

Additional information on fees and costs

Effective 28 September 2020

The information in this document forms part of the Acumen Product Disclosure Statement (PDS) effective 28 September 2020. The information in this document should be read together with the PDS, the Investment Guide, and the relevant Member Guide before making a decision to invest in Acumen.

 rest.com.au

 **1300 305 779** Monday to Friday 8am - 6pm AEST

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How to work out your fees at a glance

Your account balance	Deducted from your account				Deducted from investment returns					
	Administration fee pa				Fees pa					
	Administration fee pa (up to \$1.60 per week)		Asset based fee (up to 0.65% pa)		Investment Fee for Core Strategy (0.55% pa)		Indirect Cost Ratio (0.06% pa)		Total fees pa	Fees pa as % of your account balance
\$5,000	\$83.20	+	\$32.50	+	\$27.50	+	\$3.00	=	\$146.20	2.92%
\$10,000	\$83.20	+	\$65.00	+	\$55.00	+	\$6.00	=	\$209.20	2.09%
\$25,000	\$83.20	+	\$162.50	+	\$137.50	+	\$15.00	=	\$398.20	1.59%
\$50,000	\$83.20	+	\$325.00	+	\$275.00	+	\$30.00	=	\$713.20	1.43%
\$100,000	\$83.20	+	\$650.00	+	\$550.00	+	\$60.00	=	\$1,343.20	1.34%

The example above assumes the member is an active member (this means the member's employer is making contributions to Rest), has no insurance, is invested in the Core Strategy and makes no further transactions during the year. No other fees have been applied.

This is just an illustration and in practice your balance will vary. In addition, investment fees are based on the value of the relevant investment option, which fluctuates.

If your account balance is less than \$6,000 at the end of the financial year, or when you leave Rest, the total combined amount of administration fees, investment fees and indirect costs charged to you is capped at 3% of your account balance for the year (or the period until you left). Any amount charged above the cap will be refunded.

Example of annual fees and costs for the Core Strategy option

The table on page 7 of the Acumen PDS gives an example of how fees and costs in the Core Strategy option can affect your super investment over a one year period. You can use this table to compare this product with other super products.

Fees and other costs

This document 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 insurance fees, may also be charged, but these will depend on the nature of the insurance chosen by you. 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 costs for each investment option offered by the superannuation entity, are set out on page 4.

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Type of fee	Amount	How and when paid
Investment fee	For Core Strategy, estimated to be 0.55% for the 12 months to 30 June 2020 inclusive of estimated performance related fees of 0.03% pa For all other investment options estimated between 0.00% to 0.62% pa for the 12 months to 30 June 2020 including estimated performance related fees of up to 0.05% pa (please refer to page 4)	Accrued and reflected in the unit price of each investment option and deducted from the income or assets underlying the investment option. The fee is not deducted directly from your account
Administration fee*	From \$0.00 to \$1.60 per week plus from 0.00% to 0.65% pa of your account balance at the end of each month	Deducted from your account at the end of each month
Buy/sell spread	Buy spread - 0.00% to 0.19% (subject to change, refer to go.rest.com.au/buysellspread for current spread) Sell spread - 0.00% The amount you pay for specific investment options is shown at page 5. Refer to page 6 for more information on buy/sell spreads	Included in the unit price for each option when we issue units to you upon receipt of a contribution or rollover for you, or you switch your investment option
Switching fee	Nil	Not applicable. However, a buy spread applies when investing or switching into an investment option
Advice fee Relating to all members investing in a particular MySuper product or investment option	Nil	Not applicable
Other fees and costs	Contribution splitting fee of \$60 per split [^]	Deducted from your account at the time the contribution split is made
	Family law split fee of \$50 per split [^]	Split between your account and your spouse's account when the split is made
	Insurance costs, if you have insurance cover	Please see your Member Guide
Indirect cost ratio	For Core Strategy, estimated to be 0.06% pa for the 12 months to 30 June 2020 For all other investment options, estimated between 0.00% to 0.21% pa for the 12 months ending 30 June 2020 (please refer to page 4)	Accrued and reflected in the unit price of each investment option and deducted from the income or assets underlying the investment option This amount is not deducted directly from your account

Future fees and costs may differ from past fees and costs.

* Your employer may have negotiated a different administration fee which will be included in your Member Guide.

[^] This fee will no longer be charged from 28 November 2020.

Additional Explanation of fees and costs

Investment costs

The total annual investment cost for each investment option comprises:

- an investment fee (including performance-related fees)
- its indirect cost ratio.

The amount of investment fees, performance-related fees and indirect cost ratio will change from year to year.

As a guide, the table below shows estimates of these fees and costs based on information for the 12 months ending 30 June 2020. Future fees and costs may differ from past fees and costs.

Investment option	(A) Estimated investment fees (including performance-related fees shown in column B) (pa)	(B) Estimated performance-related fees (pa)	(C) Estimated indirect cost ratio (pa)	(A) + (C) Total estimated investment cost (pa)
Core Strategy	0.55%	0.03%	0.06%	0.61%
Capital Stable	0.36%	0.02%	0.07%	0.43%
Balanced	0.46%	0.03%	0.08%	0.54%
Balanced - Indexed	0.00%	0.00%	0.00%	0.00%
Diversified	0.55%	0.03%	0.07%	0.62%
High Growth	0.62%	0.04%	0.06%	0.68%
Basic Cash	0.07%	0.00%	0.00%	0.07%
Cash	0.02%	0.00%	0.00%	0.02%
Bonds	0.19%	0.00%	0.03%	0.22%
Shares	0.61%	0.04%	0.00%	0.61%
Property	0.54%	0.00%	0.21%	0.75%
Australian Shares	0.60%	0.04%	0.00%	0.60%
Australian Shares - Indexed	0.00%	0.00%	0.00%	0.00%
Overseas Shares	0.62%	0.05%	0.00%	0.62%
Overseas Shares - Indexed	0.00%	0.00%	0.00%	0.00%

Investment fees

The investment fees shown above are deducted from the assets of the relevant investment options before the unit price is determined. The investment fee is expressed as an annual percentage of the net assets of each investment option.

For each investment option, the investment fees (including performance-related fees) listed above are estimates only and are based on the financial year ended 30 June 2020. The actual investment fee applied may differ (ie higher or lower) from the estimated fees and may change without prior notice.

Where a tax deduction is available to the fund for investment fees and expenses the benefit is passed onto members through lower taxation and reduced investment fees.

Your annual statement will disclose the investment fees (including performance-related fees) that have been applied to your investment for the year. For the latest investment fees please refer to rest.com.au/investmentfees

Performance and performance-related fees

Rest does not charge a performance fee. This means that performance fees do not affect the investment fee or the administration fee. However, some investment options may indirectly incur performance-related fees. These are only incurred where investment managers we've appointed outperform an agreed target return for their assigned investment portfolio within the investment option. Performance-related fees for each investment manager may be calculated differently. However, they all have the following common elements:

- only payable to a manager if they exceed a target level of return
- calculated and accrued regularly (where possible), and incorporated into the calculation of unit prices, and
- typically payable annually.

The performance-related fee the investment managers receive and the target returns vary year to year. These performance-related fees are included in the investment fee and therefore will result in the investment fee increasing or decreasing from time to time. They are not an additional fee and do not affect the administration fee.

Indirect cost ratio

The indirect cost ratio varies and depends on the investment option you are invested in. Each investment option has an indirect cost ratio made up mainly of any indirect costs incurred by the underlying investment vehicles or investment managers. Indirect costs can include expenses such as transactional or operational costs and administrative costs. These are estimated costs based on the information provided to Rest and will vary from year to year depending on the composition of the underlying fees and costs associated with the investment.

How we apply the benefit of tax deductions

Rest receives a tax deduction for certain expenses, such as insurance premiums, administration costs, investment fees and other expenses.

Insurance premiums

Rest receives a tax deduction on insurance premiums paid, which reduces the amount of tax paid by the fund. Prior to 1 December 2020, we passed the benefit of this tax deduction onto you by crediting an adjustment to your account of up to 15% of the insurance premiums you have paid.

From 1 December 2020, Rest will no longer pass this tax benefit directly back to insured members. Rest will instead use these funds to further support the delivery of insurance products and services to members.

Administration costs

The tax benefit of administration costs goes directly to Rest's administration reserve where it is used to support the administration services provided to all members of the fund.

Investment fees

Rest also receives a tax deduction for investment fees and expenses, and we will continue to pass the benefits of these deductions onto you.

Other fees and expenses (excluding administration costs)

Where a tax deduction is available in respect of other fees and expenses and these are paid for by a member, these are passed onto members by crediting a 'tax adjustment' to each member's account.

Investment option	Estimated gross transaction and operational costs (pa)*		Estimated borrowing costs not included in the investment fees (pa)*	Estimated property operating costs not included in the investment fees (pa)*	Buy spread range (pa)
	Implicit costs	Explicit costs			
Core Strategy	0.14%	0.10%	0.07%	0.06%	0.02 – 0.10%
Capital Stable	0.14%	0.07%	0.06%	0.04%	0.02 – 0.06%
Balanced	0.15%	0.09%	0.06%	0.04%	0.02 – 0.08%
Balanced - Indexed	0.00%	0.00%	0.00%	0.00%	0.05 – 0.10%
Diversified	0.14%	0.11%	0.07%	0.06%	0.02 – 0.10%
High Growth	0.15%	0.12%	0.07%	0.06%	0.04 – 0.12%
Basic Cash	0.00%	0.01%	0.00%	0.00%	0.00 – 0.01%
Cash	0.00%	0.00%	0.00%	0.00%	0.00 – 0.01%
Bonds	0.10%	0.00%	0.00%	0.00%	0.01 – 0.04%
Shares	0.12%	0.13%	0.00%	0.00%	0.04 – 0.10%
Property	0.00%	0.15%	0.59%	0.57%	0.08 – 0.20%
Australian Shares	0.01%	0.15%	0.00%	0.00%	0.04 – 0.08%
Australian Shares - Indexed	0.00%	0.00%	0.00%	0.00%	0.08 – 0.13%
Overseas Shares	0.19%	0.12%	0.00%	0.00%	0.05 – 0.10%
Overseas Shares - Indexed	0.00%	0.00%	0.00%	0.00%	0.05 – 0.10%

* Estimates are based on costs for the 12 months to 30 June 2020. Future fees and costs may differ from past fees and costs.

Estimated gross transaction and operational costs

Transactional and operational costs are a broad category of costs that relate to the buying and selling of investments (including investments in underlying assets). These costs will be influenced by the type of investment, the asset class and the investment managers involved in relation to that investment option. Accordingly, the transactional and operational costs will differ between the investment options.

Transactional and operational costs are made up of explicit and implicit costs and are an additional cost to members. The estimated amounts shown in the table above reflect implicit and explicit transaction and operational costs incurred during the 12 months to 30 June 2020. Future fees and costs may differ from past fees and costs.

Explicit costs can include:

- brokerage costs – the amount paid to a broker when buying and selling underlying securities such as shares and derivatives
- settlement fees – the amount paid to manage transaction settlements
- stamp duty - tax placed on legal documents in the transfer of assets or property.

Implicit costs reflect any difference between what it costs to acquire an investment and what that investment can immediately be sold or redeemed for. It includes the bid/offer spreads (ie the difference between the price a buyer is willing to pay (the bid price) and the price a seller is willing to accept (the ask price) for a particular security). Implicit costs may be estimated when they are not known with certainty. Implicit costs are usually

incurred by investment managers buying and selling fixed income securities, foreign currency conversions and listed equities.

Explicit transaction costs are included in the investment fee or the indirect cost ratio of the relevant investment options. They are reflected in the investment option's unit price. Some of these transactional and operational costs are also reflected in the buy/sell spread for each investment option. See further information about our buy/sell spreads on page 6.

Estimated borrowing costs

Borrowing costs are the expenses related to borrowing money by Rest and its interposed vehicles for investments and include costs associated with a credit facility such as interest, loan establishment fees and associated legal costs. Rest does not incur significant borrowing costs as superannuation legislation does not permit borrowing, except in very limited circumstances. However, we are permitted to invest in vehicles that can borrow.

We estimate these borrowing costs based on actual information available and/or reasonable estimates for the year ending 30 June 2020. Borrowing costs are an additional cost to members. However, they are incurred with the aim of potentially increasing returns on members' capital through a reasonable amount of leverage. Borrowing costs only reduce members' returns when an investment has significantly underperformed and the borrowing costs exceed the returns generated on the borrowed capital. Borrowing costs are deducted from the assets or income of the relevant underlying investment options (where applicable) and reflected in the calculation of daily unit prices. They are not charged as a separate fee, and may vary year to year.

Estimated property operating costs

Property operating costs are expenses related to operating properties by Rest and its underlying investment vehicles and include costs such as council and water rates, utilities, cleaning, maintenance and lease renewal costs. We estimate property operating costs based on actual information available and/or reasonable estimates for the year ending 30 June 2020.

Depending on the property, these are either directly recovered from the tenants of the property or indirectly through rents. The estimated property operating costs reflect the gross property operating costs incurred and do not take into account any of the costs recovered. Property operating costs are an additional cost to members in that they reduce the return that members may receive from the underlying investment. However, they are necessary expenses to enable income to be earned from the relevant property investments. Property operating costs are reflected in the calculation of daily unit prices. They are not charged as a separate fee. Property operating costs may vary year to year.

Buy/sell spread range

Members' transactions may require investments held by Rest directly or indirectly to be purchased or sold. These underlying transactions generally incur transaction and operational costs for example stamp duty or brokerage. Buy/sell spreads are used to recover the estimated transactional and operational costs incurred when buying or selling underlying investments in relation to each investment option. If transactional and operational costs change, Rest

may need to change the buy/sell spread to ensure that it continues to be able to recover these transactional and operational costs. The buy spread charged will be an additional cost to you when you contribute to your account.

There will be a separate buy and sell unit price for each investment option, the difference between the prices is the buy/sell spread. When a contribution, switch or rollover is invested in an option, Rest will issue units at the buy price for that option. When money is withdrawn from an option, Rest will redeem units at the sell price for that option. Currently, Rest only adds an allowance for transaction costs on the buy price.

If you transfer your super account balance from one Rest product to another, you will not pay a buy/sell spread unless you also change your investment options. If you decide to switch to another investment option, your investment in your existing option/s will be withdrawn at the sell price and the proceeds will be invested in your selected investment option/s at the buy price. The process will be the same as if you were switching between investment options in the same product.

The current buy/sell spreads are set by Rest and may change within the range without prior notice.

The spreads will be reviewed on a regular basis and available online at go.rest.com.au/buysellspreads. You should consider these costs when making any investment decision. For further information regarding the buy/sell spread, please refer to our fact sheet at rest.com.au/buy-sell-spreads or our 'Investment Guide', available at rest.com.au/pds.

Other fees and costs

The following fees and costs are charged to members as outlined in the 'Fees and costs' table on page 3.

Type of fee or cost	Definition
Insurance fee*	A fee is an insurance fee if: (a) the fee relates directly to either or both of the following: (i) insurance premiums paid by the trustee, or the trustees, of a superannuation entity in relation to a member or members of the entity; (ii) costs incurred by the trustee, or the trustees, 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 an administration fee, an investment fee, a switching fee, an activity fee or an advice fee.

* For further information regarding insurance fees and conditions, please refer to the relevant Member Guide available in MemberAccess.

Personal Advice

Simple personal advice about your Rest account is generally available to you at no extra cost.

Complex personal advice may incur an additional fee that is not payable from your Rest account. Speak with your Rest Adviser for more information about personal advice and any fees that may be payable.

Fee changes

All fees and charges are current and may be revised or adjusted by Rest from time to time. We may also introduce new fees. Where there is material or significant increase in fees or charges, we will give you at least 30 days' prior notice, as required by law. This excludes investment related fees which the Trustee reviews regularly. For the latest investment related fees please refer to rest.com.au/investmentfees.

Tax and insurance fees

Information about tax is set out in the 'How your super is taxed' section of the Acumen PDS issued 28 September 2020. For information regarding insurance fees and conditions, please refer to the relevant Member Guide available in MemberAccess.

Defined fees

Type of fee or cost	Definition
Activity fees	A fee is an activity fee if: <ul style="list-style-type: none"> (a) the fee relates to costs incurred by the trustee of the superannuation entity that are directly related to an activity of the trustee: <ul style="list-style-type: none"> (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 an administration fee, an investment fee, a buy/sell spread, a switching fee, an advice fee or an insurance fee.
Administration fees	An administration fee is a fee that relates to the administration or operation of the superannuation entity and includes costs that relate to that administration or operation, other than: <ul style="list-style-type: none"> (a) borrowing costs; and (b) indirect costs that are not paid out of the superannuation entity that the trustee has elected in writing will be treated as indirect costs and not fees, incurred by the trustee of the entity or in an interposed vehicle or derivative financial product; and (c) costs that are otherwise charged as an investment fee, a buy/sell spread, a switching fee, an activity fee, an advice fee or an insurance fee.
Advice fees	A fee is an advice fee if: <ul style="list-style-type: none"> (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: <ul style="list-style-type: none"> (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 an administration fee, an investment fee, a switching fee, an activity fee or an insurance fee.
Buy/sell spreads	A buy/sell spread is a fee to recover transaction costs incurred by the trustee of the superannuation entity in relation to the sale and purchase of assets of the entity.
Exit fees	An exit fee is a fee, other than a buy-sell spread, that relates to the disposal of all or part of members' interests in the superannuation entity.
Indirect cost ratio	The indirect cost ratio (ICR) for a MySuper product or an investment option offered by a superannuation entity, is the ratio of the total of the indirect costs for the MySuper product or investment option, to the total average net assets of the superannuation entity attributed to the MySuper product or investment option. Note: A dollar-based fee deducted directly from a member's account is not included in the indirect cost ratio.
Investment fees	An investment fee is a fee that relates to the investment of the assets of a superannuation entity and includes: <ul style="list-style-type: none"> (a) fees in payment for the exercise of care and expertise in the investment of those assets (including performance fees), and (b) costs that relate to the investment of assets of the entity, other than: <ul style="list-style-type: none"> (i) borrowing costs; and (ii) indirect costs that are not paid out of the superannuation entity that the trustee has elected in writing will be treated as indirect costs and not fees, incurred by the trustee of the entity or in an interposed vehicle or derivative financial product; and (iii) costs that are otherwise charged as an administration fee, a buy/sell spread, a switching fee, an activity fee, an advice fee or an insurance fee; but does not include property operating costs.
Switching fees	A switching fee for superannuation products 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.

This document contains general information only, is subject to change and does not take into consideration your circumstances, needs or objectives. Updates to this document may be found at rest.com.au/governance. You should consider the PDS, related documents and any updates on our website before you consider joining or staying. Contact us if you would like a paper copy of the PDS and any updates free of charge.

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