	Low to Medium	0%	2 years +
Diversified Fixed Interest – Indexed*	Low to Medium	0%	2 years +
Cash	Very Low	0%	2 years +

For definitions of the different types of asset classes, defensive and growth assets, and the relationship between risk and return, please refer to Sections 5.5, 5.6 and 5.8.

* Not available to pre-1 July 2008 members who have not waived their Protected Minimum Benefit.

	Australian Shares	Australian Shares – Indexed*
Summary	The Australian Shares investment option is focused on **delivering the best net return in a single sector** from investing in a portfolio of **all growth** assets (typically companies listed predominantly on the Australian Securities Exchange) and has **low diversification**.	The Australian Shares – Indexed investment option is focused on **minimising investment fees and costs in a single sector** from investing in a portfolio of **all growth** assets (typically companies listed predominantly on the Australian Securities Exchange) and has **low diversification**.
Who is this investment suitable for?	With **all growth** assets, this **single sector** investment option is designed for members with a **long-term** investment time frame, who are seeking **strong** long-term returns and have a **high tolerance** of negative returns.	With **all growth** assets, this **single sector** investment option is designed for members with a **medium to long-term** investment time frame, who are seeking **moderate** long-term returns and have a **very high tolerance** of negative returns.
Investment objective	CPI plus 4.0% per annum on average over 20 years.	CPI plus 3.0% per annum on average over 20 years.
Level of investment risk	**High.** (Negative returns expected in between 4 to less than 6 out of every 20 years)	**Very High.** (Negative returns expected in 6 or greater years out of every 20 years)
Minimum suggested investment time frame	7 years +	5 years +
Growth/ defensive allocation	**100% growth / 0% defensive**	**100% growth / 0% defensive**
Investment mix and asset ranges		

Australian Shares

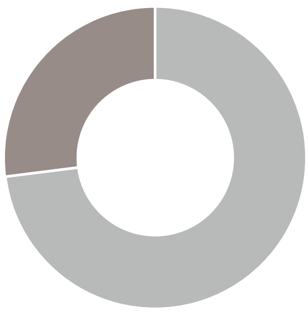
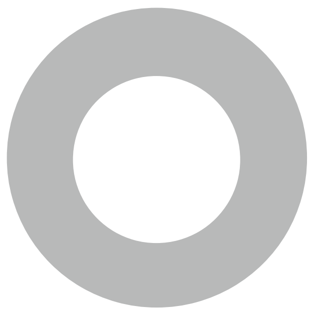
	ASSET CLASS	RANGE %	TARGET
Listed equities	Australian shares	90–100%	100%
Bonds and cash	Cash	0–10%	0%

Australian Shares – Indexed*

	ASSET CLASS	RANGE %	TARGET
Listed equities	Australian shares	90–100%	100%
Bonds and cash	Cash	0–10%	0%

Additional information	Information about the past performance of this option is at hostplus.com.au/returns. Information about the fees and costs for investing in this option is in Section 6. Fees and Costs. Explanations of the bolded terms used in the 'summary' and 'who is this investment suitable for' are in the glossary at Section 5.21. Glossary.

* Not available to pre-1 July 2008 members who have not waived their Protected Minimum Benefit.

	International Shares	International Shares – Indexed*
Summary	The International Shares investment option is focused on **delivering the best net return in a single sector** from investing in a portfolio of **all growth** assets (typically companies listed on international securities exchanges, including developed and emerging markets, and may include some unlisted assets) and has **medium diversification**.	The International Shares – Indexed investment option is focused on **minimising investment fees and costs in a single sector** from investing in a portfolio of **all growth** assets (typically companies listed on international securities exchanges in developed markets) and has **low diversification**.
Who is this investment suitable for?	With **all growth** assets, this **single sector** investment option is designed for members with a **medium to long-term** investment time frame, who are seeking **strong** long-term returns, have a **high tolerance** of negative returns and **can accept the impacts of foreign currency movements**.	With **all growth** assets, this **single sector** investment option is designed for members with a **medium to long-term** investment time frame, who are seeking **modest** long-term returns, have a **very high tolerance** of negative returns and **can accept the impacts of foreign currency movements**.
Investment objective	CPI plus 4.0% per annum on average over 20 years.	CPI plus 2.0% per annum on average over 20 years.
Level of investment risk	**High.** (Negative returns expected in between 4 to less than 6 out of every 20 years)	**Very High.** (Negative returns expected in 6 or greater out of every 20 years)
Minimum suggested investment time frame	5 years +	5 years +
Growth/ defensive allocation	**100% growth / 0% defensive**	**100% growth / 0% defensive**
Investment mix and asset ranges		

International Shares

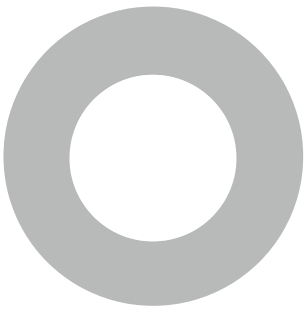
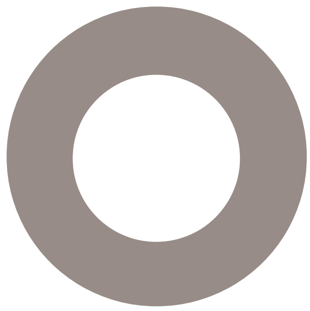
	ASSET CLASS	RANGE %	TARGET
Listed equities	International shares – Developed markets	50–100%	73%
Listed equities	International shares – Emerging markets	0–40%	27%
Bonds and cash	Cash	0–10%	0%

International Shares – Indexed*

	ASSET CLASS	RANGE %	TARGET
Listed equities	International shares – Developed markets	90–100%	100%
Bonds and cash	Cash	0–10%	0%

Additional information	Information about the past performance of this option is at hostplus.com.au/returns. Information about the fees and costs for investing in this option is in Section 6. Fees and Costs. Explanations of the bolded terms used in the 'summary' and 'who is this investment suitable for' are in the glossary at Section 5.21. Glossary.

* Not available to pre-1 July 2008 members who have not waived their Protected Minimum Benefit.

	International Shares (Hedged) – Indexed*	International Shares – Emerging Markets*
Summary	The International Shares (Hedged) – Indexed investment option is focused on **minimising investment fees and costs in a single sector** from investing in a portfolio of **all growth** assets (typically companies listed on international securities exchanges in developed markets) and has **low diversification**.	The International Shares – Emerging Markets investment option is focused on **delivering the best net return in a single sector** from investing in a portfolio of **all growth** assets (typically companies listed on international securities exchanges in emerging markets) and has **medium diversification**.
Who is this investment suitable for?	With **all growth** assets, this **single sector** investment option is designed for members with a **medium to long-term** investment time frame, who are seeking **modest** long-term returns, have a **very high tolerance** of negative returns and **want to limit impact of foreign currency movements**.	With **all growth** assets, this **single sector** investment option is designed for members with a **medium to long-term** investment time frame, who are seeking **strong** long-term returns, have a **high tolerance** of negative returns and **can accept the impacts of foreign currency movements**.
Investment objective	CPI plus 1.5% per annum on average over 20 years.	CPI plus 4.0% per annum on average over 20 years.
Level of investment risk	**Very High.** (Negative returns expected in 6 or greater out of every 20 years)	**High.** (Negative returns expected in between 4 to less than 6 out of every 20 years)
Minimum suggested investment time frame	5 years +	5 years +
Growth/ defensive allocation	**100% growth / 0% defensive**	**100% growth / 0% defensive**
Investment mix and asset ranges		

International Shares (Hedged) – Indexed*

	ASSET CLASS	RANGE %	TARGET
Listed equities	International shares – Developed markets	90–100%	100%
Bonds and cash	Cash	0–10%	0%

International Shares – Emerging Markets*

	ASSET CLASS	RANGE %	TARGET
Listed equities	International shares – Emerging markets	90–100%	100%
Bonds and cash	Cash	0–10%	0%

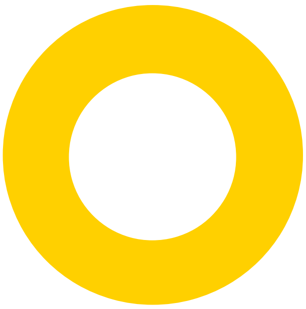
Additional information	Information about the past performance of this option is at hostplus.com.au/returns. Information about the fees and costs for investing in this option is in Section 6. Fees and Costs. Explanations of the bolded terms used in the 'summary' and 'who is this investment suitable for' are in the glossary at Section 5.21. Glossary.

* Not available to pre-1 July 2008 members who have not waived their Protected Minimum Benefit.

	Diversified Fixed Interest*	Diversified Fixed Interest – Indexed*
Summary	The Diversified Fixed Interest investment option is focused on **delivering the best net return in a single sector** from investing in a portfolio of **all defensive** assets (Australian and international government bonds and other investment grade debt) and has **medium diversification**.	The Diversified Fixed Interest – Indexed investment option is focused on **minimising investment fees and costs in a single sector** from investing in a portfolio of **all defensive** assets (Australian and international government bonds and other investment grade debt) and has **low diversification**.
Who is this investment suitable for?	With **all defensive** assets, this **single sector** investment option is designed for members with a **short-term** investment time frame, who are seeking **stable** returns and have a **low to medium tolerance** of negative returns.	With **all defensive** assets, this **single sector** investment option is designed for members with a **short-term** investment time frame, who are seeking **stable** returns and have a **low to medium tolerance** of negative returns.
Investment objective	CPI per annum on average over 20 years.	CPI minus 0.5% per annum on average over 20 years.
Level of investment risk	**Low to Medium.** (Negative returns expected in between 1 to less than 2 out of every 20 years)	**Low to Medium.** (Negative returns expected in between 1 to less than 2 out of every 20 years)
Minimum suggested investment time frame	2 years +	2 years +
Growth/ defensive allocation	**0% growth / 100% defensive**	**0% growth / 100% defensive**

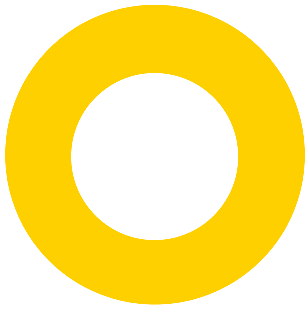
Investment mix and asset ranges

Diversified Fixed Interest*



	ASSET CLASS	RANGE %	TARGET
Bonds and cash	Diversified fixed interest	90–100%	100%
Bonds and cash	Cash	0–10%	0%

Diversified Fixed Interest – Indexed*



	ASSET CLASS	RANGE %	TARGET
Bonds and cash	Diversified fixed interest	90–100%	100%
Bonds and cash	Cash	0–10%	0%

Additional information

Information about the past performance of this option is at hostplus.com.au/returns. Information about the fees and costs for investing in this option is in Section 6. Fees and Costs. Explanations of the bolded terms used in the 'summary' and 'who is this investment suitable for' are in the glossary at Section 5.21. Glossary.

* Not available to pre-1 July 2008 members who have not waived their Protected Minimum Benefit.

	Cash[1]
Summary	The Cash investment option is focused on capital preservation from investing in a portfolio of **all defensive assets** with high liquidity characteristics (e.g., bank deposits, short-term money market investments and other similar investments) and has **low diversification**.
Who is this investment suitable for?	With **all defensive** assets, this **single sector** investment option is designed for members with a **short-term** investment time frame, who are seeking **stable** returns and have a **very low tolerance** of negative returns.
Investment objective	CPI per annum on average over 20 years.
Level of investment risk	**Very Low.** (Negative returns expected in less than 0.5 out of every 20 years)
Minimum suggested investment time frame	2 years +
Growth/ defensive allocation	**0% growth / 100% defensive**

Investment mix and asset ranges

	ASSET CLASS	RANGE %	TARGET
Bonds and cash	Cash	100%	100%

Additional information	Information about the past performance of this option is at hostplus.com.au/returns. Information about the fees and costs for investing in this option is in Section 6. Fees and Costs. Explanations of the bolded terms used in the 'summary' and 'who is this investment suitable for' are in the glossary at Section 5.21. Glossary.

1. The Cash option will be invested approximately 60% in deposits with Commonwealth Bank of Australia Limited and 40% in deposits with Members Equity Bank Limited. Any remaining amounts of the Cash option will be invested in separate bank deposits, short-term money market investments or other similar investments. Please note that maintaining a specific allocation requires regular rebalancing and the actual allocation may vary between rebalancing dates.

Choiceplus*

Choiceplus is designed for members who want a more active role in investing their super or pension.

Choiceplus allows direct investment into companies in the S&P/ASX 300 Index, and a selection of Exchange Traded Funds (ETFs), Listed Investment Companies (LICs) and Term Deposits.

* Not available to pre-1 July 2008 members who have not waived their Protected Minimum Benefit.

5.4 Choiceplus

Please note, Choiceplus is not available for Transition to Retirement (TTR) pensions or for pre-1 July 2008 members who have not waived their Protected Minimum Benefit.

Key features of Choiceplus

The Choiceplus investment option offers many of the features available to a self-managed super fund (SMSF) at a low cost – while you continue to be invested in an APRA-regulated super fund:

- Central transaction account.
- Real time online share trading.
- Live share quotes and 20-minute delayed market data.
- Ability to participate in share dividend reinvestment plans.
- Access to personalised share trading information and history.
- Consolidated portfolio and tax reporting for your Choiceplus investments.
- Comprehensive market information, news and research.
- Investment tools, including watch lists and charting.
- Transfer your Choiceplus shares, exchange traded funds (ETFs) and listed investment companies (LICs) when commencing a new Hostplus Pension (excluding TTR accounts).

For definitions of the different types of asset classes, defensive and growth assets, and the relationship between risk and return, please refer to sections 5.5, 5.6 and 5.8.

The following tables provide further details about the investments available within Choiceplus*

	Australian Shares (within S&P/ASX 300 Index)	Exchange Traded Funds (ETFs)
Summary	The S&P/ASX 300 Index incorporates up to 300 of the largest companies on the Australian Securities Exchange (by market capitalisation).	ETFs are traded like shares, but are a collection of securities and generally represent a particular market index, (e.g. ASX Small Caps). ETFs provide a low-cost way to access a wide range of securities in Australian and international markets and different industry sectors without having to select shares yourself.
Who is this investment suitable for?	Members with a **long-term** investment time frame who are seeking **strong** long-term returns and have a **high** tolerance of negative returns. Choiceplus members should be comfortable with implementing their own investment strategy and taking an active role in managing their super investment.	Members with a **short-term to long-term** investment time frame (depending on the ETF chosen) who are seeking **stable to very-strong** long-term returns (depending on the ETF chosen) and have **very low to very high tolerance** of negative returns (depending on the ETF chosen). Members choosing this investment should be comfortable with implementing their own investment strategy and taking an active role in managing their super investment.
Level of investment risk*	**High** (Based on a diversified share portfolio, expected frequency of negative annual returns would be in between 4 and 6 out of every 20 years)	Varies depending on the ETF chosen
Minimum suggested investment time frame	7 years +	Varies depending on the ETF chosen
% Exposure to growth assets	100%	Varies depending on the ETF chosen
Additional information	Explanations of the bolded terms used in the 'summary' and 'who is this investment suitable for' are in the glossary at Section 5.21. Glossary. For the current list of ETFs available through Choiceplus, go to hostplus.com.au/choiceplus	
	Listed Investment Companies (LICs)	**Term deposits****
Summary	LICs are publicly traded investment companies that invest in a diversified portfolio of assets, such as shares and bonds. LICs are traded like shares, and are closed-ended. This means they do not regularly issue new shares or cancel existing shares as investors join or leave. LICs are actively managed and can provide investors with exposure to a diversified portfolio of underlying shares and other assets.	Term Deposits have a locked-in term and interest rate, which accrues interest daily and is credited to your account at the end of the selected term along with the original invested capital. The interest rate is generally higher than a normal bank deposit interest rate. Term deposits are deemed to be 'illiquid' investments, because once you have agreed on a term and locked your investment in, you cannot redeem your cash earlier without incurring a penalty on your interest rate.
Who is this investment suitable for?	Members with a **medium to long-term** investment time frame who are seeking **strong** long-term returns and have a **high tolerance** of negative returns. Members should be comfortable with implementing their own investment strategy and taking an active role in managing their super investment.	With **all defensive** assets, Term Deposits are designed for members with a **short-term** investment time frame, who are seeking **stable** returns and have a **low tolerance** of negative returns.
Level of investment risk*	Varies depending on the LIC chosen	**Low.** (Negative returns expected in between 0.5 to less than 1 out of every 20 years)
Minimum suggested investment time frame	Varies depending on the LIC chosen	Maturity term – Choiceplus provides you with agreed maturity terms of 90 days, 180 days and 365 days on your term deposits.
% Exposure to growth assets	Varies depending on the LIC chosen	0%
Additional information	Explanations of the bolded terms used in the 'summary' and 'who is this investment suitable for' are in the glossary at section 5.21. Glossary. For the current list of LICs available through Choiceplus, go to hostplus.com.au/choiceplus The Choiceplus option allows you to invest your superannuation in term deposits provided by ME Bank – a division of Bank of Queensland Limited ABN 32 009 656 740 AFSL and Australian Credit Licence Number 244616.	

* Hostplus reserves the right to change or add to the selection of investments available through the Choiceplus investment option as required.
** Term Deposits cannot be transferred into your Pension account from your super account.

Choiceplus at a glance

For detailed information about Choiceplus (including transfers to Pension) download the Choiceplus Guide.

Who can invest?

To be eligible to invest in the Choiceplus investment option, you must:

- Be a Hostplus member with more than $10,000 in your account.
- Not have a Protected Minimum Benefit.
- Have access to the internet and a current email address, and registered for Member Online.
- Read and accept the terms and conditions during the registration process.
- Maintain a balance of at least $2,000 in one or more of your Hostplus pre-mixed or single sector investment options.
- Transfer and maintain at least $200 into your Choiceplus transaction account from your other Hostplus investment options.

Fees

Additional fees and costs apply to Choiceplus and vary depending on the option selected.

Find out more at Section 6 of this Guide, and the Choiceplus Guide.

Before you decide

It is important to bear in mind that investment decisions made in the Choiceplus investment option are made by you – not Hostplus.

Like any investment, Choiceplus carries its own level of investment and market risk. You should be aware of the risks involved and be comfortable with the strategy you are putting in place.

You should read the Terms and conditions for investing in the Choiceplus investment option in the Choiceplus Guide.

Seek advice from a financial planner

While many people feel they have the ability to take a more active role in managing their super, the reality is often quite different.

You may wish to obtain advice from a licensed financial planner before investing in the Choiceplus investment option.

Asset classes

5.5 Understanding asset classes

An asset is an investment used to gain a return.

Assets are divided into different **asset classes**, which is a grouping of investments with similar characteristics. For example, 'Cash' and 'Fixed interest' are types of asset classes.

With the exception of Choiceplus, each Hostplus investment option is designed with different investment objectives, strategies and levels of investment risk, which help to determine the mix of asset classes it invests in. Our pre-mixed options invest in a combination of asset classes, while our single-sector options invest in a single asset class.

The table below explains the main asset classes Hostplus invests in.

Asset class		What is it?	How does it work?	What is the risk/return?
Listed equities	**Australian equities (shares)**	Australian equities are typically investments in companies listed on the Australian Securities Exchange (ASX). Equities are sometimes called shares, securities, or stocks.	Shares allow you to participate alongside other owners in a company's future success. Returns come from dividends (income) and movements in the share prices, known as capital gains (or losses).	Australian equity returns can be more volatile in the short term, making them a higher risk investment, but over the long term are expected to generate strong returns.
Listed equities	**International equities (shares) – developed markets**	International equities (shares) are investments in companies listed on a range of stock exchanges around the world. These companies operate across a broad range of largely developed countries.	Returns from international shares come from a combination of dividend income and capital gains (or losses) plus any impact of currency movements relative to the Australian dollar.	International equity returns can be more volatile in the short term, making them a higher risk investment, but over the long term are expected to generate strong returns.
Listed equities	**International equities (shares) – emerging markets**	Emerging markets represent the up-and-coming economies of Asia, Africa, the Middle East, South America and Eastern Europe, and investments in companies listed on their securities exchanges.	Returns from international shares come from a combination of dividend income and capital gains (or losses) plus any impact of currency movements relative to the Australian dollar.	While emerging markets tend to be more volatile than developed markets, favourable returns are expected over the long term, partly driven by the improving standard of living in these developing economies.
Unlisted assets	**Property**	Represents an investment in property assets across many sectors including industrial, retail, residential, healthcare and commercial.	There are two ways that property can provide returns – income in the form of rent, and capital growth from an increase in the value of the asset. Value is typically determined by an assessment of the present value of all future cashflows generated by the asset.	Property is considered a moderate to high-risk investment. Returns are driven by several macro factors including economic (e.g. inflation, interest rates and employment), secular (e.g. ageing demographic, technological advancement and urbanisation) and asset-specific considerations (e.g. location and quality). Returns are generally higher than cash or fixed interest over the long term.
Unlisted assets	**Infrastructure**	Assets that provide essential public facilities and services in a number of sectors including transport, energy generation and transition, utilities and telecommunications in Australia and overseas.	Investments in infrastructure can be through direct investments in single assets or pooled funds and investment through a fund of funds vehicle.	A key characteristic of infrastructure is the predictability of cash flows generated due to the essential nature of the service they provide. In addition, they often have strong links to inflation embedded in their contracts, which are typically long-term or via regulatory pricing regimes. As a result of the predictability of cash flows, infrastructure assets are often seen as a substitute for bonds, providing both cash yield and capital growth.

Asset class		What is it?	How does it work?	What is the risk/return?
Unlisted assets	**Private equity**	Private equity involves investments in entities or vehicles that are not listed on securities exchanges. They can be based in Australia and overseas.	Private equity investments are usually made to finance one or more stages of a company's growth cycle, ranging from those businesses in the early stages of development (venture capital) to more mature businesses seeking capital. Returns are generally derived from the movements in the value of the underlying assets.	The private equity market is less efficient than the listed market, and the companies are less mature. This inefficiency creates opportunities for skilled managers to add value and to achieve strong returns but can also result in very significant volatility.
Unlisted assets	**Credit**	Represents a broad spectrum of debt across a range of sectors, security types and both public and private markets. The corporate bond market is the largest sector within credit markets and consists of debt issued by companies. Other credit sectors include mortgage-backed and asset-backed securities.	Like fixed interest, credit investments involve a loan to a borrower in exchange for regular interest payments, plus repayment of the original investment amount (principal) at maturity. Loans may be based on a fixed or floating interest rate, with the latter providing protection in a rising interest rate environment.	Credit investments are mostly sub-investment grade and therefore tend to be higher yielding (and higher risk) than investment-grade debt. These investments are likely to be more volatile than fixed interest but less than listed equities, with potential for negative returns and illiquidity (particularly in the case of private debt.)
Unlisted assets	**Alternatives**	Almost any non-traditional investment strategy could be classified as an alternative investment (e.g. hedge funds).	Alternative investments generally aim to achieve a fixed return objective, rather than to outperform a specific sector benchmark.	Alternatives aim to produce unique return streams that are less correlated to traditional markets. Return targets are usually in excess of cash over the long term. However, its volatility over the long term is generally higher than that of fixed interest.
Bonds and cash	**Diversified fixed interest**	A fixed interest investment (or bond) is a loan to a government, semi-government authority or large corporation in exchange for regular interest payments, plus repayment of the original investment amount (principal) when the loan period ends.	Bond values are driven by prevailing interest rates and expected interest rate movements. In general, when interest rates rise, the market value of bonds falls, and when interest rates fall, bond values rise. This can have a significant impact on performance.	While the fixed nature of interest payments provides certainty of cash flows, changes to interest rates during the term of the loan will result in capital gains (interest rate decline) or losses (interest rate increase). The securities in the fixed interest asset class are generally investment-grade quality reflecting reduced default risk relative to high yielding sub-investment grade debt (i.e. Credit).
Bonds and cash	**Cash**	Short-term highly liquid securities such as deposits, bank bills and short-term bonds that are issued by governments and companies.	A cash investment is a short-term obligation, usually less than 90 days, that provides a return in the form of interest payments (such as your own bank account).	Cash is considered to be the lowest-risk investment because of its limited potential to rise and fall in value over the short term. However, this perceived safety comes at a price – dedicated cash investments typically may not earn enough to meet long-term goals such as retirement.

5.6 Growth vs defensive asset classes

Asset classes are classified as **'growth'** or **'defensive'**, or a mixture of the two. The classification of a particular asset class can indicate what level of risk applies to investing in that asset class.

	Description
Growth assets	Growth assets generally provide relatively higher returns over the longer term with a corresponding higher level of risk (increased chance of a negative return and greater volatility). A high proportion of their returns are derived from capital growth. Examples include shares and private equity investments.
Defensive assets	Defensive assets are generally lower risk (less chance of a negative return), with a corresponding expectation of lower returns over the longer term. A high proportion of their returns are derived from income (cash) flows. Examples include cash, term deposits and some fixed interest investments.
Mix of growth and defensive assets	**Some asset classes, such as infrastructure, property and alternatives may have growth and defensive characteristics.** How these asset classes derive a large proportion of their returns can also determine their classification as mostly growth or defensive. For example, where assets such as infrastructure, property and alternatives derive a high proportion of their returns from strong income (cash) flows rather than capital growth, in the same manner that bonds do, these assets may be classified as mostly defensive. Where they derive a high proportion of their returns from capital growth rather than income (cash) flows, in the same manner that equities do, these assets may be classified as mostly growth.

5.7 How the asset classes have performed

Investment markets are unpredictable. Past performance shows that over shorter periods, it's almost impossible to predict which asset class will earn the highest rate of return. However, over the long-term, growth assets, like equity, have consistently earned a higher rate of return than defensive assets such as cash and fixed interest.

While past performance is not a reliable indicator of future performance, it does give an insight into how each asset class has performed. Generally, the performance of growth assets is more unpredictable than the returns for defensive assets. Australian and international shares have usually provided the highest returns over the long- term. Someone who invested in these asset classes generally would have done better than someone who put all their money in cash or fixed interest over the same period.

So, while it remains true that investment markets are hard to predict, different asset classes tend not to all move in the same direction, at the same time, or at the same speed. This is because the main asset classes react differently to influences such as growth, inflation, interest rates and exchange rates. A change that is good for one asset class can be bad for another. **That's why diversification is so important to investors.** Using diversification you may capture the returns you want, and manage the volatility, or risk, you want to avoid.

i It makes sense to diversify your investment mix – and with Hostplus it's easy. We have provided a broad range of pre-mixed, well-diversified investment options, or alternatively, you can combine these with the single sector and or Choiceplus investment options which give you the opportunity to create your own investment mix based on your financial needs and personal circumstances.

5.8 Understanding risk versus return

Risk and return are interrelated.

Generally, the **lower** the risk for an investment, the **lower** the expected return (or the lower the likelihood of a negative return). For a **higher** possible return on an investment, you **increase** the risk and the possibility of a negative return from year to year.

For super, the level of risk will largely depend on the asset classes you're invested in through your chosen investment option/s.

For example

MySuper, Hostplus Life and pre-mixed investment options

- These investment options contain a mix of asset classes designed by Hostplus to align to different risk and return objectives.
- For instance, our High Growth pre-mixed option invests in all growth assets. It carries higher risk because this asset class structure is designed to generate a higher potential return.

5.9 Is time on your side?

Just because investment values fall, this doesn't necessarily mean that your investment will lose money.

You don't actually lose money until you sell an investment for less than you paid for it. So, if you do have a year or two when your investment value falls, remember that if the strategy you have selected is for the long-term, then history has shown that investment markets usually go on to recover.

For example

You wouldn't consider selling your house if market values fell for a year or two.

In the same way, your super is a long-term investment and short-term fluctuations should not be overly concerning.

Switching

5.10 Switching between investment options is easy and free

With Hostplus, you're not locked into an investment option once you've made a choice. After all, your circumstances may change, your investment outlook may change or you may simply want to opt for a different approach.

Switches are processed on every national business day.*

*** A national business day is a weekday that is not a national public holiday or the NSW King's Birthday public holiday**

Switch requests between investment options received before 4.00pm (NSW time) are transacted at the unit prices applicable on the day your request is received, otherwise they are not considered to have been received until the following national business day.

However, 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 example, if you make a switch on a Monday, and each of Monday, Tuesday and Wednesday are national business days, then the unit prices used for your switch will be those relating to Monday, and you will receive them on Wednesday.

	Day	Member action	Unit price
Day 0	Monday	Member raises investment switch before 4pm (NSW time)	Switch request 'T' (day zero) date
Day 1	Tuesday		
Day 2	Wednesday	Effective date for member investment switch	T + 2 date – transaction/ switches are processed based on the declared unit price for day zero

For all transactions, the number of units allocated or redeemed is the dollar value of the transaction divided by the unit price of the relevant investment option. Your account balance is equal to the number of units you hold in each investment option multiplied by the relevant unit price for the option.

You can indicate your switch online through your Member Online account at hostplus.com.au.

5.11 Multiple switch requests

In the case of multiple investment switch requests received in the same day, including cash transfers to or from Choiceplus, your latest request received will apply. Where you have made an investment switch or cash transfer request as well as a benefit payment request in the same week, the benefit payment instruction will override the investment switch or cash transfer and therefore your existing investment choice will apply. In the case of a partial benefit request, it will also override the latest investment switch or cash transfer for that partial amount.

5.12 Suspension of applications, switches, redemptions, and withdrawals

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

Hostplus 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 financial interests of members as a whole.

We'll process all impacted transaction requests using the effective unit price applicable on the date the suspension is lifted, or the date special approval is granted if earlier.

Unreasonable switching or transaction activity

Hostplus carries out monitoring of switching and other transactions to identify activity that may be detrimental to the Fund and other members. For example, this may include frequent switching into and out of an investment option.

If unreasonable activity by a member is identified, Hostplus may choose to suspend or remove a member from certain investment options or restrict transactions at its discretion. We will write to affected members if this occurs. We may also suspend access to the Choiceplus investment platform at any time for unreasonable use as permitted under the Choiceplus terms and conditions of use.

5.13 Investment switch restrictions

To avoid conflicts of interest – where some Hostplus Employees and Directors ("Access Persons") have access to information not generally available – Hostplus imposes a Switching Window limitation. A Hostplus Access Person who is aware of information that may impact decision-making, operation, performance, investment strategies or returns of the Fund, would generally be considered to hold inside information.

The limitation means such persons can only make one investment switch, on an annual basis, during the Switching Window – generally 1 August – 31 August, unless the window is amended by the CEO. The CEO reserves the right to declare a Switching Window closed at any time at their sole discretion and without prior notice.

Some additional information

5.14 Options for investing your account balance

1. Change your existing investment option only – this means that only your current balance will be invested in the investment option of your choice. All future contributions and/or rollovers will be applied to the future investment option*.
2. Change your future investment option only – this means that only your future contributions and/or rollovers will be invested in the investment option of your choice. The investment strategy applying to any current balance will not be altered. All future contributions and/or rollovers will be applied to your future investment option*.
3. Change your future investment option and existing investment option – this means that all your current balance and future contributions and/or rollovers will be invested in the investment option of your choice. All future contributions and/or rollovers will be applied to your future investment option*.
4. Make a one-off contribution or rollover investment choice only – this means that your one-off contribution or rollover will be invested in the investment option of your choice. The investment strategy applying to any current balance or your selected future contributions and/or rollovers will not be altered and all future contributions and/or rollovers will be applied to your future investment option*.

Please note that if you request a switch of your existing balance at any time after a one-off contribution or rollover, these monies will be considered part of your existing balance and will subsequently be moved in accordance with your switch request.

* Taxes, fees and costs, insurance premiums, withdrawals and partial rollovers from your account are deducted from your nominated future investment option. If you do not have sufficient funds in your future investment option, these will be taken proportionally from your other investment options as applicable.

5.15 Our investments and investment managers

Asset classes are constructed either by direct investments in assets or by appointing managers to invest in assets. You can find a current list of managers by asset class by navigating to the 'Investment Manager Allocations' section of **hostplus.com.au/about-us/company-overview/investment-governance.**

5.16 The value of your investment

When a member invests in any of Hostplus' investment options, the money is placed in a pool of funds along with every other member who has chosen the same investment option.

Each investment option is then broken up into units. Every unit the member holds in the investment pool represents their share of that investment option.

The initial units allocated to members will be determined by the member's account balance divided by the unit price for the investment option/s that members are invested in at the time of change.

The unit price for each investment option is calculated by dividing the value of the assets in the option (after allowing for fees, costs (including fees paid to investment managers) and taxes) by the number of units on issue. As the value of these assets and liabilities can go up or down, the unit prices for the different investment options can go up or down.

Members can see how much their investment holdings are worth on any day by looking up the unit price for the chosen investment option and multiplying it by the number of units held in a particular option/s.

5.17 How Hostplus manages the Strategic Asset Allocation

Hostplus seeks to ensure that each investment option is managed within its strategic parameters, as represented by the asset class ranges around its strategic asset allocation benchmarks.

Market valuation movements and member-related cashflows can impact upon these asset allocation settings. Accordingly, and based upon its current and prospective views of markets, Hostplus can choose to alter these settings as required, albeit while remaining within the required asset class ranges.

Hostplus can do so by engaging in transactions with the underlying managers, but also by rebalancing, whereby the underlying assets can be redistributed across different investment options.

5.18 End of financial year unit price

Hostplus has a formal calculation of unit prices on 30 June each year. The reason we have a formal calculation is to ensure we value your account at the end of each financial year using the most recent market valuations.

Balanced option and CPIplus option

5.19 The investment relationship between the Balanced option and the CPIplus option

CPIplus is a Pension-only investment option. The CPIplus option is designed to offer returns that are more certain and less volatile than those available by investing in growth assets, such as shares, while offering higher returns than those available by investing in conservative assets, such as cash.

This objective is sought to be achieved by an internal investment mechanism whereby the rate of return of the CPIplus option is set at a predetermined rate ('n') above the Consumer Price Index (CPI) for specified Return Periods (Return Period is the period that particular predetermined returns apply to. This is usually 12 months from 1 July). This means that returns for the return period are unaffected by the returns on the underlying investments of the option.

The assets of the CPIplus option are invested in the same pool and alongside the Hostplus Balanced option (in the Pension phase), which is the same pool of assets which the Fund's Balanced option assets (in the Accumulation and Transition to Retirement phases) are also invested in. Through the internal investment mechanism that sets and regulates the predetermined return for the CPIplus option, the Balanced option (in the Accumulation phase) provides investors in the CPIplus option, the predetermined return irrespective of market and performance outcomes.

While the return to the CPIplus option is predetermined, the Balanced option (in the Accumulation phase) receives the benefit of any excess market returns generated on the underlying assets of the CPIplus option. If, however, the investment return generated on the underlying assets of the CPIplus option falls short of the predetermined return, the Balanced option (in the Accumulation phase) makes up the shortfall. This mechanism could therefore result in the Balanced option returns (in the Accumulation phase) being either increased or decreased, depending on how the market returns compare to the predetermined returns.

A key assumption of this internal return arrangement is that the CPIplus option's assets produce a return sufficiently above that of CPI over the long term (10- and 20-year periods) to adequately and appropriately compensate the Balanced option (in the Accumulation phase) for the corresponding investment risk undertaken by that option.

Hostplus, and independent modelling commissioned by Hostplus, estimates that over the long term, i.e., 10- and 20-year periods, the probability of the Balanced option (in the Accumulation Phase) achieving a return sufficient to both meet the CPIplus option return and adequately compensate the Balanced option (in the Accumulation phase) for the assumed investment risk in doing so, is very high.

The process and internal investment mechanism for setting the predetermined CPIplus option's return requires and involves balancing the relative interests of members in the CPIplus option with those of members in the Balanced option (in the Accumulation phase), and while this arrangement produces additional volatility and risk for the Balanced option (in the Accumulation phase), these are within the Trustee's current investment risk appetite and policy. Hostplus has appropriate fiduciary polices, processes and mechanisms to meet these requirements, which are formally reviewed and substantiated by the Trustee, with the assistance of its independent investment consultant and other subject matter experts as deemed appropriate, at least annually as part of its annual investment strategy review.

For more information about the CPIplus investment option, please refer to **hostplus.com.au/members/retirement/retirement-investment-options/cpiplus**

Responsible investing

5.20 Responsible investment – general

As a profit-for-member superannuation fund, Hostplus is run only to benefit members. Our primary duty is to deliver the best retirement outcomes for our members. These responsibilities guide every decision we make, and great care is taken to ensure each action fulfils these duties.

Responsible investment is an important part of our investment approach that helps us better manage risk and optimise retirement outcomes for our members. Our approach to responsible investment is informed by our responsible investment beliefs and implemented through our Responsible Investment Policy.

Here's an overview of our investment beliefs:

- We believe that risks are better managed, and investment outcomes optimised, when a holistic investment approach is adopted. That includes identifying and integrating ESG risks and opportunities, and active ownership of investee companies and assets.
- We recognise that climate change may influence the performance of the Fund's investments over time and that the impact will be dependent on the extent of physical, social and regulatory changes. We recognise that we must, in the best financial interests of members, manage the financial risk due to climate change in our portfolio by incorporating climate change into the investment process.
- ESG factors have the potential to be material to investment risk and return and may not be efficiently priced by markets. Considering ESG factors may lead to more complete analysis and better-informed investment decisions.
- Active ownership (through engagement and proxy voting) is critical to the governance of investments over the long-term. It is also an effective strategy for positively influencing company behaviour and performance and can therefore contribute positively to long-term returns.
- Conversely, divestment from a company or sector means losing influence and, if done for non-financial reasons, may impede the Fund's ability to deliver the highest possible return to members while assessing and effectively managing all foreseeable risks.

As part of our commitment to responsible investing, we also give due regard to the Australian Council of Superannuation Investors (ACSI) Governance Guidelines, ACSI Australian Asset Owners Stewardship Code, and the United Nations' Principles for Responsible Investment.

Read more in our Responsible Investment Policy at **hostplus.com.au/about-us/company-overview/investment-governance.**

ESG integration

Hostplus' approach to responsible investment is influenced by our investment strategy, including direct investment or outsourcing to investment managers to invest on our behalf. The way and extent to which responsible investment is incorporated into investment decisions will differ across the portfolio and is dependent on the relevance of ESG factors to a particular asset class and the style of the investment strategy.

Here are some examples of ESG factors we may consider:

Environmental	Social	Governance
• Climate change* • Pollution and waste • Resource depletion • Biodiversity • Land use changes	• Human rights • Labour rights** • Health & safety • Employee relations • Human capital management • Indigenous and First Nations People • Local communities' relations • Consumer protection • Animal welfare	• Board structure, size, diversity, skills and independence • Executive remuneration • Shareholder rights • Corporate culture and ethics • Bribery and corruption • Risk management • Lobbying • Tax strategy

* More information on Hostplus' approach to climate change go to hostplus.com.au/investment/investment-governance/climate-change.

** The labour standards Hostplus' investment managers take into account in selecting, retaining, and realising Hostplus' investments will vary between region, asset class, and investment option.

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.

ESG factors will generally be considered in making investment decisions, to the extent that Hostplus' investment managers form the view that consideration of ESG factors will be in the best financial interests of members.

ESG factors are considered as part of our annual strategic asset allocation process and are taken into account in setting investment objectives.

One example is that Hostplus, together with its investment adviser, JANA Investment Advisers Pty Ltd (JANA), also reviews investment managers' abilities to integrate ESG risks and opportunities into their investment decision making process as part of the investment manager selection and review process. While the approach to ESG integration may vary by manager, each manager's ability to consider and evaluate ESG factors must be in line with that of their asset class peer group at a minimum for inclusion in the portfolio.

While consideration of ESG factors (labour standards, environmental, social and ethical considerations) is part of Hostplus' Responsible Investment Policy, Hostplus has determined that a policy of explicitly banning controversial weapons from our investment portfolios will apply to all of the Fund's investments where Hostplus has a high degree of control over investment exposures. Please note, it may not be practicable to exclude controversial weapons in respect of investments where we do not have a high degree of control such as investments held via pooled fund vehicles, securitised financial instruments such as collateralised loan obligations, and fund-of-fund structures. Notwithstanding this, Hostplus will work with the investment managers which control those investments to seek to exclude exposure to controversial weapons.

Our Socially Responsible Investments (SRI) apply a range of additional filters. See page 45 for further information.

Active ownership

Our preference is to retain exposure to a broad range of sectors and seek to create change within companies or sectors that we invest in through engagement rather than divest from a company or sector and lose influence.

Therefore, Hostplus pursues an active ownership program (which includes engagement and proxy voting) seeking to positively influence company behaviour and performance and therefore contribute positively to long-term returns.

Key principles which direct our engagement and proxy voting focus on board oversight and accountability, shareholder rights, major transactions, remuneration and ESG risk management and disclosure. Hostplus engages with companies primarily through its membership of the Australian Council of Superannuation Investors (ACSI) and EOS at Federated Hermes, as well as directly and through investment managers.

We also take our proxy voting rights seriously, aiming to vote in all matters where it is practical for us to do so. We make our voting decisions taking into account voting guidance from specialist service providers, recommendations from our investment managers and based on Hostplus' key engagement and voting principles.

More information about our approach to proxy voting can be found in our Responsible Investment Policy and we publicly disclose a full record of our voting decisions on the investment governance section of our website: **hostplus.com.au/super/about-us/investment-governance.**

5.21 Glossary – Investment terms

Term	Meaning
Assets	An asset is a resource with economic value that individuals, corporations, or countries can own or control, with the expectation that a future benefit will be provided. They are also grouped into asset classes such as cash, fixed interest, property, infrastructure, and equity (see Understanding asset classes).
Asset allocation	This means the spread of investments within an investment portfolio across various asset classes.
Benchmark	A standard against which the performance of a security, asset class or investment manager can be measured. For example, a share market index (which represents a broad mix of shares listed on a stock exchange) can be used as a benchmark for listed equity investments.
CPI	The Consumer Price Index, known as CPI, is a measure of the average change over time in the prices paid by households for a fixed basket of goods and services.
Diversification level	Diversification can arise from having broad exposures to investments across differing asset classes, companies, industries, geographies, company capital structures, active asset management styles, currencies and counterparties. These, and other diversifiers, are considered when determining the diversification level applicable within an investment option. To assist members in making an informed choice, Hostplus has used the following descriptions of the level of diversification applicable to each investment option: **High diversification** means that the investment option has wide levels of exposures across these diversifiers, including over multiple asset classes. For example, the **Balanced** option is invested across multiple asset classes including unlisted assets, as well as multiple investment managers, geographies, company capital structures, active asset management styles, currencies and counterparties. **Medium diversification** means that the investment option has intermediate levels of exposures across these diversifiers, sometimes over multiple asset classes. For example, the **Indexed Balanced** option is invested across a number of investment managers, assets, and geographies, but is limited to investing in listed companies, bonds and cash. **Low diversification** means that the investment option has more limited levels of exposures across these diversifiers and rarely over multiple asset classes. For example, the **Australian Shares** option is diversified across multiple companies and investment managers, predominately investing in the Australian shares asset class. *These terms appear in the 'summary' and 'who is this investment suitable for?' of our investment options in sections 5.2 to 5.4.*
Growth assets label	To assist members in making an informed choice, Hostplus has used the following criteria to categorise the bias to growth assets of our investment options: **All growth** means 100% growth assets **Strong bias to growth** means > 80% to < 100% growth assets **Bias to growth** means > 60% to = 80% growth assets **Similar proportion of growth and defensive** means > 40% to = 60% growth assets **Bias to defensive** means > 20% to = 40% growth assets **Strong bias to defensive** means > 0% to = 20% growth assets **All defensive** means 0% growth assets *These terms appear in the 'summary' and 'who is this investment suitable for?' of our investment options in sections 5.2 to 5.4.*
Hedge fund	A fund that invests in complex strategies in shares and other securities. It aims to achieve positive returns in both rising and falling markets, while using strategies to reduce the chance of loss.
Impact of foreign currency movements	The impact of foreign currency movement is the possibility of losing money due to unfavourable moves in exchange rates. Investments in overseas markets are exposed to the impact of foreign currency movement unless hedged.

Term	Meaning
Inflation	Inflation is the increase in the general price level of goods and services in the economy. It is usually measured using the movements of the consumer price index (CPI).
Investment grade	Refers to a company's credit rating. To be considered investment grade, the company must be rated 'BBB' or higher by a credit ratings agency, like Standard and Poor's or Moody's. Anything below a 'BBB' rating is considered non-investment grade.
Investment objective	The 'investment objective' means the return that an investment option aims to achieve. This return is inclusive of taxes and investment fees and costs (before deducting administration fees).
Investment style	Hostplus investments invest in three distinct investment styles. These are: **Core:** These investment options focus on delivering the best net return for a given level of risk. They take full advantage of Hostplus' investment expertise, and feature our best investment ideas across listed and unlisted assets, bonds and cash. **Indexed:** These investment options focus on minimising investment fees and costs They generally use a passive investment style to invest in listed companies, bonds and cash, and aim to track the returns of the markets in which they invest. **Socially Responsible Investment (SRI):** These investment options focus on values-based investing. They seek to reduce exposure to industry segments within fossil fuels and tobacco production, as well as other factors.
Minimum suggested investment timeframe	To assist members in making an informed choice, Hostplus has used the following criteria to categorise the minimum suggested investment time frame applicable to the target market for our investment options. The labels outlined below are based on the minimum suggested investment time frames for each Hostplus investment option. **Long term** means 7 years or more **Medium to long term** means 5 years to < 7 years **Short term** means < 5 years *These terms appear in the 'summary' and 'who is this investment suitable for?' of our investment options in sections 5.2 to 5.4.*
Liquidity	Liquidity refers to the ability to convert an investment into cash with little or no loss of capital and minimum delay.
Long-term returns label	To assist members in making an informed choice, Hostplus has used the following criteria to categorise the expected returns of our investment options. The labels outlined below are based on the long-term return objectives (20 years) for each of Hostplus' investment options: **Very strong** means > CPI + 4% **Strong** means > CPI + 3% to = CPI + 4% **Moderate** means > CPI + 2% to = CPI + 3% **Modest** means > CPI + 1% to = CPI + 2% **Stable** means CPI + 1% or less *These terms appear in the 'summary' and 'who is this investment suitable for?' of our investment options in sections 5.2 to 5.4.*

Term	Meaning
Level of investment risk	The level of investment risk is based on an industry-wide Standard Risk Measure (see 4.3 Investment risk measure) that shows the number of expected negative annual returns over a 20-year period. To assist members in making an informed choice, Hostplus has used the following criteria to indicate the level of tolerance to negative returns that a member would require for each of its investment options: **Very high tolerance** means 6 or greater years out of 20 years. **High tolerance** means equal to 4 to less than 6 years out of 20 years. **Medium to high tolerance** means equal to 3 to less than 4 years out of 20 years. **Medium tolerance** means equal to 2 to less than 3 years out of 20 years. **Low to medium tolerance** means equal to 1 to less than 2 years out of 20 years. **Low tolerance** means equal to 0.5 to less than 1 year out of 20 years. **Very low** tolerance means less than 0.5 years out of 20 years. *These terms appear in the 'summary' and 'who is this investment suitable for?' of our investment options in sections 5.2 to 5.4.*
Portfolio	A portfolio is a range of investments held by a person or organisation.
Pre-mixed	These investment options invest in combinations of asset classes. Each pre-mixed option has its own mix of growth and defensive assets, investment objective, and level of investment risk.
Returns	Returns may include both the income received from the investment and/or an increase or decrease in the capital value of the investment.
SAA (Strategic Asset Allocation) Benchmark	SAA is a target mix of asset classes (such as shares, property, and cash) which is used to implement an investment strategy for a fund's investment option. It takes into account the option's investment return objective, risk tolerance and investment time horizon.
Single sector	The single sector investment options predominantly invest in a specific asset class, such as Cash or Australian Shares.
Volatility	The short-term fluctuations in share prices, exchange rates and interest rates that affect an investment. The higher the volatility, the less certain an investor is of the return within a set time frame and hence volatility is one measure of risk.

Section 6. Fees and costs

Section 6.
Fees and costs

As an industry super fund, Hostplus administration fees are a competitive $1.50 per week. An additional $37.26 p.a. per member is also deducted from the Fund's Administration Reserve during the year and not directly from members' account balances. Like other super funds, investment fees and costs do apply. But we do strive to ensure our investment fees and costs are competitive. Other fees and costs apply.

6.1 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 (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.

6.2 Fees and other costs

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

Other fees, such as activity fees, advice fees for personal advice and insurance fees may also be charged, but these will depend on the nature of the activity, advice or insurance chosen by you. Entry fees and exit fees cannot be charged.

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 investment.

The fees and other costs for the MySuper product and each investment option offered by Hostplus, are set out on the following pages.

Fees and costs summary

Maritime Contributory Accumulation		
Type of fee	**Amount**	**How and when paid**
Ongoing annual fees and costs[1]		
Administration fees and costs[2]	$78.00 p.a. ($1.50 per week) plus $37.26 p.a.	Deducted monthly from your account on the last Friday of each month, based on the number of Fridays in the month.[3] Deducted from the Fund's Administration Reserve throughout the year (and not from your account).
Investment fees and costs[4]	0.96% for the Balanced option and varies between 0.02% and 0.85% for other investment option(s).[5] See 6.4 Additional explanation of fees and costs for further information.	Deducted daily from gross investment earnings before net investment returns are applied to your account.
Transaction costs	0.06% for the Balanced option and varies between 0.00% and 0.09% for other investment option(s).[5] See section 6.4 Additional explanation of fees and costs for further information	Deducted from gross investment earnings as and when incurred before net investment returns are applied to your account.
Member activity related fees and costs		
Buy–sell spread	Nil	Not applicable
Switching fee	Nil	Not applicable
Other fees and costs	See 6.4 Additional explanation of fees and costs for a description of other fees and costs; such as activity fees, advice fees for personal advice, insurance fees and Choiceplus investment option fees	

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. 2. Administration fees and costs (with the exception of the deduction from the Fund's Administration Reserve) are proportionally deducted from your chosen investment option/s. 3. The $1.50 weekly administration fee is a flat fee. It is not calculated on a pro-rata basis. It begins accruing on the later of: (a) the first Friday following the date you join the Fund; and (b) the first Friday of the calendar month the first contribution is received. 4. Investment fees and costs includes an amount up to 0.35% for performance fees. The calculation basis for this amount is set out under "Additional explanation of fees and costs" in the Member Guide. 5. 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 fees and 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.

6.3 Example of annual fees and costs for a superannuation product

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

Example - Balanced option		Balance of $50,000
Administration fees and costs	$78.00 p.a. (deducted from your Hostplus account) plus $37.26 p.a. (deducted from the Fund's Administration Reserve)	For every $50,000 you have in the superannuation product you will be charged **$115.26** regardless of your balance.
PLUS Investment fees and costs	0.96%	**And**, you will be charged or have deducted from your investment **$480** in investment fees and costs
PLUS Transaction costs	0.06%	**And**, you will be charged or have deducted from your investment **$30** in transaction costs
EQUALS Cost of product		If your balance was $50,000, at the beginning of the year, then for that year you will be charged fees and costs of **$625.26** for the superannuation product.

Note: Additional fees may apply. The administration fee of $1.50 per week is deducted from your account monthly, on the last Friday of the month. The amount charged per annum depends on the number of Fridays in a year.

The fees and costs charged if you invest via the Choiceplus platform relate to Choiceplus and access to Choiceplus investments only, and do not include the fees and costs that relate to investing in those investments. Additional fees and costs will be charged by the issuers of the Choiceplus investments that you decide to invest in.

Cost of product for 1 year

The cost of product gives a summary calculation about how ongoing annual fees and costs can affect your superannuation investment over a 1-year period for all superannuation products and investment options. It is calculated in the manner shown in the Example of annual fees and costs.

The cost of product information assumes a balance of $50,000 at the beginning of the year. (Additional fees such as a buy-sell spread may apply: refer to the Fees and costs summary for the relevant superannuation product or investment option.)

You should use this figure to help compare superannuation products and investment options.

Investment option	Cost of product
High Growth	$505.26
Growth	$570.26
Balanced	$625.26
Conservative Balanced	$510.26
Capital Stable	$460.26
Defensive	$250.26
Indexed High Growth	$140.26
Indexed Growth	$140.26
Indexed Balanced	$135.26
Indexed Conservative Balanced	$145.26
Indexed Capital Stable	$150.26
Indexed Defensive	$150.26
Socially Responsible Investment (SRI) – High Growth	$410.26
Socially Responsible Investment (SRI) – Balanced	$455.26
Socially Responsible Investment (SRI) – Defensive	$190.26
Australian Shares	$350.26
Australian Shares – Indexed	$135.26
International Shares	$385.26
International Shares – Indexed	$155.26
International Shares (Hedged) – Indexed	$140.26
International Shares – Emerging Markets	$410.26
Diversified Fixed Interest	$265.26
Diversified Fixed Interest - Indexed	$170.26
Cash	$125.26

6.4 Additional explanation of fees and costs

Maritime Contributory Accumulation				
Investment option	Investment fees and costs (excl Performance Fees)	Performance Fee	Transaction costs	Total investment fees and costs
High Growth	0.50%	0.22%	0.06%	0.78%
Growth	0.57%	0.28%	0.06%	0.91%
Balanced	0.61%	0.35%	0.06%	1.02%
Conservative Balanced	0.49%	0.24%	0.06%	0.79%
Capital Stable	0.43%	0.21%	0.05%	0.69%
Defensive	0.19%	0.04%	0.04%	0.27%
Indexed High Growth	0.05%	0.00%	0.00%	0.05%
Indexed Growth	0.04%	0.00%	0.01%	0.05%
Indexed Balanced	0.03%	0.00%	0.01%	0.04%
Indexed Conservative Balanced	0.04%	0.00%	0.02%	0.06%
Indexed Capital Stable	0.04%	0.00%	0.03%	0.07%
Indexed Defensive	0.05%	0.00%	0.02%	0.07%
Socially Responsible Investment (SRI) – High Growth	0.27%	0.31%	0.01%	0.59%
Socially Responsible Investment (SRI) – Balanced	0.35%	0.26%	0.07%	0.68%
Socially Responsible Investment (SRI) – Defensive	0.11%	0.00%	0.04%	0.15%
Australian Shares	0.31%	0.08%	0.08%	0.47%
Australian Shares – Indexed	0.04%	0.00%	0.00%	0.04%
International Shares	0.45%	0.03%	0.06%	0.54%
International Shares – Indexed	0.08%	0.00%	0.00%	0.08%
International Shares (Hedged) – Indexed	0.05%	0.00%	0.00%	0.05%
International Shares – Emerging Markets	0.50%	0.00%	0.09%	0.59%
Diversified Fixed Interest	0.23%	0.00%	0.07%	0.30%
Diversified Fixed Interest – Indexed	0.04%	0.00%	0.07%	0.11%
Cash	0.02%	0.00%	0.00%	0.02%

These costs are based on actual figures and estimates. The costs payable in respect of each future year may be higher or lower.

The figures in the above table may change in subsequent years depending on (for example) the performance of each option. Investment fees and costs are deducted before the net investment return for each investment option are declared and applied to members' accounts.

See Section 7: How super is taxed for information on tax.

Please note: all fees and costs are inclusive of income tax, stamp duty (if applicable) and GST less any input tax credits. Any tax deduction on investment costs are returned to the fund.

Defined fees

1. Activity fees

A fee is an ***activity fee*** if:

a. 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

b. those costs are not otherwise charged as administration fees and costs, investment fees and costs, transaction costs, a buy sell spread, a switching fee, an advice fee or an insurance fee.

2. Administration fees and costs

Administration fees and costs are fees and costs that relate to the administration or operation of the superannuation entity and includes costs that:

a. relate to that administration or operation; and
b. are not otherwise charged as investment fees and costs, a buy-sell spread, a switching fee, an activity fee, an advice fee or an insurance fee.

3. Advice Fees

A fee is an ***advice fee*** if:

a. 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

b. those costs are not otherwise charged as administration fees and costs, investment fees and costs, a switching fee, an activity fee or an insurance fee.

4. Buy-sell spreads

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

5. Exit fees

An ***exit fee*** is a fee, other than a buy-sell spread, that relates to the disposal of all or part of a member's interests in a superannuation entity.

6. Investment fees and costs

Investment fees and costs are fees and costs that relate to the investment of the assets of a superannuation entity and includes:

a. fees in payment for the exercise of care and expertise in the investment of those assets (including performance fees); and
b. costs incurred by the trustee of the entity that:

   i. relate to the investment of assets of the entity; and
   ii. are not otherwise charged as administration fees and costs, a buy-sell spread, a switching fee, an activity fee, an advice fee or an insurance fee.

7. Switching fees

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

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

8. Transaction costs

Transaction costs are costs associated with the sale and purchase of assets of the superannuation entity other than costs that are recovered by the superannuation entity charging buy-sell spreads.

Additional explanation of fees and costs

1. Activity fees

The following are types of activity fees.

Family Law fee

Under family law, your spouse, a person considering entering into a superannuation agreement with you, or their authorised representative, can request information about your account. Hostplus charges no fee for supplying this requested information. Hostplus also charges no fee for splitting the interest in your account upon receipt of a splitting agreement or court order.

Dishonoured payment fees

If you make a contribution by cheque or direct debit that is dishonoured, a handling fee of $15 will be deducted from your account.

Contribution splitting fees

A $60 contribution splitting fee will be payable by the splitting member for each transaction which will be deducted from the member's account.

2. Administration fees and costs

$78 in Administration fees and costs are deducted from your account over the year and paid into the Fund's Administration Reserve. A further $37.26 per member is also deducted from the Administration Reserve. This amount does not directly impact or reduce your account balance. It is based on information from the previous financial year. The administration fees and costs payable in respect of each future year may be higher or lower.

The Fund's Administration Reserve is separately maintained by the Trustee to manage the receipt of administration fees and costs and the payment of Fund expenditure. Any tax benefit associated with Fund expenditure is paid into the Fund's Administration Reserve.

3. Advice Fees

Financial advice fees are subject to annual fee caps and a minimum account balance being retained after the deduction of your fee(s). Please refer to the Advice Fee Fact Sheet for more information.

Hostplus members may choose to engage a financial planner employed by Hostplus[1] or an externally licensed financial planner. An advice fee may only be deducted from your Hostplus account for advice that relates solely to your interests in Hostplus and your adviser is registered with Hostplus.

Intrafund advice refers to limited or scaled personal advice which is available to members at no additional cost .

For further information, refer to our Advice Fee Fact Sheet hostplus.com.au/advice-fee

1. Hostplus has engaged Industry Fund Services Limited (IFS) ABN 54 007 016 195, AFSL 232514 to facilitate the provision of personal financial advice to members of Hostplus. Advice is provided by Hostplus financial planners who are Authorised Representatives of IFS. Fees may apply for personal financial advice; for further information about the cost of personal advice, you can speak with your Hostplus financial planner or visit our website hostplus.com.au. Information to help you decide whether you want to use personal financial advice services being offered is set out in the relevant IFS Financial Services Guide, a copy of which is available from your Hostplus financial planner.

4. Buy-sell spreads

Hostplus does not charge members any buy-sell spread fees.

5. Exit fees

The Law prohibits superannuation fund trustees from charging exit fees.

6. Investment fees and costs

Performance fee

In certain circumstances, Hostplus agrees, as part of the fees payable to an investment manager, to pay a performance fee. Performance fees are payable to investment managers if they outperform required performance targets. The performance fees payable varies between the underlying investment managers and may change from year to year.

These performance fees are included within the investment fees and costs and are borne by members invested in an investment option before investment earnings are declared and applied to their account. Investment fees and costs can change as a result of changes to the performance fees.

Hostplus calculates performance fees for an option by reference to the performance fees that were accrued in relation to the underlying investments of that option, averaged over the previous 5 financial years, noting that:

a. where an underlying investment was not in existence for the previous 5 financial years, Hostplus calculates the average performance fee by reference to the number of financial years in which the investment was in existence;
b. where an underlying investment did not have a performance fee charging mechanism in place in each of the previous 5 financial years, Hostplus calculates the average performance fee by reference to the number of financial years in which the underlying investment had a performance fee charging mechanism in place; and
c. where an underlying investment was created in the current financial year, Hostplus calculates the average performance fee by reference to its reasonable estimate of the performance fee for the current financial year.

How we estimate our investment fees and costs

Investment fees and costs are based on actual figures and estimates.

The estimated information was informed by information obtained from investment managers.

7. Switching fees

Hostplus does not charge members switching fees.

8. Transaction costs

Transaction costs are associated with acquiring or disposing investments and can include costs such as brokerage, settlement costs, stamp duty and clearing costs. Transaction costs are deducted from the valuation of investments before unit prices are calculated. They may be paid directly by Hostplus or from an interposed vehicle.

Transaction costs are not directly charged to members but are an additional cost to the member if not recovered in the form of a buy-sell spread fee. The transaction costs shown in the fees and costs summary is shown net of any amount recovered by a buy-sell spread charged by Hostplus. Hostplus does not charge a buy-sell spread to its members.

9. Insurance fees

A fee is an insurance fee for a superannuation product if:

a. the fee relates directly to either or both of the following:
   i. insurance premiums paid by the trustee of a superannuation entity in relation to a member or members of the entity;
   ii. costs incurred by the trustee of a superannuation entity in relation to the provision of insurance for a member or members of the entity; and
b. the fee does not relate to any part of a premium paid or cost incurred in relation to a life policy or a contract of insurance that relates to a benefit to the member that is based on the performance of an investment rather than the realisation of a risk; and
c. the premiums and costs to which the fee relates are not otherwise charged as administration fees and costs, investment fees and costs, transaction costs, a switching fee, an activity fee or an advice fee.

Insurance premiums are deducted on a monthly basis from your account. If you transfer Default cover from another membership category which was previously paid for by an employer sponsor, a pro rata amount will be charged to your account that month. See Section 8 for information on the premiums associated with your insurance cover.

10. Fees and costs for the Choiceplus investment option

The fees and costs set out below are current at the date of this publication but may vary from time to time in the future. For more information about Choiceplus download the Choiceplus Guide.

Portfolio administration fee

In addition to the fees and costs, as disclosed in our various product disclosure statements and guides, the Choiceplus investment option includes an additional portfolio administration fee of $168.00 a year (approximately $14.00 a month). The portfolio administration fee will be accrued daily and deducted directly from your Choiceplus transaction account at the end of each month. A portfolio administration fee will be payable for each Choiceplus account held by you. There are no portfolio administration fees included with the free access level to Choiceplus however members with free access are restricted from transacting on the Choiceplus platform.

Transaction account fees and costs

Your transaction account within Choiceplus is subject to a fee of 0.10% of your transaction account balance. This fee is not separately deducted from your account balance. It is deducted daily from gross interest earnings before net interest returns are applied to your transaction account.

Brokerage fees for shares and ETFs and LICs

Whenever you buy and sell shares, ETFs and/or LICs there is a brokerage fee that will be applied.

Brokerage fee per trade

Transaction value	Brokerage fee
$0.00 to $13,000.00	$13.00
$13,000.01 to $250,000.00	0.10% of trade value

The brokerage fee payable depends on the transaction amount and where it falls within the above ranges (only one range is applicable per trade). For example, a $9,000 trade would incur a brokerage fee of $13.00. If you placed a $45,000 trade, your total brokerage would be calculated as:

$45,000 X 0.10% = $45.00.

For all limit and market orders which are not fully executed on the same trading day, normal brokerage will be charged for the total portion executed per day.

Management fees for ETFs and LICs

The price quoted on the ASX for each ETF or LIC reflects all fees and expenses incurred in the management of that ETF or LIC. Management fees, custody costs and other expenses are included in the ETF & LIC fees and deducted from the returns of the underlying securities in the ETF or LIC. These fees may cause the total return of the ETF or LIC to be different to the return of the underlying index which the ETF or LIC aims to track.

The fees and costs charged if you invest via the Choiceplus platform relate to Choiceplus and access to Choiceplus investments only, and do not include the fees and costs that relate to investing in those investments. Additional fees and costs will be charged by the issuers of the Choiceplus investments that you decide to invest in.

11. Superannuation tax

See Section 7 for information on tax. Please note; all fees and costs are inclusive of GST (unless otherwise stated) less any input tax credits and stamp duty (if applicable). The fund passes on any tax deduction on investment costs in the form of higher returns to beneficiaries. For more information on tax and your Choiceplus investment options please refer to the Choiceplus Guide available at hostplus.com.au

12. Fee changes

We are required to let you know 30 days before an increase in fees takes effect where required by law.

In addition, we may introduce or change the amount of fees or costs at our discretion and without members' consent, including where increased charges are incurred due to government changes to legislation; increased costs; significant changes to economic conditions and/or the imposition or increase of processing charges by third parties.

The information in this Section contains general advice only and does not take into account your personal objectives, financial situation or needs. You should consider if this information is appropriate for you in light of your circumstances before acting on it. You may also find it beneficial to obtain advice from a licensed financial adviser. Past performance is not a reliable indicator of future performance. For a description of the target market, please read the Target Market Determination (TMD), available at hostplus.com.au/ddo

While every care has been taken to ensure that the information in this document is correct, Hostplus reserves the right to correct any error or misprint in respect of the information shown. Any updated PDSs will be available on our website at hostplus.com.au.

Host-Plus Pty Limited ABN 79 008 634 704, AFSL No. 244392 as trustee for the Hostplus Superannuation Fund (the Fund) ABN 68 657 495 890, MySuper No. 68657495890198.

Section 7. How super is taxed

Section 7. How super is taxed

Here's a brief summary of how your super is taxed. It's quite different to the income tax you're used to and can be complex. So we recommend that you seek independent, professional taxation advice or contact the ATO for more help with any super tax questions you may have.

Tax is paid on contributions, investment earnings and on withdrawal of benefits.

7.1 Tax File Numbers

Under the Superannuation Industry (Supervision) Act 1993, Hostplus is authorised to collect, use and disclose your tax file number.

Hostplus may disclose your tax file number to another superannuation provider, when your benefits are being transferred, unless you request Hostplus in writing that your tax file number not be disclosed to any other superannuation provider.

Declining to quote your tax file number to Hostplus is not an offence. However giving your tax file number to your superannuation fund will have the following advantages:

- Hostplus will be able to accept all permitted types of contributions to your account/s;
- other than the tax that may ordinarily apply, you will not pay more tax than you need to - this affects both contributions to your superannuation and benefit payments when you start drawing down your superannuation benefits; and
- it will make it much easier to find different superannuation accounts in your name so that you receive all your superannuation benefits when you retire.

Generally there are significant consequences if your TFN is not quoted or incorrectly quoted when contributions are made for you, such as:

- an additional tax of 30% (plus Medicare) is imposed on 'No TFN' contributions paid into the fund on your behalf, in addition to 15% tax on employer contributions,
- we cannot accept your personal contributions, and
- Government co-contributions are not payable.

The additional tax will be deducted:

- for contributions – each year as at 30 June or upon the member exiting Hostplus.
- for benefits – upon payment of a benefit.

If you do not have a TFN contact the ATO ato.gov.au on 13 28 61.

SuperMatch

If you have provided consent to the fund, and your ID has been verified, we may periodically access the ATO system (SuperMatch) on your behalf to inform you about your superannuation interests, assist you to manage your superannuation interests as reported to the ATO and reunite you with lost super or monies held on your behalf by the ATO.

The ATO will use your TFN as the primary identifier in matching your lost super or multiple accounts.

You can provide your TFN, identification and SuperMatch consent to Hostplus at **hostplus.com.au.**

7.2 Claiming your No TFN contributions tax

You may claim the additional tax paid on No TFN contributions (the additional 30% plus Medicare) if you quote your TFN to Hostplus within three years from the end of the financial year that the additional tax for the No TFN contributions were payable.

If you quote your TFN to Hostplus:

- before 30 June, the additional tax will be credited to your account as at 30 June that year
- after 30 June, the additional tax will be credited as at 30 June the following year.

Example

Sam did not provide his TFN to the trustee before 30 June 2024. The trustee deducted the additional No TFN tax (30% plus Medicare levy instead of 15%) out of Sam's account at 30 June 2024. On 20 July 2024, Sam quotes his TFN to the trustee. The trustee will credit the additional tax deducted on 30 June 2024 to Sam's account on 30 June 2025.

7.3 Taxation of contributions

7.3.1 Concessional contributions

Concessional contributions are taxed at 15%.

7.3.2 Excess concessional contributions

If you exceed your concessional contributions cap in the relevant financial year, this excess amount will be included in your assessable income and taxed at the marginal tax rate.

You are entitled to a tax offset of 15% paid on the excess concessional contributions for that income year. If you receive an Excess Concessional Contributions determination for a financial year, you may elect to release from your super account up to 85% of your excess concessional contributions. Once you've made your election, Hostplus will receive instruction from the ATO to pay an amount to them. If you choose not to release the excess concessional contributions, the amount will count towards your non-concessional contributions cap and you may have to pay the additional tax from your personal savings.

7.3.3 Division 293 tax

If your total income and concessional contributions are more than $250,000, you will pay an additional tax of 15% (i.e. 30% tax) on those concessional contributions exceeding the $250,000 threshold. If the ATO determines you must pay the additional tax, Hostplus will receive instruction from the ATO to make the payment to them.

The definition of 'income' for the purpose of paying Division 293 tax includes taxable income, reportable fringe benefits, total net investment losses, target foreign income, tax free government pensions and benefits and concessional contributions up to the cap. This does not apply to excess contributions that have been subject to excess contributions tax.

7.3.4 Non-concessional contributions

Non-concessional contributions are not taxed within superannuation when you contribute up to the non-concessional cap, and provided that your total superannuation balance does not exceed $1.9 million. Hostplus will need to have your TFN to accept non-concessional contributions from you.

7.3.5 Excess non-concessional contributions

If you exceed your non-concessional contributions cap you may be liable for additional tax at the top marginal tax rate (plus Medicare levy) on the excess contributions. The ATO will let you know if you have exceeded the non-concessional cap.

If you don't withdraw your excess contributions, any associated earnings will be taxed at the top marginal tax rate.

You can choose how your excess non-concessional contributions are taxed by completing the **ATO Excess non-concessional contributions election form** available from the ATO website. Please note once you make your choice you can't change it. Hostplus will receive instruction from the ATO to make a payment. The amount released will be used by the ATO to pay any income tax liability you have and offset any outstanding tax before the remainder is paid to you.

For more information about paying excess non-concessional contributions tax, please visit the ATO website and search for excess non-concessional contribution tax or excess non-concessional contributions release authority.

7.4 Taxation of investment returns

Investment returns are taxed up to a maximum rate of 15%. Where the assets are invested in Australian and international shares, the tax payable can be partly offset by imputation credits for franked dividends and foreign tax credits. Any capital gains are limited to two thirds of the gain or the whole of the gain with an indexed cost base, depending on the date that the assets were acquired.

7.5 Taxation of benefits on withdrawal

Tax may be payable when you withdraw a lump sum or income stream benefits from Hostplus before you receive the payment. The amount of tax will depend on whether you receive the payment before age 60, the amount of your benefit, the benefit components and the nature of the benefit payment.

Lump sum benefits comprise two components.

1. The tax free component which includes:

- the contributions segment.
- the crystallised segment.

The contributions segment generally includes all contributions made from 1 July 2007 that have not been included in the assessable income of the fund. Typically these would be a member's personal contributions that are not claimed as an income tax deduction.

The crystallised segment includes the following existing components of a super interest that were consolidated into the tax-free component on 1 July 2007:

- the concessional component.
- the post-June 1994 invalidity component.
- undeducted contributions.
- the capital gains tax (CGT) exempt component.
- the pre-July 1983 component.

The crystallised segment was calculated by assuming that an eligible termination payment representing the full value of the superannuation interest is paid just before 1 July 2007.

2. The taxable component which includes:

- an element taxed in the fund, and/or
- an element untaxed in the fund.

The tax that Hostplus deducts will only apply to the element taxed in the fund (for example the 15% tax paid on contributions and investment returns). Any other tax payable will be assessed in your tax return following the payment of the benefit.

7.6 The taxable components of lump sum benefits

Tax on lump sum benefits

No tax is payable on the tax free component. Tax on taxable components are as per table opposite:

	Age	Tax treatment of lump sum benefits (excluding Medicare levy) for the year 1 July 2024 - 30 June 2025
Member benefit taxable component – taxed element (where 15 % contributions tax has been paid)	Below age 60	20% on whole amount
	60+	Tax free
Member benefit taxable component – untaxed element (where 15 % contributions tax has not been paid)	Below age 60	30% for amounts up to the untaxed plan cap amount of $1.780[1] million 45% for amounts over the untaxed plan cap amount of $1.780[1] million
	60+	15% for amounts up to the untaxed plan cap amount of $1.780[1] million 45% for amounts over the untaxed plan cap amount $1.780[1] million
Rolled over super benefit with a taxable component and taxed element	Any age	Nil
Rolled over super benefit with a taxable component and untaxed element	Any age	Nil for amount up to the untaxed plan cap amount of $1.780[1] million 45% for amounts over the untaxed plan cap amount of $1.780[1] million
Super lump sum benefits of less than $200	Any age	Nil

1. This is the untaxed plan cap amount applicable to the 2024-25 income year. The untaxed plan cap is indexed annually in line with AWOTE but only increases in increments of $5,000 (rounded down).

7.7 Part payment of benefits

When a part payment of super is made, you won't be able to indicate whether you want the benefit taken from your tax free component or your taxable component. Instead, the benefit will generally include both components in the same proportion as they exist in the total benefit.

The table below provides an illustration where a member's benefit consists of a taxable component as to 60% and a tax free component as to 40%.

	Component		
	Taxable	Tax free	Total
Total benefit proportion	$60,000 60%	$40,000 40%	$100,000 100%
Part payment of $20,000 proportion	$12,000 60%	$8,000 40%	$20,000 100%
Balance after payment proportion	$48,000 60%	$32,000 40%	$80,000 100%

7.8 Death benefits

Death benefits are tax free when paid to tax dependants. A dependant for these purposes is a spouse, a child less than 18, a person with whom the deceased had an interdependency relationship on the date of death, or any other person who was a financial dependant of the deceased on the date of death.

The definition of spouse includes same sex couples and the definition of child includes eligible children of same sex couples. This means that same sex couples and their children are able to access the same tax concessions on lump sum death benefits available to married and de facto opposite sex couples. In addition a spouse is recognised when the relationship is registered on the Register of Births and Marriages under State or Territory law.

If the lump sum death benefit is paid to a non-tax dependant, the taxable component with a taxed element will be taxed at 15% (plus Medicare levy) but part of the benefit may be taxed at up to 30% (plus Medicare levy) if it has a taxable component with an untaxed element. The tax free component will be tax free if paid to a non-dependant.

7.9 Total and Permanent Disability benefits

Total and Permanent Disability benefits are taxed as a lump sum benefit, with the taxable and tax-free components. Generally, the tax free component will include the proportion of the benefit that relates to the period from the date of total and permanent disablement to age 65.

If you choose to reinvest any of your Total and Permanent Disability benefit payment into Hostplus and after 2 years request a subsequent withdrawal, you may be required to provide us further medical certificates from two legally qualified medical practitioners. This is to certify that due to ill health you continue to be unlikely to ever be gainfully employed in a capacity for which you are reasonably qualified, to remain eligible for an additional tax-free threshold.

7.10 Income Protection (Salary Continuance) benefits

Income Protection benefits are generally taxed at your marginal tax rate.

7.11 Terminal Illness benefits

If a member suffers from a terminal illness as:

a. certified by two medical practitioners (one being a specialist) and
b. stipulating death within 24 months of the certification,

any benefits that have accrued up to that point become unrestricted non-preserved benefits. Any additional benefits you accrue during the 24 month certification period also become unrestricted non-preserved benefits. These can be accessed as a tax-free lump sum payment if you withdraw it within 24 months of certification. For any terminal illness insurance claims the certification period needs to stipulate death within 24 months of certification.

In the event that you survive the certification period, you may be able to access any remaining balances, subsequent to that period. However such amounts may not be tax-free.

Any benefits that accrue after the certification period are not covered by the original 'terminal medical condition' condition of release. You should call us about what new certification may be required.

7.12 Temporary resident tax on benefits

Any super benefits paid to eligible former residents is subject to the Departing Australia Superannuation Payment (DASP) withholding tax upon leaving Australia permanently. The DASP withholding tax will apply at the date of payment.

Any super benefits paid to working holiday makers in Australia under the 417 (working holiday) or 462 (work and holiday) sub-class visa, upon leaving Australia permanently, is subject to:

- 0% for the tax-free component,
- 65% for a taxed element of a taxable component, and
- 65% for an untaxed element of a taxable component.

Former temporary residents who have never held a working holiday or work and holiday visa will be taxed at:

- 0% for the tax-free component,
- 35% for a taxed element of a taxable component, and
- 45% for an untaxed element of a taxable component.

The information in this Section contains general advice only and does not take into account your personal objectives, financial situation or needs. You should consider if this information is appropriate for you in light of your circumstances before acting on it. You may also find it beneficial to obtain advice from a licensed financial adviser. Past performance is not a reliable indicator of future performance. For a description of the target market, please read the Target Market Determination (TMD), available at hostplus.com.au/ddo

While every care has been taken to ensure that the information in this document is correct, Hostplus reserves the right to correct any error or misprint in respect of the information shown. Any updated PDSs will be available on our website at hostplus.com.au.

Host-Plus Pty Limited ABN 79 008 634 704, AFSL No. 244392 as trustee for the Hostplus Superannuation Fund (the Fund) ABN 68 657 495 890, MySuper No. 68657495890198.

Section 8. Insurance in your super

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Important note

If you joined before 1 July 2008 your insurance arrangements are different. For more information please refer to the Maritime Contributory Accumulation with Protected Minimum Benefit section on page 102.

Your insurance options at a glance

Insurance is an important benefit and a key part of a sound financial plan, providing you and your family with financial support if you suffer from injury or illness.

Maritime Contributory Accumulation insurance cover caters specifically for the maritime industry, taking into account the key roles and risks within the industry.

Three types of insurance cover are available through Maritime Contributory Accumulation:

- **Death cover** – provides a lump sum benefit to your beneficiaries in the event of death before age 70. An advance payment of your Death cover may be made if you are Terminally Ill (see 'Glossary').
- **Total and Permanent Disablement (TPD) cover** provides a lump sum benefit in the event of you becoming Totally and Permanently Disabled (see 'Glossary') before age 70.
- **Income Protection cover** – provides a monthly income payment for a maximum of two years, up to age 65, should you be unable to work due to Sickness or Injury (see 'Glossary').

You may be eligible for Default Death & TPD cover which is provided to you automatically when you first join Contributory Accumulation. Please see 'Eligibility for Death & TPD cover' on page 88 to see if you qualify. You can also apply for additional cover at any time which will be subject to acceptance by the Fund's Insurer and may require the completion of medical questionnaires and the provision of health evidence. If you would like to have Income Protection cover, you will need to apply for this cover through the Insurer.

Contributory Accumulation insurance key features:

- Eligible members automatically receive Default Death & TPD cover without any medical evidence.
- If you don't qualify for Default cover, you can apply for Voluntary insurance for Death only or Death & TPD cover.
- You can apply for TPD cover of up to $2 million in total.
- You can apply for up to $5 million of Death and Terminal Illness cover in total.
- You can apply for Income Protection cover and a shorter waiting period, subject to approval by the Insurer.
- If you have insurance cover with another super fund, you may be able to transfer that cover to Maritime Contributory Accumulation without the need to be underwritten by the Insurer.

Important – eligibility restriction

If you are under 25 years of age or your account balance has not exceeded $6,000, you will not be eligible for Default Death & TPD cover unless one of the following applies:

- your employer pays your premiums
- you are employed in a dangerous occupation – please note that seafaring occupations have been listed on our website as a dangerous occupation.
- you have elected to have Default cover by completing the relevant form.

In this category, an exception may apply to you.

Your insurance cover is provided under an insurance Policy (see 'Glossary') provided to the Trustee by MLC Limited ('the Insurer') ABN 90 000 000 402, AFSL 230694.

The duty to take reasonable care not to make a misrepresentation

Hostplus has a contract of insurance with MLC Limited ABN -90 000 000 402 AFSL 230694 ('MLC' or the 'Insurer') to provide the insurance benefits for members of the Maritime Division of Hostplus. On becoming a member of the Maritime Division, you are bound by the terms and conditions of this contract of insurance.

Care must be taken to answer all questions the insurer asks as part of your insurance application honestly and accurately.

Otherwise, you may not be able to rely on your insurance when it's needed the most.

When you apply for life insurance, the insurer will ask you a number of questions. MLC's questions will be clear and specific. They will be about things such as your health and medical history, occupation, income, lifestyle, pastimes, and other insurance. The answers given in response to their questions are very important as they use them to decide if they can provide cover to you and, if they can, the terms of the cover and the premium they will charge.

The duty to take reasonable care

When applying for insurance, there is a duty to take reasonable care not to make a misrepresentation. A misrepresentation could be made if an answer is given that is false, only partially true, or that does not fairly reflect the truth. This means when answering the Insurer's questions, you should respond fully, honestly and accurately. The duty to take reasonable care not to make a misrepresentation applies any time you answer the Insurer's questions as part of an initial application for insurance, an application to extend or make changes to existing insurance, or an application to reinstate insurance. You are responsible for all answers given, even if someone assists you with your application. MLC may later investigate the answers given in your application, including at the time of a claim.

Consequences of not complying with the duty

If there is a failure to comply with the duty to take reasonable care not to make a misrepresentation, it can have serious consequences for your insurance, such as those explained below:

Potential consequences	Additional explanation	Impact on claims
Your cover being avoided	This means your cover will be treated as if it never existed	Any claim that has been made will not be payable
The amount of your cover being changed	Your cover level could be reduced	If a claim has been made, a lower benefit may be payable
The terms of your cover being changed	We could, for example, add an exclusion to your cover meaning claims for certain events will not be payable	If a claim has been made for an event that is now excluded, it will not be payable

If the Insurer believes there has been a breach of the duty to take reasonable care not to make a misrepresentation, it will let you know it's reasons and the information it relied on and it will give you an opportunity to provide an explanation.

In determining if there has been a breach of the duty, the Insurer will consider all relevant circumstances.

The rights the Insurer has if there has been a failure to comply with the duty will depend on factors such as what it would have done had a misrepresentation not been made during your application process and whether or not the misrepresentation was fraudulently made.

If the Insurer decides to take action on your cover, it will advise you of its decision and the process to have this reviewed or make a complaint if you disagree with its decision.

Guidance for answering our questions

When answering MLC's questions, please:

- Think carefully about each question before you answer. If you are unsure of the meaning of any question, please ask MLC before you respond.
- Answer every question that MLC asks you.
- Do not assume that MLC will contact your doctor for any medical information.
- Answer truthfully, accurately and completely. If you are unsure about whether you should include information, please include it or check with us.
- Review your application carefully. If someone else helped prepare your application (for example, your adviser), please check every answer (and make corrections if needed) before the application is submitted.

Other important information

Your application for cover will be treated as if you are applying for an individual 'consumer insurance contract'. For this reason, the duty to take reasonable care not to make a misrepresentation applies.

Before your cover starts, the Insurer may ask about any changes that mean you would now answer their questions differently. As any changes might require further assessment or investigation, it could save time if you let the Insurer know about any changes when they happen.

If after the cover starts, you think you may not have met your duty, please contact us immediately and we'll let you know whether it has any impact on your cover.

It's important that you understand this information and the questions we ask, so if you have any queries please contact us on **1300 467 875**.

8.1 Death and TPD cover

Death & TPD cover is provided in units with each unit providing a specific amount of cover for your age and occupation. There are three occupation categories for insurance purposes: Heavy Blue Collar, Light Blue Collar and White Collar (see the 'Glossary' for these definitions).

Eligibility for Death & TPD cover

Default Death & TPD cover is provided automatically to Maritime Contributory Accumulation members if:

- your Participating Employer makes employer contributions on your behalf to the Fund in respect of the date cover starts, and
- we have enough information to assess your eligibility.

To be eligible for Death & TPD cover, you must also be:

- at least age 15 but less than 70; and
- an Australian citizen, permanent resident, temporary work visa (see 'Glossary') holder or a New Zealand national who is working for an Australian employer (and eligible to work under Australian law).

To apply for Voluntary Death & TPD cover, you must also be Gainfully Employed (see 'Glossary').

If you've been paid, or are eligible to be paid, a TPD or Terminal Illness benefit from another Fund, you will only be eligible for Limited cover.

Default Death & TPD cover

You will automatically receive six units of Default Death & TPD insurance cover when you join if your Participating Employer (see 'Glossary') makes employer contributions for you, subject to eligibility (refer above). You may have different levels of Default Death and TPD cover, depending on your circumstances. Please contact us on **1300 467 875** for more information.

Voluntary Death & TPD cover

You may increase your Death & TPD cover by applying for units of Voluntary Death only and/or Voluntary Death & TPD cover. You can also apply to take up Voluntary cover if you don't qualify for Default cover.

Applying for Voluntary cover

The total Death & TPD cover you can hold within the Fund can be up to $2 million, or a total of $5million in Death cover. The form you need to complete if you want to apply for Voluntary cover is:

- **if you are less than 55 years of age and require total Death only or Death & TPD cover of up to $1 million** – complete the **Maritime – Variation of cover** form available from hostplus.com.au/maritime or by calling **1300 467 875**.
- **if you require total Death only or Death & TPD cover of more than $1 million** – complete the MLC Limited Full Personal Statement, available at hostplus.com.au/maritime or by calling us.
- **if you are 55 years of age or over, or require total Death only or Death & TPD cover of more than $1 million** – complete the MLC Limited Full Personal Statement, available from hostplus.com.au/maritime or by calling **1300 467 875**.

Acceptance for Voluntary cover is subject to assessment and approval by the Insurer. The Insurer may also request further medical evidence or statements to assess your application.

The benefit payable

Death & TPD benefit amounts for each unit of cover are based on age at last 30 June and occupation category as shown in the table on page 89.

Getting the right cover

It's important that your occupation category is assessed correctly so you have the right level of cover and related premium. See 'Determining your occupation category' on page 95 for information on assessing your occupation category.

Example

Michael was aged 32 last 30 June and receives employer contributions. He works in a Heavy Blue Collar occupation. He is automatically provided with 6 units of Default Death & TPD cover:

= 6 units x $47,000

= $282,000 of Default Death & TPD cover

Michael determines that he needs another $470,000 of Death & TPD cover, so he applies for an additional 10 units of Voluntary cover:

= $470,000 / $47,000

= 10 units of Voluntary Death & TPD cover

Cost of Death & TPD cover

The cost of Default Death & TPD cover and any Voluntary cover is $1.00 per unit per week deducted from your account on a monthly basis.

Example

From the previous example, Michael has 6 units of Default Death & TPD cover and 10 units of Voluntary Death & TPD cover.

The annual insurance premium is:

= $1.00 x 52 weeks x 16 units

= $832.00 pa

Your level of cover will vary year to year based on your age, while the cost of your cover will stay the same. Premium rates and cover levels may change in the future under the Policy and the rules of the Fund. The Trustee will give you at least 30 days' notice before any increase in premium rates takes effect.

Benefit value for 1 unit of Death & TPD cover

	Heavy Blue Collar		Light Blue Collar		White Collar	
Age at last 30 June	Death only	Death & TPD	Death only	Death & TPD	Death only	Death & TPD
15	$87,000	$64,000	$90,000	$66,000	$142,000	$100,000
16	$87,000	$64,000	$90,000	$66,000	$142,000	$100,000
17	$87,000	$64,000	$90,000	$66,000	$142,000	$100,000
18	$87,000	$64,000	$90,000	$66,000	$142,000	$100,000
19	$87,000	$64,000	$90,000	$66,000	$142,000	$100,000
20	$87,000	$64,000	$90,000	$66,000	$142,000	$100,000
21	$87,000	$64,000	$90,000	$66,000	$142,000	$100,000
22	$87,000	$64,000	$90,000	$66,000	$142,000	$100,000
23	$87,000	$64,000	$90,000	$66,000	$142,000	$100,000
24	$87,000	$64,000	$90,000	$66,000	$142,000	$100,000
25	$87,000	$64,000	$90,000	$66,000	$142,000	$100,000
26	$85,000	$62,000	$90,000	$65,000	$142,000	$99,000
27	$83,000	$61,000	$90,000	$63,000	$142,000	$98,000
28	$81,000	$58,000	$90,000	$61,000	$142,000	$98,000
29	$79,000	$56,000	$90,000	$59,000	$142,000	$96,000
30	$77,000	$52,000	$90,000	$57,000	$142,000	$95,000
31	$75,000	$49,000	$90,000	$55,000	$142,000	$94,000
32	$73,000	$47,000	$90,000	$53,000	$142,000	$92,000
33	$71,000	$44,000	$90,000	$50,000	$142,000	$90,000
34	$69,000	$41,000	$90,000	$47,000	$142,000	$84,000
35	$67,000	$38,000	$90,000	$46,000	$142,000	$81,000
36	$63,000	$35,000	$88,000	$44,000	$140,000	$76,000
37	$59,000	$32,000	$84,000	$41,000	$133,000	$72,000
38	$55,000	$29,000	$80,000	$39,000	$129,000	$67,000
39	$51,000	$26,000	$76,000	$37,000	$120,000	$63,000
40	$47,000	$24,000	$71,000	$34,000	$116,000	$59,000
41	$43,000	$22,000	$67,000	$31,000	$108,000	$54,000
42	$41,000	$20,000	$63,000	$28,000	$102,000	$50,000
43	$39,000	$18,000	$59,000	$26,000	$94,000	$46,000
44	$38,000	$16,000	$54,000	$24,000	$88,000	$41,000
45	$34,000	$14,000	$50,000	$21,000	$80,000	$37,000
46	$31,000	$13,000	$46,000	$19,000	$74,000	$34,000
47	$28,000	$11,000	$41,000	$17,000	$67,000	$30,000
48	$25,000	$10,000	$38,000	$15,000	$61,000	$27,000
49	$23,000	$9,000	$34,000	$14,000	$55,000	$24,000
50	$20,000	$8,000	$30,000	$12,000	$49,000	$21,000
51	$18,000	$7,000	$27,000	$11,000	$44,000	$19,000
52	$16,000	$6,000	$24,000	$10,000	$40,000	$17,000
53	$15,000	$5,000	$22,000	$8,000	$35,000	$15,000
54	$13,000	$5,000	$19,000	$7,000	$31,000	$13,000
55	$12,000	$4,000	$17,000	$6,000	$28,000	$11,000
56	$11,000	$4,000	$15,000	$6,000	$25,000	$10,000
57	$10,000	$3,000	$14,000	$5,000	$22,000	$9,000
58	$9,100	$3,000	$12,000	$4,000	$20,000	$8,000
59	$8,200	$3,000	$11,000	$4,000	$18,000	$7,000
60	$7,400	$2,000	$10,000	$3,000	$16,000	$6,000
61	$6,700	$2,000	$8,000	$3,000	$14,000	$5,000
62	$6,100	$2,000	$7,000	$3,000	$12,000	$4,000
63	$5,600	$2,000	$7,000	$2,000	$11,000	$4,000
64 - 69	$5,100	$2,000	$6,000	$2,000	$9,000	$3,000

8.2 Income Protection Cover

Income Protection cover provides a replacement income when Sickness or Injury prevents you from working. To receive this replacement income, you must satisfy the definition of Total Disablement or Partial Disablement (see 'Glossary) under the terms of the Policy and have your claim accepted by the Insurer.

Voluntary Income Protection cover can provide you with a monthly income payment of up to either 50% or 75% of your salary to a maximum of $30,000 per month payable for up to two years, up to age 65. The Automatic Acceptance Level (AAL) is $8,000 per month. For cover in excess of the AAL, you will need to apply and be accepted by the insurer. A waiting period of 90 days applies before you can claim a benefit, however you can apply to reduce your waiting period to 30 days.

Applying for Income Protection cover

To be eligible for Income Protection cover, you must be:

- at least age 15 but less than 65; and
- an Australian citizen, permanent resident, temporary work visa holder or a New Zealand national who is working for an Australian employer (and eligible to work under Australian law).

If you have been paid or are eligible to be paid a TPD benefit or a Terminal Illness benefit from another fund, you will only be eligible for Limited cover.

To apply for cover, you must also be Gainfully Employed and not hold any other Income Protection cover through the Fund. Income Protection cover can be applied for in whole units of $100 per month.

When you join (within 60 days)

When you join the Fund, you will receive a welcome letter, and you will have the opportunity to apply for Income Protection cover within 60 days of this letter.

Limited cover will be provided for the first 24 months of cover and until you return to Active Employment for 30 consecutive days immediately prior to or after the expiration of that 24 month period.

You can also apply using the **Maritime – Variation of cover form**.

When you apply (after 60 days)

If you wish to apply for Voluntary Income Protection cover, complete the **Maritime – Variation of cover form** included in your welcome pack when you join, which is also available from hostplus.com.au/maritime or by calling **1300 467 875**.

Acceptance of your application is subject to assessment and approval by the Insurer. The Insurer may also request further medical evidence or statements to assess your application.

Limited cover will be provided for the first 24 months and until you return to Active Employment for 30 consecutive days immediately prior to or after the expiration of that 24 month period.

High salary earners

If you earn more than $200,000 per year, your Voluntary Income Protection cover will exceed the AAL of $8,000 per month; that is:

= $200,000 x 50%

= $100,000 / 12

= $8,333

In this case, you can apply for cover above the AAL which is subject to acceptance by the Insurer. To apply, complete the MLC Limited Full Personal Statement which is available from hostplus.com.au/maritime or by calling **1300 467 875**.

Your cover options

A number of options are available in regard to Income Protection cover:

- the level of cover is either 50% or 75% of salary or the default salary if we do not have your salary information;
- the waiting period is either 30 days or 90 days.

Choosing your level of cover

Important – your salary information

Your Income Protection cover will be based on how much of your pre-disability salary you have been insured for. You can elect either 50% or 75% of your pre-disability salary. You will need to ensure that the amount of cover you have does not exceed either 50%, or 75% depending on which option you have chosen. You can update your pre-disability salary at any time. It is up to you to check your details and advise us of any changes to your salary. If we do not have your salary details, your cover will be based on a default salary of $72,000 per year, based on either 50% or 75% of this salary.

Please note that the benefit payable should you make a claim is based on the lesser of your actual Income (see 'Glossary') and the amount insured.

Income Protection cover is based on the amount of cover you are insured for by the insurer. You can choose to have 50% or 75% of your salary (rounded up to the next $100), to a maximum of $30,000 per month, subject to approval by the Insurer.

For the purposes of calculating your monthly insured amount, all insured amounts will be rounded up to the nearest $100, i.e if 75% of your monthly salary is $5,649, your monthly insured amount will be rounded up to $5,700.

Choosing your waiting period

The waiting period starts from the day you are first examined and certified by a Medical Practitioner as Totally Disabled in relation to the injury or sickness giving rise to the claim that has caused you to stop working. You are allowed to return to work for up to 10 days during the waiting period without having to restart the waiting period for Total Disablement.

The default waiting period is 90 days. Your Voluntary Income Protection benefit is payable after a waiting period of 30 or 90 consecutive days, whichever you have chosen. If you are employed by a Participating Employer, you can change the waiting period to 30 days, unless your cover is provided under a Group employer arrangement. You must be in Active Employment (see 'Glossary') on the day you sign the form. Any application to reduce the waiting period to 30 days will be subject to underwriting by the insurer. To do so please complete the MLC Limited Full Personal Statement available on our website at hostplus.com.au/maritime

If your waiting period is reduced to 30 days, the cost of your Income Protection cover will be higher (see 'Cost of Income Protection cover').

If you later wish to increase your waiting period to 90 days, complete the **Maritime – Variation of cover form** available from hostplus.com.au/maritime or by calling **1300 467 875**.

Cost of Income Protection cover

Premiums are based on age at last 30 June (and applying for the next 12 months), occupation category, waiting period and amount of cover of 50% or 75% as shown in the tables on pages 93 and 94.

Unless you are employed by a Group Employer (see 'Glossary') who pays for the cost of Voluntary Income Protection cover on behalf of their employees, insurance premiums are deducted from your account on a monthly basis.

Don't pay more than you need to

It's important that your occupation category is assessed correctly so you don't pay more than you need to. See 'Determining your occupation category' on page 95 for information on assessing your occupation category.

Calculating the cost of 50% of cover

The annual cost of Voluntary Income Protection cover for a monthly income payment of up to 50% of salary can be calculated in seven simple steps:

Step 1

Calculate 50% of your salary

Step 2

Determine your monthly benefit

Step 3

Round up to the nearest $100

Step 4

Determine your annual equivalent

Step 5

Divide this amount by 1,000

Step 6

Identify the annual premium rate for your age, occupation category and waiting period from the table on page 93

Step 7

Multiply the annual premium rate by the amount in Step 5

Example

Member aged 40 (at last 30 June) in a Heavy Blue Collar occupation with an annual salary of $69,600.

Following the steps outlined above, calculate cover as follows:

	90-day waiting period	30-day waiting period
Step 1	50% of $69,900 = $34,950	50% of $69,900 = $34,950
Step 2	Monthly $34,950/12 $2,912.50	Monthly $34,950/12 $2,912.50
Step 3	Round up to the nearest $100 = $3,000	Round up to the nearest $100 = $3,000
Step 4	Annualised $3,000x12 $36,000	Annualised $3,000x12 $36,000
Step 5	$36,000 / 1,000 = $36.00	$36,000 / 1,000 = $36.00
Step 6	Annual premium rate for 90-day wait = $5.29	Annual premium rate for 30-day wait = $11.61
Step 7	Annual cost of cover = $5.29 x $36.00 = $190.44	Annual cost of cover = $11.61 x $36.00 = $417.96

Calculating the cost of 75% of cover

The annual cost of Voluntary Income Protection cover for a monthly income payment of up to 75% of salary can be calculated in seven simple steps:

Step 1

Calculate 75% of your salary

Step 2

Determine your monthly benefit

Step 3

Round up to the nearest $100

Step 4

Determine your annual equivalent

Step 5

Divide this amount by 1,000

Step 6

Identify the annual premium rate for your age, occupation and waiting period from the table on page 94

Step 7

Multiply the annual premium rate by the amount in Step 5

Example

Member aged 40 (at last 30 June) in a Heavy Blue Collar occupation with an annual salary of $69,900.

Following the steps outlined above, calculate cover as follows:

	90-day waiting period	30-day waiting period
Step 1	75% of $69,900 = $52,425	75% of $69,900 = $52,425
Step 2	Monthly $52,425/12 $4,368.75	Monthly $52,425/12 $4,368.75
Step 3	Round up to the nearest $100 = $4,400	Round up to the nearest $100 = $4,400
Step 4	Annualised $4,400x12 $52,800	Annualised $4,400x12 $52,800
Step 5	$52,800 / 1,000 = $52.80	$52,800 / 1,000 = $52.80
Step 6	Annual premium rate for 90-day wait = $6.23	Annual premium rate for 90-day wait = $13.65
Step 7	Annual cost of cover = $6.23 x $52.80 = $328.94	Annual cost of cover = $13.65 x $52.80 = $720.72

Annual Cost per $1,000 of Voluntary Income Protection cover of 50% of salary

	90-day waiting period			30-day waiting period		
Age at last 30 June	Heavy Blue Collar	Light Blue Collar	White Collar	Heavy Blue Collar	Light Blue Collar	White Collar
15	$3.31	$1.61	$0.94	$6.49	$3.13	$1.84
16	$3.35	$1.61	$0.95	$6.57	$3.17	$1.87
17	$3.39	$1.63	$0.96	$6.64	$3.21	$1.88
18	$3.42	$1.65	$0.96	$6.73	$3.24	$1.91
19	$3.44	$1.67	$0.98	$6.81	$3.29	$1.93
20	$3.47	$1.68	$1.00	$6.94	$3.35	$1.98
21	$3.52	$1.68	$1.00	$7.05	$3.39	$2.01
22	$3.53	$1.68	$1.00	$7.13	$3.43	$2.02
23	$3.53	$1.69	$1.00	$7.18	$3.45	$2.05
24	$3.52	$1.68	$1.00	$7.23	$3.47	$2.05
25	$3.34	$1.60	$0.95	$7.07	$3.40	$2.01
26	$3.21	$1.55	$0.92	$6.94	$3.33	$1.98
27	$3.09	$1.48	$0.88	$6.85	$3.29	$1.95
28	$3.03	$1.45	$0.85	$6.88	$3.29	$1.95
29	$2.99	$1.43	$0.85	$6.96	$3.34	$1.98
30	$3.03	$1.45	$0.85	$7.14	$3.42	$2.04
31	$3.05	$1.48	$0.87	$7.36	$3.53	$2.09
32	$3.14	$1.51	$0.89	$7.66	$3.67	$2.18
33	$3.28	$1.58	$0.94	$7.96	$3.82	$2.26
34	$3.41	$1.63	$0.96	$8.32	$3.98	$2.37
35	$3.59	$1.72	$1.02	$8.75	$4.19	$2.49
36	$3.83	$1.81	$1.08	$9.21	$4.43	$2.63
37	$4.12	$1.98	$1.17	$9.73	$4.67	$2.78
38	$4.47	$2.15	$1.27	$10.32	$4.95	$2.95
39	$4.88	$2.34	$1.40	$10.96	$5.25	$3.13
40	$5.29	$2.54	$1.51	$11.61	$5.57	$3.32
41	$5.78	$2.77	$1.64	$12.29	$5.91	$3.51
42	$6.32	$3.03	$1.80	$13.05	$6.25	$3.71
43	$7.00	$3.35	$2.01	$13.82	$6.62	$3.94
44	$7.78	$3.73	$2.21	$14.63	$7.02	$4.16
45	$8.64	$4.14	$2.47	$15.58	$7.47	$4.43
46	$9.69	$4.64	$2.77	$16.68	$8.01	$4.76
47	$10.84	$5.21	$3.09	$17.96	$8.62	$5.11
48	$12.11	$5.80	$3.44	$19.25	$9.25	$5.48
49	$13.53	$6.48	$3.84	$20.81	$10.00	$5.92
50	$15.09	$7.23	$4.28	$22.49	$10.80	$6.39
51	$16.91	$8.11	$4.80	$24.41	$11.72	$6.96
52	$18.92	$9.07	$5.38	$26.44	$12.71	$7.52
53	$21.15	$10.16	$6.02	$28.72	$13.79	$8.16
54	$23.68	$11.38	$6.74	$31.11	$14.95	$8.84
55	$26.49	$12.74	$7.53	$33.68	$16.21	$9.58
56	$29.60	$14.23	$8.41	$36.46	$17.54	$10.36
57	$33.11	$15.94	$9.40	$39.64	$19.05	$11.26
58	$37.05	$17.85	$10.52	$43.29	$20.83	$12.31
59	$41.38	$19.93	$11.74	$47.38	$22.81	$13.44
60	$46.19	$22.26	$13.11	$51.92	$24.97	$14.74
61	$51.31	$24.73	$14.53	$56.79	$27.35	$16.12
62	$42.44	$20.46	$12.02	$51.05	$24.58	$14.48
63	$31.99	$15.42	$9.07	$42.54	$20.48	$12.07
64	$12.94	$6.24	$3.66	$25.63	$12.35	$7.27

Annual Cost per $1,000 of Voluntary Income Protection cover of 75% of salary

	90-day waiting period			30-day waiting period		
Age at last 30 June	Heavy Blue Collar	Light Blue Collar	White Collar	Heavy Blue Collar	Light Blue Collar	White Collar
15	$3.88	$1.88	$1.11	$7.63	$3.68	$2.18
16	$3.94	$1.89	$1.12	$7.73	$3.72	$2.20
17	$3.99	$1.92	$1.13	$7.82	$3.77	$2.22
18	$4.02	$1.95	$1.13	$7.92	$3.80	$2.25
19	$4.04	$1.97	$1.15	$8.02	$3.87	$2.27
20	$4.08	$1.98	$1.17	$8.16	$3.94	$2.33
21	$4.13	$1.98	$1.17	$8.31	$3.98	$2.36
22	$4.15	$1.98	$1.17	$8.38	$4.04	$2.38
23	$4.15	$1.99	$1.17	$8.45	$4.06	$2.40
24	$4.13	$1.98	$1.17	$8.51	$4.08	$2.42
25	$3.93	$1.88	$1.12	$8.33	$4.00	$2.37
26	$3.78	$1.82	$1.08	$8.16	$3.91	$2.33
27	$3.63	$1.74	$1.03	$8.07	$3.87	$2.29
28	$3.56	$1.71	$1.01	$8.08	$3.87	$2.29
29	$3.53	$1.69	$1.01	$8.18	$3.93	$2.33
30	$3.56	$1.71	$1.01	$8.39	$4.02	$2.40
31	$3.60	$1.74	$1.02	$8.66	$4.15	$2.47
32	$3.68	$1.78	$1.05	$9.02	$4.33	$2.57
33	$3.86	$1.85	$1.11	$9.36	$4.49	$2.66
34	$4.01	$1.92	$1.13	$9.79	$4.68	$2.79
35	$4.22	$2.02	$1.20	$10.29	$4.93	$2.94
36	$4.51	$2.14	$1.27	$10.84	$5.20	$3.09
37	$4.85	$2.33	$1.38	$11.44	$5.49	$3.26
38	$5.26	$2.53	$1.51	$12.15	$5.82	$3.46
39	$5.75	$2.75	$1.64	$12.89	$6.19	$3.67
40	$6.23	$2.98	$1.78	$13.65	$6.56	$3.89
41	$6.80	$3.25	$1.93	$14.46	$6.94	$4.13
42	$7.42	$3.56	$2.13	$15.35	$7.35	$4.36
43	$8.23	$3.94	$2.37	$16.25	$7.79	$4.63
44	$9.15	$4.39	$2.60	$17.22	$8.25	$4.89
45	$10.17	$4.87	$2.91	$18.32	$8.79	$5.21
46	$11.40	$5.46	$3.25	$19.63	$9.41	$5.60
47	$12.76	$6.14	$3.63	$21.12	$10.15	$6.01
48	$14.24	$6.83	$4.05	$22.65	$10.88	$6.44
49	$15.92	$7.63	$4.53	$24.47	$11.76	$6.96
50	$17.76	$8.51	$5.04	$26.47	$12.71	$7.52
51	$19.88	$9.55	$5.65	$28.72	$13.79	$8.18
52	$22.24	$10.68	$6.34	$31.11	$14.95	$8.85
53	$24.87	$11.96	$7.08	$33.78	$16.22	$9.60
54	$27.86	$13.38	$7.93	$36.60	$17.59	$10.40
55	$31.18	$14.98	$8.86	$39.62	$19.06	$11.26
56	$34.83	$16.74	$9.89	$42.89	$20.63	$12.18
57	$38.95	$18.75	$11.06	$46.64	$22.42	$13.24
58	$43.58	$21.00	$12.37	$50.93	$24.51	$14.47
59	$48.68	$23.44	$13.81	$55.74	$26.83	$15.82
60	$54.34	$26.20	$15.42	$61.07	$29.38	$17.33
61	$60.35	$29.09	$17.09	$66.80	$32.17	$18.96
62	$49.94	$24.07	$14.14	$60.06	$28.92	$17.04
63	$37.64	$18.15	$10.68	$50.04	$24.09	$14.20
64	$15.23	$7.34	$4.32	$30.15	$14.53	$8.56

Providing your salary

It is important that you regularly review and update your income protection insured amount as your salary changes to ensure that you are adequately protected in the event of an Injury or Sickness.

When you apply for Voluntary Income Protection cover, you will need to provide your salary at the time of joining.

You can provide your salary on the **Maritime – Variation of cover form**. You must be in Active Employment on the day you sign the form. Otherwise, your benefit will be limited to the default monthly benefit.

Important

Your cover is based on the salary we have on file. If we do not have salary details for you, a default salary of $72,000 per year will be used to calculate your Income Protection cover, based on either 50% or 75% of this salary.

It's up to you to provide us with your salary for your Income Protection cover – don't get caught out on a default salary.

Increases in your salary

Your Income Protection cover is based on your insured amount. It is important to note that the insured amount does not automatically change when your salary changes.

If you advise an increase in your salary to increase your insured amount and:

- the increase is within the AAL or any Forward Underwriting Limit (FUL) – see 'Glossary'; and
- your salary has not increased by more than 30% in the previous 12 months,

the increase will apply from the first day of the financial year, if accepted.

Where your salary has increased by more than 30% in the previous 12 months, the increase in cover above the 30% is subject to acceptance by the Insurer. We will let you know what forms to complete for the Insurer to complete this assessment.

If your salary changes during the year you can apply to change your level of cover. Any increase will be subject to acceptance by the Insurer.

Benefit payments

Total Disablement

The monthly benefit payable on Total Disablement, once the waiting period has been served, will be the lesser of:

- the amount insured; and
- 90% of your pre-disability salary (75% paid to you, 15% paid into your Hostplus account) (or the maximum approved by the Insurer if you have applied for increased cover) limited to a maximum of $30,000 per month.

Where your Income Protection benefit is up to 75% of your pre-disability salary, we will pay that benefit to you. Where your Income Protection benefit is from 75% to 90% of your pre-disability salary, we will pay a maximum of 75% of your pre-disability salary to you and the remainder is paid into your Hostplus account. Your Income Protection benefit will also be reduced by any payments made under workers compensation or similar state or federal legislation, motor accident compensation, social security, other insured and super payments being paid as a result of injury or sickness, any other insurance benefits in relation to the injury or sickness (whether claimed or not) as well as sick leave or redundancy payments. Any other salary received from your employer will also reduce your Income Protection benefit.

Partial Disablement

The monthly benefit payable on Partial Disablement is calculated as:

$$\frac{\text{Pre-disability monthly salary - actual monthly salary earned}}{\text{Pre-disability monthly salary}} \times \textbf{Total Disablement Monthly Benefit}$$

8.3 Other important insurance information

Determining your occupation category

Occupation classification is done on a self-assessment basis. However, if you are not comfortable with classifying your occupation, you can provide details of your duties and we will do this for you.

We will also accept details of your occupation from your employer. However, we recommend you also assess or provide your occupation details when they change by using the **Maritime – Variation of cover form**. The form is available at hostplus.com.au/maritime. If you provide details of your occupation within 90 days of the date of your welcome letter, any adjustments in your premiums will take effect from the start date of your cover.

If we have not received enough information to assess your occupation category, we will determine your occupation category by default as Heavy Blue Collar.

Change in occupation category

If you change your occupation or think your occupation category is not correct, you can apply to have it changed, but only if you are in Active Employment at the time of requesting the reassessment of your occupation.

If you are not in Active Employment at the time of requesting the change, any increased Death and/or TPD cover will be provided as Limited Cover until you are in Active Employment for 30 consecutive days, at which time the Limited Cover restriction will be removed.

You can also apply to change your occupation category. However, you must satisfy the following conditions:

- you have not been off work due to sickness or injury for four or more weeks in the last 12 months
- you have not been diagnosed with a Termination Illness; and
- you are in Active Employment at the time of requesting the reassessment of your occupation category.

Where new category accepted, Limited cover only will be provided for any increase in Death only or Death & TPD cover as a result of your occupation change until you are in Active Employment for 30 consecutive days.

Applications to have your occupation category changed can be made by completing the **Maritime – Variation of cover form** available from **hostplus.com.au/maritime** or by calling **1300 467 875**. A change in occupation category only takes effect if accepted by the Fund.

If you provide details of your change of occupation within 90 days of the date of the change, any adjustments in your premiums will take effect from the date your occupation changed. If you provide details of your change of occupation beyond the 90 day period, any increased cover will be Limited Cover for 12 months and until the member is in Active Employment for 30 consecutive days following the 12 month period.

When your cover starts

If you are eligible for default cover

If you are eligible for default cover and you join Maritime Contributory Accumulation within 150 days of starting with a Participating Employer (or you join within 150 days of your employer becoming a Participating Employer or Group Employer), your Default Death & TPD cover within the AAL will start automatically from the first day of employment in respect of which SG contributions are made to your account. Limited Cover only will be provided until you are in Active Employment for 30 consecutive days.

If you are eligible for default cover and you join the Fund more than 150 days after starting with a Participating Employer, your Default Death & TPD cover within the respective AALs will start from the date you join the Fund. Limited Cover will be provided for the first 24 months and until you return to Active Employment for 30 consecutive days immediately prior to or after the expiration of this 24 month period thereafter.

Cover subject to special conditions or exclusions

If your cover is subject to special conditions or exclusions, the Insurer will need to receive and accept your agreement to the terms offered before your cover will start.

Exclusions (Death/TPD):

No benefit will be payable for a claim as a result of:

- active service in the armed forces of any country or international organisation; or
- any act of invasion or war, whether declared or undeclared, in which the Commonwealth of Australia's armed forces are involved, or the country of residence (including temporary residence) of the Insured Member is involved.

No benefit will be payable to a member for a claim which is caused wholly or partly, directly or indirectly as a result of a Pre-Existing Medical Condition, where the member, at any time prior to cover commencing or re-commencing, has received or was eligible to receive a total and permanent disability benefit or a terminal illness benefit from the Fund, another superannuation fund or an insurer.

Exclusions (Income Protection):

No benefit will be payable for a claim as a result of:

- any intentional self-inflicted Injury or attempted suicide or self-destruction while sane or insane;
- an uncomplicated pregnancy, childbirth or miscarriage; or
- active service in the armed forces of any country or international organisation or any act of invasion or war, whether declared or undeclared, in which the Commonwealth of Australia's armed forces are involved, or the country of residence (including temporary residence) of the Insured Member is involved.

No benefit will be payable or a claim which is caused wholly or partly, directly or indirectly as a result of a Pre-Existing Medical Condition, where the Insured Member, at any time prior to their cover commencing or re-commencing, has received or was eligible to receive a total and permanent disability benefit or a terminal illness benefit from the Fund, another superannuation fund or an insurer.

Any Voluntary Income Protection cover or Voluntary Death & TPD cover above the AAL or FUL will start from the date your application is approved and accepted by the Insurer. If your cover is subject to special conditions or exclusions, the Insurer will need to receive and accept your agreement to the terms offered before your cover will start.

Interim accidental cover

You will be provided with Limited Cover for 24 months and/or until you return to Active Employment for 30 consecutive days immediately prior to or after the application of the 24-month period.

If you apply for cover that requires assessment by the Insurer, you will receive interim accidental cover at no cost from the date your application is received by the Insurer until the earlier of:

- the date your cover for application is either accepted or rejected by the Insurer
- the date you withdraw your application for cover; or
- 180 days in the case of Death only or Death & TPD cover and 90 days in the case of Income Protection cover from the date your application for cover is received by the Insurer.

The amount of interim accidental cover for Death only or Death & TPD cover is limited to the lesser of either the cover you applied for or $1.5 million.

The amount of interim accidental cover for Income Protection cover is limited to the lesser of either the cover you applied for or $10,000 per month and is subject to the waiting period you've applied for (or 90 days by default).

Interim accidental cover does not cover death or a disability arising directly or indirectly as result of any of the following:

- you engaging in any sport or pastime that the Insurer would not normally cover at standard rates or terms
- any Sickness or Injury that occurred (or that a reasonable person would have been aware of) prior to your application for cover;
- any other exclusion described in the Policy.

When cover stops

Your insurance cover will stop on the earliest of the following events:

- you leave Maritime Contributory Accumulation and you do not transfer to another Maritime product
- you die
- you have not been provided with default cover and:
  - your account is deemed inactive where no contributions have been received for 16 months or more in accordance with the Protect your super legislation
  - you are under 25 years old and cease to be employed in a dangerous occupation or your employer ceases to meet the cost of your insurance cover
  - your account balance has not exceeded $6,000 and you cease to be employed in a dangerous occupation or your employer ceases to meet the cost of your insurance
- in respect of cover you pay for, there is not enough money in your account to pay the premium in full when it falls due
- in respect of cover you pay for, we receive notice in writing that you would like to cancel your cover
- you use the total of your Maritime Contributory Accumulation benefit to purchase a pension in the Fund
- 30 days after you should have returned to work in Australia after being seconded overseas (for a period of not more than four years, unless the Insurer agrees to a longer period of leave)
- if you are a temporary work visa holder or a New Zealand national, you leave Australia (other than on a temporary basis as a seafarer) or are no longer eligible to work under Australian law
- in respect of cover you pay for, when you become eligible for Default cover in the same or another Maritime product or category
- four years (unless the Insurer agreed to a longer period) after you are seconded overseas, unless you have returned to work in Australia
- for Death & TPD cover:
  - you turn 70 (a restricted definition of TPD applies from age 65 – see 'Glossary')
  - an insured benefit is paid or becomes payable. However, if a TPD benefit is paid and your Death cover is greater than your TPD cover, the remaining Death cover will continue
  - a Terminal Illness benefit is paid or becomes payable.
- for TPD cover:
  - a TPD benefit is paid or becomes payable
  - you permanently retire from the workforce
  - 30 days after you should have returned to work after the end of an agreed period of approved leave of up to 24 months or the first anniversary of approved leave that extends beyond 24 months (unless approved by the Insurer))
- for Income Protection cover:
  - you turn 65
  - you permanently retire from the workforce
  - if your employer is responsible for paying for your cover, they fail to pay the premium in full when it is due, your cover may convert to Voluntary Income Protection cover
  - 30 days after you should have returned to work after the end of an agreed period of approved leave of up to 24 months or the first anniversary of approved leave that extends beyond 24 months (unless approved by the Insurer)
  - six months after the end of the month in respect of which the last employer contribution is received for your account but ignoring late payments (or if you are self-employed, 12 months after the last contribution or deposit is received for your account), provided you were not on approved leave for 12 months (see 'Parental leave or approved leave' below), unless you are in receipt of Income Protection benefits.

Maximum insurable age

Death cover – until age 70

TPD cover – until age 70

Income Protection cover – until age 65

Parental leave or approved leave

You will continue to be covered when on approved parental or approved leave without pay. In the case of TPD and Income Protection cover, cover will continue for a period not exceeding 24 months from the start of the leave, provided you have agreed to a 'return to work' date and the premium for your cover continues to be paid. Where you do not return to work on the agreed date, your TPD and Income Protection cover will automatically stop 30 days after the agreed date.

You also have the option to apply to the Insurer to have your TPD cover extended for periods of leave in excess of 24 months. Call **1300 467 875** for more information.

Continued cover

If you transfer to another Maritime product or membership category, your Default cover will convert to Voluntary units of cover, where your original Default cover amount is greater than the new category Default cover amount. This provision will be applied once only across any movement between membership categories. Please note that on transferring to another membership category, you may become responsible for paying the premiums. If you are under 25 years old or your account balance has not exceeded $6,000, cover may cease unless you elect to retain cover.

If you decide to cancel this cover and you provide written notice within 30 days of the letter notifying of your change of category, we will refund the premiums.

Leaving a Group Employer

If you finish employment with a Group Employer, or the employer ceases paying premiums, your Group Income Protection cover will cease unless you become eligible for Income Protection cover with another Group Employer or in another membership category or you take out Voluntary Income Protection cover with the Fund.

Transferring cover

If you have insurance with another super fund you can, subject to eligibility, transfer your cover to Maritime Contributory Accumulation. If you are under age 55, you may apply to transfer your cover in from another super fund. The insurer will assess your application to transfer and subject to underwriting will approve or decline transfer of cover. Call **1300 467 875** for more information.

Declining, cancelling or reducing cover

You cannot decline, cancel or change your Default Death & TPD cover.

You can increase, reduce or cancel Voluntary cover or voluntary Income Protection cover at any time by completing a **Maritime – Variation of cover form**, available from **hostplus.com.au/maritime** or by calling **1300 467 875**.

Recommencing cover

If you cancel your cover, you can apply to have it reinstated. However, your application will be subject to assessment and acceptance by the Insurer.

Where cover has been cancelled because you are under 25 years old, your account balance has not exceeded $6,000 or your account has been inactive for 16 months, you can write to us to reinstate your cover within 60 days of the date cover ceased.

Where cover has stopped involuntarily (for example, where there is not enough money in your account to pay your premium) your cover will be reinstated in certain circumstances and subject to Limited Cover conditions as described in the Policy.

Worldwide cover

Your insurance cover will normally continue for a period of time when overseas, unless you are a temporary work visa holder or New Zealand national.

When you are travelling or holidaying overseas (other than to a war zone), cover will generally be provided for a period of up to three months.

If you are seconded and working overseas (other than to a war zone), insurance cover will continue for a period of up to four years (or longer with approval from the Insurer).

However, if any of the overseas countries where you live, are seconded and working, or are travelling or holidaying have been issued with a Department of Foreign Affairs and Trade 'Do not travel' advisory at the time you leave Australia, you will not be covered while you are in that country.

Also, if the Insurer is not satisfied with the assessment of a claim made overseas, they have the right to request your return to Australia (at your own expense) for claims assessment before payment of any insured benefits.

Temporary work visa holders and New Zealand nationals will not be covered outside Australia unless you travel outside Australia on a temporary basis in a seagoing occupation.

Privacy and your insurance

For information about your privacy as it relates to insurance arrangements with the Insurer, refer to a copy of the MLC Limited privacy policy, available on their website at www.mlc.com.au.

Making a claim

Death

If you die while you are covered under the Policy, the Trustee will make a claim for payment of your Death cover from the Insurer. Once admitted, the amount insured will be added to your benefit in the Fund and will form part of your death benefit.

Terminal Illness

If you are diagnosed with a Terminal Illness, you may apply for a prepayment of your Death cover. You must have become Terminally Ill while covered under the Policy and remain Terminally Ill to lodge a claim. The cover amount for your claim will be based on the later of the two dates on which the Medical Practitioners gave their certification that you are suffering from a Terminal Illness.

If you wish to make a claim for a Terminal Illness insured benefit, you will need to complete a claim form and provide a report from a Medical Practitioner who is a specialist in the area of your injury or sickness which states that it is likely that your condition will result in your death within 24 months. You will also need to supply a report from another Medical Practitioner certifying that you are Terminally Ill.

After you have lodged your claim, you may be required to undergo one or more medical examinations before the Insurer can determine whether you satisfy the Policy definition of Terminal Illness. Any sum insured admitted by the Insurer will be added to your benefit and will become payable in accordance with the rules of the Fund and super law

Total & Permanent Disablement

If you wish to make a claim for a TPD benefit, you should contact the Fund as soon as possible as it is in your interest to lodge your claim immediately. You will need to complete a claim form and provide at least one Medical Practitioner's report in support of your claim.

In the event of a claim, the cover amount will be determined at the date you were last actively at work as a result of your injury or sickness or, if you are not employed when you are injured or first display the symptoms of your sickness, the date the Insurer determines that you first become Totally and Permanently Disabled.

After you have lodged your claim, you may be required to undergo one or more medical examinations to determine whether you satisfy the Policy definition of Total and Permanent Disablement. The Insurer may also take into account any retraining and/or rehabilitation you could acquire in the future, to determine whether you satisfy the Policy definition.

It can often take some time to obtain all the information required for the Trustee and the Insurer to make an informed decision and for your claim to be finalised. We will try to process your claim as quickly as possible and to keep you informed of the progress of your claim.

Any sum insured admitted by the Insurer will be added to your benefit in accordance with the rules of the Fund and super law. You should note that before you can be paid a TPD benefit you must also satisfy a 'condition of release' under super law. Call **1300 467 875** to find out more.

Income Protection

If you wish to make an Income Protection claim, you will need to complete a claim form and provide at least one Medical Practitioner's report in support of your claim. If your claim is not lodged with the Trustee within a reasonable time, it may not be accepted.

Whether you receive an Income Protection benefit, and the amount of your benefit, will be based on whether you satisfy the definition of Total Disablement or Partial Disablement (see 'Glossary').

The benefits will be increased by the lesser of the Consumer Price Index (CPI) and 5% after you have continued to receive Income Protection benefits for 12 consecutive months.

The Income Protection monthly benefit will continue until the earliest of the following events:

- you recover and no longer satisfy the Total Disability and Partial Disability definitions
- you die
- you've received your 24th monthly payment (i.e. expiry of the two-year benefit period)
- you held a temporary work visa or are a New Zealand national and leave Australia permanently or are no longer eligible to work under Australian law; or
- you turn age 65.

To receive payments you may be required to provide medical evidence each month to the Insurer to demonstrate that your Sickness or Injury is ongoing.

Recurrent disability

If your disability recurs within six months of Income Protection payments ceasing, a claim arising from the same or related cause is treated as a continuation of the previous claim and the Waiting period is waived.

A total maximum benefit period of 2 years will apply to all Income Protection claims due to the same condition or a related condition. You may claim multiple times and receive benefits for longer than 2 years if you suffer multiple unrelated illnesses or injuries.

The maximum benefit period for recurrent disability includes any period in which a benefit is paid or payable for Partial Disability or Total Disability or was payable but is calculated to be zero.

Rehabilitation expenses

Where the Insurer determines that you meet the Income Protection Policy definition of Total Disablement, the Insurer will determine if rehabilitation services will assist your ability to return to work.

In determining rehabilitation services, the Insurer will take into account:

- your current or potential capabilities
- available medical evidence; and
- the nature, scope, objective and costs of any rehabilitation or retraining program.

The Insurer may require an examination(s) to assist in designing and implementing a rehabilitation program that is appropriate for you to participate in, based on appropriate medical evidence. Participation in any rehabilitation or retraining program is compulsory for you where deemed appropriate by the Insurer.

Rehabilitation expenses approved by the Insurer will be reimbursed up to an amount equivalent to six monthly payments, provided the expenses relate to a rehabilitation program designed to return you to work.

Once an approved rehabilitation program has commenced you must complete it. Where you cease to participate in the approved program, the Insurer will require written documentation outlining the reasons for your inability to continue with the rehabilitation program. Where you are not available or choose not to co-operate or participate in the duration of the program, your claim will cease. The Insurer will only exercise this right where it reasonably believes that the rehabilitation program remains appropriate for you.

When benefits are not payable

In addition to the exclusions outlined in this document, insured benefits may not be payable if:

- your claim relates to any other circumstances or restriction advised to you in writing before you make a claim; or
- in the event of omissions or false or misleading information you've provided to the Insurer or us in any application for cover.

Section 9.

Maritime Contributory Accumulation with Protected Minimum Benefit

Section 9. Maritime Contributory Accumulation with Protected Minimum Benefit

Members who joined Seafarers Retirement Fund (SRF) before 1 July 2008 may be entitled to a Protected Minimum Benefit to ensure they are not impacted from the benefit design changes that occurred effective 1 July 2008 and 1 July 1998. This means that, under certain circumstances, you may get the higher of your Account balance and the Protected Minimum Benefit. Your total entitlement is known as the Leaving Industry benefit.

Protected Minimum Benefit

If you were a Contributory or Non-Contributory member of the Seafarers Retirement Fund (SRF) on 30 June 2008, you may, in some circumstances, be entitled to a top-up amount to the Protected Minimum Benefit (shown as calculations A or B) including leaving your Participating Employer, the Maritime industry or on Death or Total and Permanent Disablement or when splitting compulsory super contributions with your spouse. The top-up amount to the Protected Minimum Benefit may also occur where you use your benefit to start a Transition to Retirement pension or in cases of severe financial hardship, release of super on compassionate grounds or family law split. We will let you know if the top-up amount to the Protected Minimum Benefit applies to you based on an assessment of your circumstances, in accordance with the Fund rules.

Contributions

You are generally required to make contributions. Please refer to Section 2 How super works for more information on the contribution requirements, as well as circumstances in which you may become non-contributory. If you do not make contributions your benefits may be affected. Please read this section of the guide for more information.

Leaving Industry Benefit

When you leave the employment of a Participating Employer, or retire, you can apply for a Leaving Industry benefit.

If you haven't waived your right to the Protected Minimum Benefit, the table below outlines which benefit will be payable as your Leaving Industry benefit, and subject to eligibility, depending on your join date:

	Joined prior to 1 July 1998	Joined between 1 July 1998 and 30 June 2008
Benefit Payable	The higher of: Calculation A Calculation B Calculation C	The higher of: Calculation B Calculation C

The table below outlines the details of each benefit calculation:

Calculation A **(joined prior to 1 July 1998)**	**1998 Minimum Benefit** (15% X Benchmark Salary / 52 weeks) X DB Weeks X Old Leaving Industry Factor PLUS Additional Accumulation balance
Calculation B **(joined between 1 July 1998 and 30 June 2008)**	**2008 Minimum Benefit** (9% X Benchmark Salary / 52 weeks) X DB Weeks X Leaving Industry Factor PLUS Employer 4% balance + Member 2% balance PLUS 1998 4% take-on balance (if applicable) PLUS Additional Accumulation balance
Calculation C	**Account balance**

The Additional Accumulation balance includes:

- Additional Employer contributions above the compulsory amount
- Additional Member contributions (before-tax or after-tax) above the compulsory amount
- Rollins from another super fund
- Government Co-contributions
- Family Law Offset
- Surcharge Debt

Your Leaving Industry Benefit will be the higher of the benefits calculated and therefore may include a top-up amount to the Protected Minimum Benefit.

Restricted investment choice for members with a Protected Minimum Benefit

If you joined before 1 July 2008 and have not waived your Protected Minimum Benefit, your investment choice is restricted to the following investment options:

- Growth
- Balanced
- Socially Responsible Investment (SRI) – Balanced
- Indexed Balanced
- Conservative Balanced
- Capital Stable
- Australian Shares
- International Shares
- Cash

You can elect to waive your rights to the Protected Minimum Benefit to access the full suite of Hostplus investment options. Please refer to Waiving your right to the Protected Minimum Benefit below.

Accessing your benefit

Upon retirement, you will be required to complete a 'Retirement Declaration' to trigger the calculation of your benefit payment. At this time, any top-up amount you are entitled to will be applied and paid to you, and you will not qualify for a Protected Minimum benefit calculation at any time in the future.

Waiving your right to the Protected Minimum Benefit

If you wish to access your account, with the exception of accessing your Additional Accumulation balance prior to retirement, you are required to complete a `DB Waiver Form'. This form acknowledges that you understand that the calculation of your Protected Minimum Benefit will apply at that time. If you are cashing or rolling over all or part of your benefit before retirement, or splitting contributions with your spouse, you may not qualify for a top up benefit under the rules of the Fund. The calculation of your benefit only applies once, and you waive the right to any future top-up amount.

If you have previously waived your entitlement to the Protected Minimum Benefit, your benefit is equal to your Account balance (Calculation C) on page 103.

Please note: Once you complete the Retirement Declaration or DB Waiver, you cannot qualify as a pre-1 July 1998 or pre-1 July 2008 member, even if you resume working with a Participating Employer.

Insurance

Death, Terminal Illness and Total & Permanent insurance

Contributory Accumulation members may have default Death and TPD cover. The level of cover will depend on your circumstances, depending on when you joined and, if applicable, when and whether you have become non-contributory. Please refer to Member Online, your benefit statement or contact us for more information.

You can also apply for additional Voluntary Death Only and/or Voluntary Death and TPD cover, subject to eligibility and acceptance by the insurer.

Minimum Guaranteed Death & TPD Benefit

If you joined SRF prior to 1 July 2008 and have not signed a DB Waiver or Retirement Declaration, you are entitled to have your Minimum Guaranteed Death and TPD Benefit, calculated effective 30 June 2008 (if applicable and if any) compared to your current default insured Death and TPD Benefit to ensure you are not disadvantaged from the benefit design change that occurred effective 1 July 2008.

If your 2008 insured Minimum Guaranteed Death and TPD Benefit is higher than your insured cover, you are entitled to an insured component top-up, being the difference between the two calculations. This top-up insured component is called the **Minimum Guaranteed Death/ TPD Cover**.

If you have not accessed your Protected Minimum Benefit or you have not become Non-Contributory after 1 July 2008, your Death & TPD Benefit is calculated as the greater of calculation 1 and calculation 2 below:

Calculation 1	Calculation 2
The benefit payable had you died or become permanently disabled immediately before 1 July 2008 (Minimum Guaranteed Death and TPD benefit)*	Default Death Only or Death/ TPD unitised cover (where applicable)
PLUS	PLUS
Accumulation Account balance	Leaving Industry Benefit (inclusive of Additional Accumulation balance)
PLUS	PLUS
Voluntary Insurance (where applicable)	Voluntary Insurance (where applicable)

*Minimum Guaranteed Death and TPD benefit as at 30/6/2008 may be $0.00.

Non-contributory members

Please refer to page 4 of this guide for information on the circumstances under which a member can become non-contributory, and the potential impact on your employer contributions, your final benefit and your insurance cover.

If you have a Protected Minimum Benefit and you are a non-contributory member, you are not required to make mandatory contributions, however you will not accrue DB Weeks towards your benefit calculation.

Insurance implications

Pre-1 July 1998 and pre-1 July 2008 members who become non-contributory will keep their 6 units of default Death and TPD cover. However, members will no longer be entitled to their Minimum Guaranteed Death and TPD Benefit. This benefit cannot be reinstated, even if the required contributions commence in the future.

Some existing members who are already non-contributory may only have units of Death Only cover.

Re-commencing contributions

If the correct employer and member contributions resume from a Participating Employer, you can resume membership as a contributing member.

For members who joined prior to 1 July 2008, re-commencing contributions will result in your DB Weeks accrual resuming.

Insurance implications

Eligible members with no default Death and TPD cover will receive 6 units of default Death and TPD cover.

For eligible members with equivalent units of Death Only cover, this will automatically be converted to 6 units of default Death and TPD cover.

If you already have 6 units of default Death and TPD cover, there will be no change to your insurance offering.

Definitions

Members who joined prior to 1 July 1998 – means a member for whom a Participating Employer made contributions to the Seafarers Retirement Fund (SRF) before 1 July 1998

Members who joined prior to 1 July 2008 – means a member for whom a Participating Employer made contributions to the Seafarers Retirement Fund (SRF) between 1 July 1998 and 30 June 2008.

Account balance – this is your total account balance.

Additional Accumulation balance – is the sum of all your additional employer and member contributions above the compulsory contributions, any roll-ins or co-contributions, and any offsets (for Surcharge or Family Law).

Compulsory Member contributions – Contributing members must generally contribute 5% of Benchmark Salary (if paid after tax) or 5.88% of Benchmark Salary (if paid before tax). This amount is split into Member 2% balance and Member 3% balance.

Compulsory Employer contributions – Your Participating Employer must contribute at least 13% of Benchmark Salary for Contributing members. This amount is split into Employer 4% balance and Employer 6% balance.

Benchmark Salary

The Benchmark salary is indexed each year on 30th June, in line with the National 31 March Quarter CPI.

DB Weeks

Defined Benefit Weeks (DB Weeks) are accrued by contributing Maritime Contributory Accumulation members who joined prior to 1 July 2008 receiving the compulsory member and employer contributions and are used in Protected Minimum Benefit calculations (please refer to calculations A and B as described in the table on page 103). DB weeks are calculated based on the compulsory member and employer contributions received, so will therefore take into account any part-time service you may have. If a member is on leave without pay, they will not accrue any DB weeks.

Age Based Leaving Industry Factors

The Old Leaving Industry Factor used in the 1998 Minimum Benefit calculation (calculation A), and the Leaving Industry Factor used in the 2008 Minimum Benefit calculation (calculation B), is based on the member's age (calculated in years and completed months) at the event date.

Age	Old Leaving Industry factor	Leaving Industry Factor
34 or less	0.7	
35	0.71	0.75
36	0.72	0.7625
37	0.73	0.775
38	0.74	0.7875
39	0.75	0.8
40	0.76	0.8125
41	0.77	0.825
42	0.78	0.8375
43	0.79	0.85
44	0.8	0.8625
45	0.81	0.875
46	0.82	0.8875
47	0.84	0.9
48	0.86	0.9125
49	0.88	0.925
50	0.9	0.9375
51	0.92	0.95
52	0.94	0.9625
53	0.96	0.975
54	0.98	0.9875
55 or more	1	1

Section 10. How to open an account

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10.1 Joining Maritime Contributory Accumulation

If you have joined Maritime Contributory Accumulation through your employer, then no paperwork is required of you. Please refer to page 4 for information on eligibility requirements to join this product. Once you are a member you can keep track of your super details online with Member Online at hostplus.com.au.

Your Maritime Contributory Accumulation membership will become active once a contribution is received into your account. However, your insurance cover will only be activated once an on-time compulsory contribution is received from your employer.

Once you are a member you can keep track of your super details online with your Member Online account at hostplus.com.au.

10.2 Enquiries and complaints

If you have an enquiry or complaint, please call **1300 467 875**. 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 Resolutions Officer
Locked Bag 5046
Parramatta NSW 2124

or email resolutions@hostplus.com.au

Hostplus 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 Hostplus handles your complaint or its resolution, you may contact the Australian Financial Complaints Authority (AFCA). AFCA provides free, fair and independent financial services complaints resolutions to Hostplus members and their beneficiaries.

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:

Website: afca.org.au
Email: **info@afca.org.au**
Telephone: **1800 931 678**

In writing to:

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

10.3 Your privacy

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

We collect your information to enable us to identify you, set up your superannuation account, to keep it running smoothly and respond to any queries or request you may have regarding your account. The kind of information we collect from you includes your name, date of birth, address, tax file number and phone numbers via membership application forms, over the phone via our contact centre, through our online portals when you update your details and from financial planners employed by Hostplus and authorised by Industry Fund Services Ltd (IFS),ABN 54 007 016 195, AFSL 232514.

We will also collect health information for the purposes of administering insurance on your account. At times we may need to disclose relevant personal information to personal representative(s) which have been approved by you, in addition to external organisations that help us provide product and services to you such as our fund administrator, insurer, mail houses, lawyers, other superannuation funds and regulatory bodies, to the extent required by law. We and our fund administrator may also need to disclose your personal information to overseas recipients.

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/privacy or call **1300 467 875**.

You can also email us at:
privacy@hostplus.com.au

or write to us at
Locked Bag 5046, Parramatta NSW 2124.

Service providers

There are a number of service providers who assist the trustee to deliver this product. For a full list of our service providers, please visit hostplus.com.au/super/about-us/governance-and-disclosures

Throughout this guide you may see references to statements about our service providers. The service providers have consented to these statements being included in this guide, and that consent has not been withdrawn.

The information in this Section contains general advice only and does not take into account your personal objectives, financial situation or needs. You should consider if this information is appropriate for you in light of your circumstances before acting on it. You may also find it beneficial to obtain advice from a licensed financial adviser. Past performance is not a reliable indicator of future performance. For a description of the target market, please read the Target Market Determination (TMD), available at hostplus.com.au/ddo

While every care has been taken to ensure that the information in this document is correct, Hostplus reserves the right to correct any error or misprint in respect of the information shown. Any updated PDSs will be available on our website at hostplus.com.au.

Host-Plus Pty Limited ABN 79 008 634 704, AFSL No. 244392 as trustee for the Hostplus Superannuation Fund (the Fund) ABN 68 657 495 890, MySuper No. 68657495890198.

Section 11. Glossary

Section 11. Glossary

The information provided in this member guide is a summary only. The full insurance terms and conditions, including payment of benefits, are contained in the Policy document. The Trustee reserves the right to alter the terms and conditions of the Policy, including cover amounts and premiums.

Active Employment – means:

- if Gainfully Employed, that you are engaged in your normal duties without limitation or restriction due to sickness or injury and are working normal hours on the relevant date
- that you are not restricted by sickness or injury from being capable of performing your full and normal duties on a full-time basis (for at least 30 hours per week) even though actual employment can be on a fulltime, part-time, casual or contractual basis or you may not currently be Gainfully Employed; and
- that you are not receiving and/or entitled to claim income support benefits from any source including workers' compensation benefits, statutory transport accident benefits and disability income benefits.

If you are on leave, paid or unpaid, other than leave in connection with sickness or injury, you will be considered to be in Active Employment.

Where you can provide proof to the Insurer's satisfaction:

a. that you have been incapable of performing your full and normal duties on a full-time basis due to a temporary and minor sickness or injury; and
b. that sickness or injury has not caused or contributed to your death, Terminal Illness or TPD,

you will be considered as being in Active Employment for those days.

Automatic Acceptance Limit (AAL) – is the limit set by the Insurer below which Default insurance will be provided without the need for underwriting. In Maritime Contributory Accumulation, the AAL for Default Death & TPD cover is six units of cover and for Income Protection cover is $8,000 per month. Default insurance cover above the AAL is only provided following assessment and acceptance by the Insurer.

Benchmark Salary – the industry standard salary, as agreed on behalf of Participating Employers with the Maritime Union of Australia.

Dangerous occupation – means an occupation published on our website that the Trustee has determined to be risky based on actuarial data.

Date of Disablement has a particular meaning depending on the paragraph of the definition of "Total and Permanent Disablement" details of the date of disablement can be found in the insurance policy.

Forward Underwriting Limit (FUL) – means the level and type of insurance determined by the Insurer after the assessment of a member's application for insurance, below which future increases in cover will be automatically provided without underwriting.

Gainful Employment or Gainfully Employed – means employed for gain or reward in a business, trade, profession, vocation, calling, occupation or employment.

Group Employer – refers to a Participating Employer who provides Default Income Protection benefits as an employer funded benefit for employees (subject to acceptance by the Insurer).

Heavy Blue Collar – as an occupation category means:

- skilled workers (i.e. in trade-qualified occupations) and unskilled blue collar workers performing Manual Duties (refer below), including, but not limited to, stevedores; or
- workers in any occupation or employment where employment is spent on a ship, tug, offshore vessel or on the water, including, but is not limited to, occupations of seaman, integrated rating and steward.

The Heavy Blue Collar category also includes people without an occupation or who are not Gainfully Employed (refer above).

Income – for the purpose of Income Protection cover means:

- for a permanent employee - the salary package paid to you by your Employer including salary, fees, regular bonuses, regular commissions, regular overtime, shift allowances and items in lieu of cash (e.g. salary sacrificed items) but excluding mandatory superannuation contributions and unearned income (e.g. investment or interest income). Bonuses, overtime earnings and commissions will be calculated based on the average of the last three years received by you from your Employer. In the event of a claim, where you have been working in a normal capacity and you subsequently reduce your hours over the sixty (60) days immediately prior to the date of disability as a result of the same illness or injury giving rise to the claim, your income will be calculated as the income immediately prior to your hours being reduced, otherwise at the date of disability

- for a non-permanent employee or a casual or those between jobs – the salary package paid to you by your Employer including salary, fees, regular bonuses, regular commissions, regular overtime, shift allowances and items in lieu of cash (e.g. salary sacrificed items) but excluding mandatory superannuation contributions and unearned income (e.g. investment or interest income). In the event of a claim, income will be based on the income received by you over the 12 months immediately prior to the date of disability
- for a self-employed person – where you directly or indirectly own all or part of the business from which you earn your usual income, the total amount earned by the business over the financial year as a direct result of your personal exertion or activities through your usual occupation, less your share of business expenses, but before the deduction of income tax, for that business (or the relevant proportion for part of a financial year).

In the event of a claim, income will be based on the income generated by the business due to your personal exertion or activities less your share of business expenses over the last 12 months immediately prior to becoming disabled.

Injury – for the purpose of Income Protection cover means bodily injury to you, resulting solely and directly from violent, accidental, external and visible means and independently of any other cause.

Light Blue Collar – as an occupation category, means occupations that involve light Manual Duties (refer below) and are land-based or involve one of masters, engineers and officers. It also includes supervisors of Heavy Blue Collar workers (refer above).

Limited Cover – means that you are only covered for claims arising from a sickness that first became apparent or an injury that first occurred on or after the date your cover started.

Manual Duties – means duties involving or using human effort, power or physical energy.

Medical and Other Relevant Evidence – includes but is not limited to medical, vocational or other expert evidence regarding:

a. any treatment, detoxification or drug or alcohol program, rehabilitation, retraining, re-skilling or voluntary work you have undertaken, or could reasonably undertake, taking into account the medical condition, and skills and knowledge you have acquired by education, training and experience, and
b. the likelihood you would be able to engage in work on a full-time or part-time basis if you undertook reasonable treatment, detoxification or drug or alcohol program rehabilitation, retraining, reskilling or voluntary work.

Medical Practitioner – means, in relation to a psychological condition, a legally qualified psychiatrist registered in Australia as a practicing psychiatrist, or otherwise, a legally qualified Medical Practitioner registered to practice in Australia with specialisation in the relevant medical condition but does not include chiropractors, physiotherapists, psychologists or alternative health providers, your employers, yourself, your spouse or a member of your immediate family or a business partner, associate or a fellow shareholder or unit holder in a company or trust that is not a publicly listed company or trust.

Non-participating Employer – refers to an employer who contributes to Maritime Contributory Accumulation in respect of employees under an arrangement between the employee and the employer (where that employer has not entered into an agreement with the Trustee to contribute to the Fund). A Non-participating Employer must register with the Trustee before contributing to the Fund. Non-participating Employers do not agree to participate in the Fund nor be bound by the rules of the Fund. To apply, your employer can contact us to request the Employer Pack for Non-participating Employers or download a copy from the employer section of the website.

Partial Disablement and Partial Disability – for the purposes of Income Protection cover, means that immediately following a period of Total Disability of at least 14 consecutive days during the Waiting period, and solely because of the Injury or Sickness that directly caused the Total Disability, you:

- are unable to perform Regular Duties of your own occupation at full capacity
- are capable of working (whether or not for reward)
- are earning a monthly Income that is less than your pre-disability salary, and
- remain under the regular care and attendance of a Medical Practitioner and follow their advice in relation to that Injury or Sickness.

Participating Employer – is an employer who has applied and been accepted by the Trustee as a Participating Employer of the Fund and has agreed to participate in the Fund and be bound by the rules of the Fund. This category of employer is generally limited to employers operating in the maritime industry. If eligible, your employer can contact us to request the Employer Pack for Participating Employers (in the Seafarers and Maritime Super divisions) or download a copy from the employer section of the website.

Policy – refers to the Group Policy (number G3608) for Death and Total & Permanent Disablement insurance and Income Protection insurance held by the Trustee with MLC Limited for members of the Fund.

Pre-Existing Medical Condition means a sickness which first became apparent or an injury which first occurred prior to the date the cover last commenced or re-commenced.

Protected Minimum Benefit - a defined benefit applicable to members who joined prior to 1 July 2008 who have not waived their right to the Protected Minimum Benefit. Refer to page 103 for more information.

Regular duties – means the duties that are normally required to perform an Insured Member's occupation.

Required Medical Clearance – means a certificate of medical fitness mandated by law or under a workplace policy, without which an Insured Member is unable to perform their own occupation. Where relevant to an Insured Member's occupation, it may include Australian Maritime Safety Authority (AMSA) certificate of medical fitness.

Sickness – for the purpose of Income Protection cover, means sickness or disease suffered by you while covered under the insurance Policy.

Temporary work visa – refers to the temporary visa issued by the Australian Federal Government to an overseas worker who is sponsored by an employer to work in Australia on a temporary basis.

Terminal Illness and Terminally Ill – for the purposes of the Policy, means that:

- in the opinion of two Medical Practitioners approved by the insurer, at least one of which is a specialist in the relevant area approved by the Insurer, despite all reasonable medical treatment, your medical condition will result in your death within 24 months of the date of the medical certificate; and
- the Insurer is satisfied that you are not expected to live for 24 more months regardless of treatment undertaken.

Total Disablement and Total Disability

If you are:

- a permanent employee
- a casual employee or contractor working on average 10 hours or more per week for a period of at least three months immediately prior to disablement
- unemployed for less than three months immediately prior to disablement and either a permanent employee or a casual or contractor working on average of 10 or more hours per week for a period of at least three months immediately prior to becoming unemployed; or
- on leave without pay for less than 24 months immediately prior to disablement,

the following Total Disability definition will apply to you for the purposes of Income Protection cover:

Disablement resulting solely from Injury or Sickness that occurs while the Policy is in force and as a result you:

- are unable to perform Regular Duties of your own occupation, or solely due to the Injury or Sickness which is the subject of the claim, you are unable to obtain a Required Medical Clearance
- remain under the regular care and attendance of a Medical Practitioner and follow their advice in relation to that Sickness or Injury; and
- are not engaged in any occupation, whether or not for reward.

If you are:

- a casual employee or contractor (working on average less than 10 hours per week for a period of at least three months immediately prior to disablement), or
- unemployed (for more than three months prior to disablement), or
- unemployed for less than three months immediately prior to disablement and who worked on average less than 10 hours per week for a period of at least three months immediately prior to becoming unemployed; or
- on leave without pay for more than 24 months immediately prior to disablement,

the following Total Disability definition will apply to you for the purposes of Income Protection cover:

Disablement resulting solely from Injury or Sickness that occurs while the Policy is in force and as a result you:

- remain under the regular care and attendance of a Medical Practitioner and follow their advice in relation to that Injury or Sickness; and
- are not engaged in any occupation, whether paid or unpaid; and
- are, in the opinion of the Insurer, continuously unable to perform at least two (2) **Basic Work Activities** (even if using appropriate aids).

Basic Work Activities mean:

1. Mobility (walking or bending):

- Walk, with or without a walking aid*, more than 200m on a level surface without stopping; or
- Bend, kneel or squat to pick something up from the floor from standing position and straighten up again.

*Such as a walking stick, crutches or walking frames

2. Vision (reading):

Read, with visual aids, to the extent that an Ophthalmologist can certify that:

- visual acuity is equal to, or better than, 6/48 in both eyes; or
- constriction is within, or greater than, 20 degrees of fixation in the eye with the better vision.

3. Lifting:

Using one or both hands to hold an object weighing at least 5kg above their own waist height continuously for 60 seconds.

4. Manual dexterity:

With at least one hand, without the use of aids:

- type words using a computer keyboard; or
- pick up a small object such as a coin or pen.

5. Hearing:

Clearly hear with or without an aid, where the inability to hear clearly must be due to permanent hearing loss of at least 90 dB in both ears, averaged over frequencies of 500Hz, 1000Hz and 2000Hz, as certified by an appropriate medical specialist.

6. Communicating (verbal or written):

Comprehend and express oneself through verbal or written language with clarity, where the inability to speak verbally or write with clarity must be due to dysfunction of the nervous system that is present on clinical examination, as certified by an appropriate medical specialist. Examples of dysfunction include dysarthria, aphasia and dysphasia.

Total & Permanent Disablement (TPD), Total and Permanent Disability and Totally and Permanently Disabled – means **TPD** for claims where the Date of Disablement is on or after 1 July 2024 means Part 1, Part 2, Part 3, Part 4 or Part 5, as applicable:

Part 1. Unlikely to work in a suited occupation ever again

If the Covered Person:

- is aged less than 67 years as at the Date of Disablement; and
- is Employed or engaged in a gainful occupation, business, profession or Employment or within 16 months of the date a Covered Person ceases to be so Employed or engaged; and
- has suffered an Injury or Illness and, solely as a result of that Injury or Illness, the Covered Person is:
  - 1.1. totally unable to be employed or engaged in that occupation, business, profession or employment for a period of six consecutive months; and
  - 1.2. determined by us that at the end of that six month period described in 1.1 of this Part 1, and up to the Date of Assessment, to be permanently incapacitated to such an extent as to render the Covered Person unlikely ever to be employed or engaged in any gainful occupation, business, profession or employment for which the Covered Person is reasonably suited by education, training or experience.

In forming a view under 1.2 of Part 1, we will consider the following factors:

i. any re-skilling or retraining undertaken up to the Date of Assessment; and

ii. all relevant information up to the Date of Assessment.

NOTE: For the avoidance of doubt, the six month period referred to in this Part 1 above does not apply to Parts 2 to 5 below.

Or

Part 2. Significant impairment to whole body

The Covered Person suffers an Injury or Illness and, as a result of that Injury or Illness, the Covered Person:

suffers a permanent impairment of at least 25% of whole person function as defined in the latest edition of the American Medical Association publication 'Guides to the Evaluation of Permanent Impairment', or an equivalent guide to impairment approved by us; and

is disabled to such an extent, as a result of this impairment, that the Covered Person is unlikely ever again to be able to be employed or engaged in any gainful occupation, business, profession or employment for which the Covered Person is reasonably suited by education, training or experience.

Or

Part 3. Loss of limbs and/or sight

As a result of Illness or Injury, the Covered Person suffers the total and permanent loss of the use of:

- two limbs (where 'limb' is defined as the whole hand or the whole foot); or
- the sight in both eyes; or
- one limb and the sight in one eye; and
- is disabled to such an extent, as a result of this impairment, that the Covered Person is unlikely ever again to be employed or engaged in any gainful occupation, business, profession or employment for which the Covered Person is reasonably suited by education, training or experience.

Or

Part 4. Unable to do basic activities associated with work ever again

If the Covered Person:

- solely as a result of Illness or Injury, has been unable to perform at least two Basic Work Activities for at least 12 consecutive months, and
- in our opinion, is unlikely to perform two Basic Work Activities for the rest of their life without the help of another person, and
- as at the assessment date* is unlikely ever again to be able to be employed or engaged in any gainful occupation, business, profession or employment for which the Covered Person is reasonably suited by education, training or experience.

*Assessment date means the date we determine to accept, reject or defer the Covered Person's application for a TPD Benefit.

Or

Part 5. Permanent loss of intellectual capacity

As a result of Illness or Injury, the Covered Person suffers cognitive loss and is disabled to such an extent, as a result of this impairment, that the Covered Person is unlikely ever again to be able to be employed or engaged in any gainful occupation, business, profession or employment for which the Covered Person is reasonably suited by education, training or experience.

'Cognitive loss' means we have determined that a total and permanent deterioration or loss of intellectual capacity has required the Covered Person to be under continuous care and supervision by another adult person for at least six consecutive months and, at the end of those six consecutive months, the Covered Person is likely to require permanent ongoing continuous care and supervision by another adult person.

Underwriting – is the process used by an insurer to assess the risk associated with providing insurance. You may need to answer questions about your health, occupation and pastimes. Insurance cover that is subject to underwriting may be declined or subject to restrictions as determined by the Insurer. Alternatively, the Insurer may limit the number of units of cover available to you.

Waiting period – refers to the number of continuous days that must elapse before an Income Protection benefit becomes payable. Your waiting period starts from the date you are first examined and certified by a Medical Practitioner as Totally Disabled and stopped working (if employed).

White Collar – means an occupation category that includes:

- predominantly office-based, sedentary roles performing clerical, administrative and managerial duties with no more than 10% of your time performing Manual Duties, for example stocking shelves or reloading photocopy paper
- persons who work in an office environment for at least 80% of the time (excluding travel time from one office environment to another), including sales representatives that are not involved with deliveries.

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hostplus.com.au

Issued by Host-Plus Pty Limited ABN 79 008 634 704, AFSL 244392 as trustee for the Hostplus Superannuation Fund (the Fund) ABN 68 657 495 890, MySuper No 68 657 495 890 198. HP2512 1024