



SandhurstTrustees

Bendigo SmartStart Pension[®]

Product Disclosure Statement
Dated 1 July 2019

Bendigo SmartStart Pension

This Product Disclosure Statement ('PDS') is issued by Sandhurst Trustees Limited (ABN 16 004 030 737, AFSL No. 237906) ('Sandhurst', 'we', 'us or 'our'), the trustee and issuer of interests in Bendigo SmartStart Pension ('the Pension') that is a part of The Bendigo Superannuation Plan (ABN 57 526 653 420) (the Plan).

Sandhurst is a wholly owned subsidiary of Bendigo and Adelaide Bank Limited (ABN 11 068 049 178, AFSL No. 237879) ('the Bank').

Sandhurst offers investments in other funds of which Sandhurst, or a related entity, is trustee, responsible entity or manager. We may also appoint any of our related bodies corporate (including the Bank) to provide services (including banking services) or perform functions in relation to the Pension. We may also enter into financial or other transactions with related bodies corporate in relation to the assets of the Pension. These related bodies corporate may earn fees, commissions or other benefits in relation to any such appointment or transaction and to retain them for their own account.

Sandhurst has policies and procedures in place to ensure that it manages any conflicts of interest that may arise in such arrangements. We will resolve such conflicts of interests fairly and reasonably between members and in accordance with the law, ASIC policy and our own policies. Any transaction we undertake with a related body corporate will be based on arm's length commercial terms.

Important information

This PDS contains important information relating to the Pension and will help you decide whether this product will meet your needs.

The information in the PDS is of a general nature. The information is not advice or a recommendation to invest in the Pension. This PDS has been prepared without taking into account your individual objectives, financial situation or particular needs. You should assess your own objectives and financial needs before deciding to acquire an interest in the Pension. Before making an investment decision, we recommend that you obtain financial advice tailored to your personal circumstances from a licensed financial adviser and that you read the entire PDS. The Australian Securities and Investment Commission (ASIC) can help you check if your adviser is licensed. You can contact ASIC on 1300 300 630 or via the website www.asic.gov.au.

Sandhurst, the Bank and its related entities do not guarantee the repayment of capital invested, the payment of income or the Pension's investment performance. An investment in the Pension does not represent a deposit with, or liability of Sandhurst, the Bank or its related entities. The Bank does not stand behind or guarantee the performance of Sandhurst in its capacity as trustee of the Plan. Sandhurst is not an authorised deposit-taking institution within the meaning of the *Banking Act* 1959.

The Bank has given and has not, before the date of the PDS, withdrawn its written consent to be named in the PDS and to the statements in the PDS concerning its role and activities, in each case in the form and context in which it is included or named.

Accessing up-to-date information

Information in this PDS is subject to change from time to time. Where the changes are not considered materially adverse, we will make updated information available on our website.

You may request a paper copy of this PDS and/or the updated PDS information free of charge by contacting our Client Services Team on 1800 033 426.

Contact details

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Bendigo SmartStart Pension
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Melbourne VIC 3001

Phone: 1800 033 426
Fax: 03 6215 5800

Email: superannuation@bendigobank.com.au
Our website: www.sandhursttrustees.com.au/super

Other information

The offer to invest in the Pension is available to persons receiving a copy (electronic or otherwise) of the most up-to-date PDS for the Pension within Australia. If you receive the PDS and Application Form electronically, you should ensure that you have received the complete Application Form and PDS. If you are unsure whether the electronic documents are complete, you should contact our Client Services Team.

The PDS does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer including, but not limited to, investors in the United States of America.

Applications from outside Australia will not be accepted.

All references to dollar amounts in this PDS are in Australian currency.

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About the Pension

Bendigo SmartStart Pension (USI STL0050AU) is part of the Bendigo Superannuation Plan (ABN 57 526 653 420) which was established by a trust deed dated 3 June 1988 (as amended from time to time). Sandhurst is the trustee of The Bendigo Superannuation Plan and the issuer of this product.

With over 130 years experience, Sandhurst is a highly experienced provider of financial services aiming to create, enhance and protect wealth. Sandhurst offers a range of products and services including investment and funds management, superannuation (super), pensions, access to funeral bonds and the provision of corporate trustee and custodial services.

Bendigo SmartStart Pension is an account-based pension which aims to provide an easy-to-use solution to help you in your retirement or as you transition to retirement.

An account-based pension is a flexible and tax-effective means of converting a lump sum retirement benefit into a regular income stream that you receive in your retirement or when you reach Preservation Age (to find out more about your Preservation Age and when you can access your money in a pension refer to the How the Pension works section).

Members of the Pension, can start one of two types of pensions:

- **A Standard Pension**

If you have permanently retired and have reached your Preservation Age, you can choose to convert your super savings into a tax-effective income stream.

- **A Transition to Retirement Pension (TTR Pension)**

If you have reached your Preservation Age, but are still working, you can still use your super to commence a tax-effective income stream. You can do this in combination with reducing your hours of work to slowly ease into retirement. Or it can be used to boost your income while you are still contributing to super from your salary.

Unless specified, references to 'Pension/s' in this PDS refers to both the Standard and TTR Pensions.

The Pension offers a range of investment options, a competitive fee structure and online access.

You can invest the funds in your account in a range of investment options with differing risk and return profiles including your Cash Account and a choice of managed funds including a socially responsible option.

You can also access additional information on both Sandhurst and its products on our website, at www.sandhursttrustees.com.au/super, including product dashboards for the Pension's investment options (when made available), director details, executive remuneration disclosure and other governance documents.

How the Pension works

There are some key differences between a Standard Pension and a TTR Pension.

A TTR Pension has certain restrictions on when you can make lump sum withdrawals while you are still working. There is a maximum amount of income that can be taken each year and the earnings on assets that support a TTR pension are subject to tax.

For TTR Pensions when you turn 65 we will automatically convert your TTR Pension to a Standard Pension meaning investment earnings will once again be tax exempt. Additionally where you meet a condition of release, with a nil cashing restriction, such as retirement, a terminal medical condition or permanent incapacity we will convert your TTR Pension to a Standard Pension upon receipt of the appropriate documentation. Please contact us for further information.

Please note that if your TTR Pension is converted to a Standard Pension it will be subject to assessment against the transfer balance cap (please refer to the section 'Your transfer balance cap' for further information).

Eligibility to invest

Standard Pension

In order to commence a Standard Pension you must satisfy one of the following conditions:

- permanently retire from the workforce and have reached your Preservation Age (this depends on your date of birth, as shown in the table below);
- reach age 65;
- leave or change your job after age 60; or
- suffer permanent incapacity.

TTR Pension

You can commence a TTR Pension if you have reached your Preservation Age but are still working.

Preservation Age

Date of birth	Preservation age
Before 1 July 1960	55
1 July 1960 to 30 June 1961	56
1 July 1961 to 30 June 1962	57
1 July 1962 to 30 June 1963	58
1 July 1963 to 30 June 1964	59
After 30 June 1964	60

Setting up your Pension

How to open an account

To open a Pension account, complete the Application Form contained in the Bendigo SmartStart Pension Application Booklet ('Application Booklet') available on our website. The Application Booklet also contains a Binding Death Benefit Nomination Form and a Request to Transfer Form. Please send the completed forms to us in accordance with the forms' instructions.

You can start your Pension by:

- rolling over funds from another super fund;
- using some or all of your balance in your Bendigo SmartStart Super or Bendigo SmartOptions Super account;
- making a one-off personal contribution (that is not tax deductible); or
- a combination of the above.

If you wish to commence a pension by rolling over funds from another super fund, you will need to complete a Request to Transfer Form. A copy of the Request to Transfer Form is also available from our website.

If you want to commence a pension using other types of contributions (for example if you want to make tax deductible personal contributions accompanied by the Australian Taxation Office (ATO) approved Notice of intent to claim or vary a deduction for personal super contributions form), you will need to make this contribution to a personal super account (such as an account in Bendigo SmartStart Super). Once this has been processed, you can then transfer your benefits to start the Pension by completing the Bendigo SmartStart Pension Application Form and the Request to Transfer Form available on our website.

For members making a one-off personal super contribution (or whose spouse makes a contribution for them) that is not tax deductible, the contribution is subject to your non-concessional contribution cap

To determine your non-concessional contribution cap for a financial year you need to determine your total super balance as at 30 June of the previous financial year. Your total super balance is made up of the balance of all your super and retirement phase pension accounts and rollover amounts not yet included in those amounts less any structured settlement contributions.

If your total super balance is equal to or greater than \$1.6 million* as at 30 June of the previous financial year your non-concessional contributions cap will be **nil** meaning any non-concessional contributions made would be treated as an excess non-concessional contribution.

If your total superannuation balance is less than \$1.6 million* as at 30 June of the previous financial year your non-concessional contribution cap will be \$100,000*.

For members who are under 65 years of age at any time in a financial year you may be able to increase this amount to \$300,000* by bringing forward future years' non-concessional contributions caps. You can only do this if you have not triggered the bring forward rule already and subject to meeting the below criteria.

If your total super balance is less than \$1.4 million* the maximum amount you can make as a 'one-off' non-concessional contribution is \$300,000* using the current year's cap and by bringing forward the next two financial years' non-concessional caps (i.e. \$100,000 x 3).

If your total super balance is greater than \$1.4 million* but less than \$1.5 million* the maximum amount you can make as a 'one off' non-concessional contribution is \$200,000* using the current year's cap and by bringing forward the next financial years' non-concessional caps (i.e. \$100,000 x 2).

Each of these is based on no other non-concessional contributions being made for you in the relevant financial years.

The non-concessional contributions cap is assessed on the basis of all non-concessional contributions made for you to all super funds, not just your initial contribution to start the Pension.

If you exceed your non-concessional contribution cap, this may result in substantial taxation consequences or may require you to commute part or all of your pension (i.e. withdraw a lump sum amount) to release excess non-concessional contributions and associated earnings. Further information is available from the ATO. We strongly recommend that you seek advice from a professional tax adviser on these matters.

There is also a limit to how much of your super you can transfer from your super accounts to the retirement phase known as a transfer balance cap. Please see the 'Your transfer balance cap' section for more information.

These limits are imposed by the Federal Government and may change in the future.

In addition to the above, the ability to make personal contributions is also subject to age restrictions and work test restrictions. See "Contribution eligibility" in the application form.

* This is the threshold for the 2019-2020 financial year.

Identification

You will be required to provide appropriate documentation with your Application Form to enable us to identify you. This can be provided via certified hard copy identification documents such as an Australian passport or driver's licence or via the Green ID process which can be completed over the phone with our Client Services Team. Please refer to the Application Booklet for further information.

Insurance

There is no insurance offered with the Pension. You should consider the impact that rolling over funds in order to commence the Pension will have on your current insurance arrangements within super.

Minimum investment amount

The minimum investment amount for commencement of your Pension account is \$10,000. Sandhurst reserves the right to increase or decrease this amount in the future.

Maximum investment amount

There is no maximum investment amount. The limit you can transfer into the tax-free pension phase of super is \$1.6 million for the 2019-2020 financial year. Please refer to the following section, 'Your transfer balance cap' for further information.

Your transfer balance cap

The transfer balance cap is the total amount you can transfer into the tax-free pension phase of super. In the Pension the transfer balance cap applies to Standard Pensions. The transfer balance cap does not include TTR pensions.

For the 2019-2020 financial year the general transfer balance cap is \$1.6 million, subject to indexation.

You will have your own transfer balance cap which will be the general transfer balance cap applicable in the financial year that you first start a super pension in the tax-free pension phase. Your transfer balance cap may be subject to indexation based on any unused portion of your transfer balance cap.

The transfer balance cap includes the value of all of your super pensions as at 30 June 2017 if any (other than TTR pensions) plus the commencement value of any new super pensions you started after 1 July 2017 that are in the tax-free pension phase (e.g. pensions that are not TTR pensions). Your cap applies to all of your super pensions in the tax-free pension phase. If you have pensions in a number of different super funds, all of those amounts are added together.

The value of the pensions that are applied to your transfer balance cap are recorded in a transfer balance account which is kept by the ATO. Further investment growth on the pension accounts will not be added to the transfer balance account. Also, pension payments or investment losses will not decrease your transfer balance account. However, commutations of a super pension in the tax-free pension phase will reduce your transfer balance account.

Your transfer balance account must not exceed your transfer balance cap.

If you exceed your transfer balance cap you will be required to transfer or withdraw any excess (including any notional earnings on the excess) either back to a personal super account or withdraw it as a lump sum. This also applies to death benefit pensions and reversionary pensions.

You can elect to voluntarily remove the excess (including any notional earnings) or the ATO will issue a determination and direct you to do so. If you do not take appropriate action, the ATO will issue a commutation authority and direct us to commute your pension and release the relevant amount from the pension.

If you exceed your transfer balance cap you will be liable to pay excess transfer balance tax on notional earnings from the excess amount. Please refer to the 'Taxation' section for further information on the tax penalties of exceeding the transfer balance cap.

Financial adviser access

If you are investing through a financial adviser and their details are included on the application form, your financial adviser will be:

- able to make enquiries regarding your account;
- provided with copies of correspondence regarding your account; and
- able to view your account online.

They will not have authority to operate your account. If you would like your financial adviser to be able to operate your account, you will need to provide them with a financial adviser authority. Please refer below for further details.

Appointment of representative (financial adviser authority)

If you are investing through a financial adviser, you may authorise your financial adviser and their staff (your financial adviser) to operate your account and to give certain instructions on your behalf in relation to your account to us by any method acceptable to us, including electronically.

For example, your financial adviser may make enquiries about your account, submit switching or portfolio reweight instructions and/or establish or change your Standing Instructions.

This authority restricts your financial adviser from withdrawing any funds from your account, providing or changing your bank account details held on file, or signing any form on your behalf where the law, an external party or Sandhurst requires your signature.

There are also other instructions which we will not accept from your financial adviser. Refer to 'Appointment of Representative (financial adviser authority)' in the 'Member Declaration' section on the Application Form or the Appointment of Representative (financial adviser authority) Form on our website for more information.

Your pension payments

You can choose to receive your pension payments:

- fortnightly;
- monthly;
- quarterly;
- half-yearly; or
- annually.

Just tick the appropriate box on the Application Form. You can vary your pension payments by completing a Change of Details form available from our website.

How long your Pension will last

How long your Pension will last depends on a number of factors, including:

- the amount of your initial investment;
- the returns you earn in your chosen investment option/s;
- the pension payment amounts and payment frequency; and
- whether you make any lump sum withdrawals (if you are eligible to do so).

Pension payments will continue until your account balance is nil.

It is possible that your pension may not provide you with enough money to provide you with an adequate income for the rest of your life. This risk is commonly called 'longevity risk'. We recommend you seek professional advice about this.

Pension payments you can receive each year

You must take a minimum pension payment from your account each year. As at the date of this PDS the minimum payment is calculated as a percentage of your account balance based on your age, as follows:

Age at 1 July each year	Minimum annual payment (as % of account balance)
Under 65	4
65-74	5
75-79	6
80-84	7
85-89	9
90-94	11
95 or over	14

Above amounts maybe subject to change from time to time.

The annual amount of your pension payments are re-calculated each 1 July based on the 30 June closing balance of your account. You can elect to have your pension payments adjusted by the Consumer Price Index (CPI) or by a certain percentage. If you commence your Pension after 1 July, your minimum income limit will be calculated on a pro-rata basis for the first year. If the commencement date of the pension is on or after 1 June in a financial year, no payment is required to be made for that financial year.

For a Standard Pension there is no maximum amount of income that you can take each year. The maximum amount that you can draw each year from a TTR Pension is 10% of the account balance. We recommend that you seek advice when working out how much income you will need each year, to make sure you can maintain the income from your pension over your retirement years.

You have the ability to adjust your pension amount and frequency at any time, subject to meeting the applicable minimum and maximum limits (described previously). If you would like to change the amount or frequency, you can advise us using a Change of Details Form available from our website.

When can you withdraw or commute lump sums from your pension?

Standard Pension

For a Standard Pension, full or partial lump sum withdrawals (known as commutations) can be made at any time.

The minimum withdrawal amount is \$1,000. If a withdrawal would leave your account balance below \$1,000, you must withdraw the total account balance.

TTR Pension

Lump sum payments can only be made from a TTR Pension in the following limited circumstances:

- to access an unrestricted non-preserved benefit;
- to pay a super contributions surcharge;
- to pay a Family Law split;
- upon receipt of a release authority from the ATO;
- to purchase another non-commutable income stream;
- as a payout on your death or terminal illness; or
- to rollover to another complying super fund.

Lump sum withdrawals will affect your account balance.

If you are considering making a lump sum withdrawal, we recommend you seek advice from a licensed financial adviser to discuss the issues mentioned above and any tax or other implications that may apply.

Death benefits

As a member of the Pension, you can nominate for a death benefit to be paid in the event of your death. The amount of the death benefit will be the balance of your account (after any fees and tax) when you die.

You can choose one of two ways of nominating who you would like to receive your benefit upon your death:

- binding death benefit nomination; or
- reversionary beneficiary nomination.

If you do not make a binding death benefit nomination or a reversionary beneficiary nomination, in the event of your death any benefit will be paid to your Legal Personal Representative.

A Legal Personal Representative is the executor of the will or administrator of the estate of a deceased person.

Binding death benefit nomination

You can direct Sandhurst as to who you want to receive your death benefit. You can do this by completing a Binding Death Benefit Nomination Form.

The beneficiaries you name in your binding death benefit nomination must be either your dependants for super law purposes or your Legal Personal Representative.

“Dependants”, at the time of your death, for super purposes are:

- your spouse (this includes a legally married or de facto spouse, or another person (whether of the same sex or a different sex) with whom the person is in a relationship that is registered under law);
- your children of any age, which includes step children and adopted children;
- any person who Sandhurst believes is in an “interdependency relationship” with you at the time of your death; or
- another person, who is, wholly or partially, financially dependent on you at the time of your death.

An “interdependency relationship” is a close personal relationship between two people who reside together, where:

- one or both provides the other with financial support; and
- one or both provides the other with domestic support and personal care.

For example, “interdependency relationship” may include:

- same sex couples that do not meet the definition of a spouse
- two siblings who reside together
- an elderly parent who lives with an adult child.

However, “interdependency relationship” does not include:

- people who share accommodation for convenience (e.g. flatmates)
- people who provide care as part of an employment relationship.

The definition of dependant for tax purposes is different. “Tax dependants” are:

- your spouse (legally married, de facto or former spouse). A spouse includes another person (whether of the same sex or a different sex) with whom the person is in a relationship that is registered under law;
- a child under the age of 18 years;
- a person in an “interdependency relationship” with you on the date of death; or
- any other person who is wholly or partially financially dependent on you at the time of your death.

A binding death benefit nomination must be re-confirmed by you every three years. If you make a valid binding death benefit nomination, we are bound to follow your instructions regardless of whether circumstances have changed (e.g. you have re-married or have had children since you made the nomination) so it is important to ensure that you keep your nomination up to date.

Further information is available on the Binding Death Benefit Nomination Form contained in the Application Booklet, or on our website. You can also access a Binding Death Benefit Nomination Form via Bendigo SmartStart Online.

Reversionary beneficiary nomination

When you apply to join the Pension, you have the ability to nominate one of your dependants as your reversionary beneficiary. If accepted by Sandhurst, upon your death your pension payments will automatically revert to the nominated person.

Upon acceptance by us, a reversionary beneficiary nomination is binding on us and irrevocable whilst your pension account is in operation and subject to the person nominated being an eligible pension beneficiary at the time of your death as explained below. This means you cannot change your reversionary beneficiary without commuting your current pension and starting a new pension.

If you have nominated a reversionary beneficiary your benefit will be paid to that person as a pension (subject to your nomination meeting the requirements below), or they can request to redeem the remaining money as a lump sum payment. There may be tax implications if they withdraw the benefit as a lump sum payment.

It should be noted that a reversionary pension will count towards your nominated reversionary beneficiary’s transfer balance cap. However, it will not be counted as a credit against their cap until 12 months after your death to allow your beneficiary to make adjustments to their affairs to ensure they do not exceed their transfer balance cap. The amount that will be counted towards their cap will be the entire benefit at the time of your death.

To make a reversionary beneficiary nomination, please complete the relevant section on the Application Form.

If you would like your death benefit to be paid as a reversionary pension, then:

- you must nominate only one person on your Application Form; and
- that person must be an eligible pension beneficiary. An eligible pension beneficiary includes a person who is at the time of your death:
 - your spouse (legally married or de facto spouse)
 - your child
 - under the age of 18
 - 18 years or over but:
 - under 25, if financially dependent on you; or
 - with a disability as defined under section 8(1) of the Disability Services Act 1988;
 - a person with whom Sandhurst is satisfied you have an “interdependency relationship” with when you die; or
 - any other person who is wholly or partially financially dependent on you when you die.

Any reversionary pension paid to a child will terminate when the child turns 25, and any remaining balance will be paid as a lump sum to the child (unless the child is disabled, as defined above).

This means that an adult child over the age of 25 cannot be nominated as a reversionary pensioner unless they are disabled.

Monitoring your Pension

Once you become a member of the Pension, you can register and login via our secure online website Bendigo SmartStart Online and access:

- your account balance;
- your investment portfolio; and
- your transaction history.

Once you have website access you have the ability to switch investments and update your personal details online.

Maintaining your Pension

We understand that your circumstances can change after you commence your pension and that you may want to alter your initial pension arrangements (or instructions), such as your chosen investments, your pension payment amount or frequency, binding death benefit nominations and your personal details.

To help ensure your pension meets your current requirements we have developed a number of simple forms for your use which you can access:

- on our website; or
- by contacting our Client Services Team on 1800 033 426.

Member statements and annual report

An annual statement is issued to you each year. Your annual statement sets out your current account balance and summarises transactions that occurred during the period including any fees, costs and taxes deducted.

You can elect via our secure online website - Bendigo SmartStart Online, to receive your annual statements electronically. If you elect to receive your annual statements electronically, we will send them to your nominated email account until you tell us otherwise.

An annual report which includes financial, management and investment information for the Plan is prepared as at 30 June each year and a copy is made available to you via our website or you can request a copy to be sent to you.

You may also arrange to view copies of the audited accounts, the auditor's report and the Trust Deed.

Family Law and super

The *Family Law Act 1975* allows couples to divide their super interests if their marriage breaks down.

The interests:

- may be divided by a formal splitting agreement or by a Family Court order; or
- can be divided in the payment phase (when you are in receipt of a pension) as a percentage of the regular pension payments.

If your super interests are split, then:

- a new interest in the Plan can be created for the non-member spouse; or
- their interest may be transferred or rolled over to another regulated super fund. Fees (as described in the 'Fees and other costs' section) may apply.

Risks

It is important to understand that there are inherent risks in any investment. The purpose of this section is to inform you of the types of risks that may apply to an investment in the Pension. This section is a summary of what we consider to be the significant risks that should be considered before deciding to invest in the Pension. We have broadly categorised the types of risks as either Pension or investment risks. This section does not purport to be a comprehensive summary of all of the risks.

Whilst we are not able to remove all the risks associated with an investment in the Pension, we employ a range of investment and risk management strategies to identify, evaluate and manage these risks.

You should consider consulting with a financial adviser to properly understand the risks associated with the Pension, the investments that make up your investment portfolio and your attitude to investment risk.

Pension risks

There are risks in choosing to invest in the Pension, referred to here as 'Pension risks'.

The risk	What is this risk about	How this risk is managed
Changes to the trustee and/or administration of the Pension	<p>Specific risks in relation to the administration of the Pension include:</p> <ul style="list-style-type: none"> the Pension or the Plan could terminate; Sandhurst could change the Plan's governing rules, including fees, expenses, notice periods or withdrawal features; Sandhurst could be replaced as the trustee of the Plan; a service provider could fail to comply with its obligations under the relevant agreement and need to be replaced; and/or the Pension's administrator could alter its fees. 	<p>Sandhurst is obliged to always act in accordance with the Trust Deed and in the best interests of members.</p> <p>Subject to the terms of the Trust Deed, Sandhurst will notify members and may issue a replacement PDS, a supplementary PDS or website update if material changes in the administration of the Pension occur.</p> <p>Sandhurst has entered into agreements with its key service providers to the Pension that allow Sandhurst to monitor their performance and solvency, and to be notified in advance of any changes in their fees.</p>
Changes to super and taxation (tax) laws	Changes are often made to super and tax rules and laws, which may impact on the management of the Pension, costs of investing in the Pensions, and your ability to access your benefits.	Sandhurst monitors super and tax related changes and provides updated information to members in the Plan's annual report and/or on our website.
Longevity risk	This is the risk that you will outlive your retirement savings. Your account balance or the pension payments you receive is not guaranteed, and can go up and down as a result of many factors, including investment and market performance. The amount of income you receive from your account may not be sufficient to meet your needs.	Sandhurst provides an annual statement to all members as well as daily access to their account balance information via Bendigo SmartStart Online. We also provide various calculation tools through our education centre online that aim to assist members to identify if there is a gap between their retirement savings and how much they actually need in order to maintain the lifestyle they want in retirement.

Investment risks

These are the risks associated with choosing particular investment options offered in the Pension.

The risk	What is this risk about	Investment type to which this applies
Individual investment risk	Individual investments made through your investment options will fluctuate in value, meaning that they can, and do, fall in value for many reasons. This is an inherent risk associated with all investment options such as managed funds. However, there tends to be greater risks associated with growth assets (i.e. shares and property). The risks may decrease with more defensive assets (i.e. fixed interest securities and cash).	All investment options
Investment manager risk	This risk is specific to managed funds. The investment managers of the managed funds offered in the Pension may fail to perform in line with expectations either in absolute terms or when considered with respect to the market, or relative to its peers.	All managed funds

The risk	What is this risk about	Investment type to which this applies
Investment fund risk	The investment fund(s) held could be terminated, the fees and expenses could change, the responsible entity could be replaced, any of the fund investment managers could be replaced, and other key personnel could change. There is also a risk that investing in an investment fund may give different results than investing directly in securities because of income or capital gains accrued in the investment fund, and the consequences of investments and withdrawals by other investors. Sandhurst aims to minimise fund risk by monitoring how these risks may impact the investment options and by acting in the best interests of investors as a whole.	All managed funds
Investment option risk	This is the risk that Sandhurst may change the Pension's overall investment strategy or add or remove certain investment options available in the Pension during your membership. In the event of this occurring, Sandhurst will notify you via its website or in writing.	All investment options
Market, country and political risk	The investment options may be impacted either directly or indirectly by market, country and/or political risk. Market risk relates to the performance of the market as a whole impacting on investment returns. Factors that may influence the market include economic, technological, political, tax, country and legal conditions, and even market sentiment.	All investment options
Credit risk	The risk that the credit quality of underlying investments deteriorates unexpectedly leading to less than expected income and possible loss of capital. The degree of risk varies between investment options. The failure of a debtor or other party to meet its obligations may cause an investment option to incur financial loss.	All investment options
Concentration risk	The risk that poor performance in a group of investments common to a particular section of the market will significantly affect the performance of the fund; or The risk that a fund's investment strategy gives consideration to socially responsible investment criteria which may lead to the portfolio having higher concentration in some industries and lower, or no, exposure to others meaning the fund's portfolio may be less diversified than a broad index exposed to the same asset classes.	Sandhurst Strategic Income Fund – Class B Bendigo Socially Responsible Growth Fund
Interest rate risk	Changes in interest rates will have a positive or negative impact directly or indirectly on investment values or returns. The degree of risk varies between investment options.	All investment options
Currency risk	Some investment options may have exposure to overseas countries, and if their currencies change in value relative to the Australian dollar, there is a risk that the value of the investment can change. As part of formulating your investment strategy, you should make an assessment of the investment option's currency risk and its suitability to your strategy.	All managed funds
Counterparty risk	Counterparty risk represents the loss that would be recognised if counterparties (i.e. the other parties to an investment related contract) failed to perform as contracted.	All investment options
Liquidity risk	This is the risk that in the event of market disruptions some investments may not be easily converted to cash, which may affect our ability to satisfy withdrawals.	All managed funds
Derivatives risk	Some investment options may give exposure to derivatives. Derivatives risk includes the value of derivative positions not moving in line with the movement in the underlying asset, potential illiquidity of the derivative, and being unable to meet payment obligations in relation to derivative contracts.	All managed funds

Sandhurst recommends that you seek personal financial advice in selecting the investment options that will make up your investment strategy, and when changing your investment strategy.

How we invest your money

Investment menu

The Pension's investment menu has been designed to offer you choice and flexibility. How you invest will depend on your personal circumstances and your risk profile.

You can choose to invest in a range of managed funds as well as increase the amount allocated to your Cash Account if you wish to hold more than the default minimum of 1.5%.

The available investment options are:

Cash Account	
Sandhurst Strategic Income Fund – Class B	
Bendigo Defensive Wholesale Fund	Bendigo Defensive Index Fund
Bendigo Conservative Wholesale Fund	Bendigo Conservative Index Fund
Bendigo Balanced Wholesale Fund	Bendigo Balanced Index Fund
Bendigo Growth Wholesale Fund	Bendigo Growth Index Fund
Bendigo Socially Responsible Growth Fund	Bendigo High Growth Index Fund
Bendigo High Growth Wholesale Fund	

The key features of each of the above investment options are contained on pages 13 to 19.

Standing Instructions

We will manage the investments in your account and the maintenance of your Cash Account through three separate instructions. These instructions are known as your Deposit Instruction, your Income Preference and your Cash Account Preference. Each of these is explained in further detail below.

Deposit Instruction

Your Deposit Instruction tells us how you would like your initial contribution/rollover used to commence your Pension invested and will include:

- the investment option(s) you wish to invest in;
- the percentage of your contribution/rollover that you want to invest in each investment option; and
- the percentage you would like allocated to your Cash Account. You are required to maintain a percentage of your account balance in the Cash Account. The default minimum is 1.5%, however, you can elect to nominate a higher percentage.

Example Deposit instruction	
Cash Account	1.5%
Investment A	25%
Investment B	25%
Investment C	48.50%

You can nominate your preferred Deposit Instruction on the Application Form.

If you do not provide a Deposit Instruction your account will be invested in the default investment option which is the Bendigo Conservative Index Fund with the default minimum of 1.5% allocated to the Cash Account.

Example Deposit Instruction	
Bendigo Conservative Index Fund	98.5%
Cash Account	1.5%

You can update your Deposit Instruction and switch investments at any stage via Bendigo SmartStart Online or by completing a Switching Instruction Form available from our website.

Whilst you are unable to make additional deposits (i.e. contributions or rollovers in) to your account after establishment, you will need to update your Deposit Instruction (see Cash Account Preference below for further details) if you wish to change the percentage your Cash Account is topped up to (see Cash Account Preference below for further details).

Note: your Deposit Instruction is only an instruction on how to invest your initial contribution and/or rollover used to commence your pension and not a method to manage the overall asset allocation of your account. The actual allocation of your account to the various investment options will continually change with such things as investment performance and the transactions undertaken on your account. Should you wish to alter the amount allocated to a particular investment option(s) held in your account, you will need to submit a switching instruction (see page 20).

Income Preference

Your Income Preference tells us how you would like any income distributions received from your managed funds to be managed.

Any income from the above will be automatically credited to your Cash Account. You will then have the ability to instruct us to either:

- **Re-invest:** this method allows you to automatically re-invest 100% of the income distribution back into the same investment option that made the payment; or
- **Retain in your Cash Account:** this method allows you to leave all income in your Cash Account. Income will remain in your Cash Account until we receive a switching instruction from you.

Note: you can only select one of the above Income Preference options for your account and it will apply to all managed funds if applicable.

Interest earned on your Cash Account will also remain in your Cash Account until we receive a switching instruction from you.

You can nominate your preferred Income Preference on the Application Form. If you do not provide an Income Preference your income method will be set to Re-invest.

You can update your Income Preference at any stage via Bendigo SmartStart Online or by completing a Switching Instruction form available from our website.

Your Cash Account

You are required to maintain a percentage of your account balance in your Cash Account for operational reasons and if its balance falls to zero or below, we will periodically top it up by selling some of your investment options.

For all members the default minimum percentage is 1.5%. However you will be able to nominate a higher percentage allocation to your Cash Account.

Cash Account Preference

In order to maintain the required allocation to your Cash Account we will review its balance in the following scenarios:

- at the end of each month (following the deduction of any applicable fees);
- after pension payments;
- after tax has been deducted; and
- after partial withdrawals.

If the balance of your Cash Account is zero or below, we will top it up to 1.5% of your account balance or the percentage nominated in your Deposit Instruction, if applicable.

We will top up your Cash Account using one of the following methods (only one method can be selected):

- **Pro-rata:** funds will be redeemed across all managed funds according to the proportion of your account balance (excluding your Cash Account) that they represent; or
- **Redemption Instruction - Percentage:** funds will be redeemed from specified managed funds according to the percentage allocation nominated by you*.

* Please note that if a Redemption Instruction – Percentage is provided and any investment options in that instruction have been sold in full we will adjust your instruction by re-proportioning the remaining investment options in that instruction. If all investment options in your instruction have been sold in full your Cash Account will be restored by using the Pro-rata method.

You can nominate your preferred Cash Account Preference on the Application Form. If you do not provide a Cash Account Preference your Cash Account top-up method will be set to Pro-rata.

You can change your preference at any time via Bendigo SmartStart Online or by completing a Switching Instruction form available from our website.

Standard Risk Measure

We have provided the Standard Risk Measure for each investment option in the table below which is based on industry guidance to allow members to compare investment options that are expected to deliver a similar number of negative annual returns over any 20 year period.

The Standard Risk Measure 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 potential for a positive return to be less than a member may require to meet their objectives. Further, it does not take into account the impact of administration fees and tax on the likelihood of a negative return.

You should still ensure you are comfortable with the risks and potential losses associated with your chosen investment option/s. The principles and guidelines to this measure are set out in the paper 'Standard risk measure: Guidance Paper For Trustees' available for download from our website.

Industry Standard Risk Measure

Risk band	Risk label	Estimated number of negative annual returns over any 20 year period
1	Very low	Less than 0.5
2	Low	0.5 to less than 1
3	Low to medium	1 to less than 2
4	Medium	2 to less than 3
5	Medium to high	3 to less than 4
6	High	4 to less than 6
7	Very high	6 or greater

The following tables outline the key features of each of the Pension's investment options.

Investment option name	Cash Account	
Investment return objective	To provide a consistent interest rate for all balances.	
Investment strategy	To provide regular income while seeking to maintain liquidity and capital stability. Funds are held on deposit with the Bank.	
Target asset allocation	Cash	100%
Investment timeframe	No minimum suggested timeframe.	
Type of investor to whom this investment is suited	This investment offers regular income and capital stability. It may be suitable for monies that will be required to meet short term cash flow requirements and for investors who may be close to or in retirement or highly risk adverse.	
Risk level (using a Standard Risk Measure)	Very low (Risk band 1)	

Investment option name	Sandhurst Strategic Income Fund – Class B (APIR STL0044AU)			
Investment return objective	To outperform the performance benchmark (after fees) over any two year period.			
Investment strategy	To invest in a diversified portfolio of mainly domestic interest bearing securities across a range of maturities. The fund will adjust its investments in line with the responsible entity's view of prevailing market conditions to optimise returns and control volatility. Sandhurst is the fund's responsible entity			
Target asset allocation	Exposure	Max	Min	
	Primary	Bank deposits and money market securities	100%	20%
		Government bonds	80%	0%
		Semi government and supranational bonds	60%	0%
		Corporate bonds and floating rate notes	60%	0%
		Asset backed securities	40%	0%
	Secondary	Hybrid securities and other	10%	0%
	Primary securities total		100%	90%
Secondary securities total		10%	0%	
Performance benchmarks	Bloomberg AusBond Bank Bill Index. The benchmark is not a guarantee of Fund performance.			
Risk level (using a Standard Risk Measure)	Low (Risk band 2)			

Investment option name	Bendigo Defensive Wholesale Fund (APIR STL0029AU)		
Investment return objective	To deliver investment returns after fees in excess of 1.5% above inflation over a full market cycle (typically 7 to 10 years). Inflation is measured by the Australian Consumer Price Index as published by the Australian Bureau of Statistics.		
Investment strategy	<p>To invest via a selection of high-quality investment managers that specialise in managing specific asset classes.</p> <p>The responsible entity will select investment managers to invest the fund's assets across a variety of asset classes constructing the investment portfolio in a manner that it believes will meet the investment return objective.</p> <p>Sandhurst is the fund's responsible entity. To view the details of investment managers selected by the responsible entity, please refer to Sandhurst's website at www.sandhursttrustees.com.au/imguide.</p>		
Target asset allocation	The neutral position of the fund is 20% growth assets and 80% defensive assets.		
		Min	Max
	Australian shares	0%	15%
	International shares	0%	15%
	Property & infrastructure	0%	12%
	Fixed interest	30%	80%
	Alternatives	0%	10%
Cash	10%	60%	
Risk level (using a Standard Risk Measure)	Low (Risk band 2)		

Investment option name	Bendigo Conservative Wholesale Fund (APIR STL0012AU)		
Investment return objective	To deliver investment returns after fees in excess of 2% above inflation over a full market cycle (typically 7 to 10 years). Inflation is measured by the Australian Consumer Price Index as published by the Australian Bureau of Statistics.		
Investment strategy	<p>To invest via a selection of high-quality investment managers that specialise in managing specific asset classes.</p> <p>The responsible entity will select investment managers to invest the fund's assets across a variety of asset classes constructing the investment portfolio in a manner that it believes will meet the investment return objective.</p> <p>Sandhurst is the fund's responsible entity. To view the details of investment managers selected by the responsible entity, please refer to Sandhurst's website at www.sandhursttrustees.com.au/imguide.</p>		
Target asset allocation	The neutral position of the fund is 40% growth assets and 60% defensive assets.		
		Min	Max
	Australian shares	5%	30%
	International shares	5%	30%
	Property & infrastructure	0%	20%
	Fixed interest	20%	65%
	Alternatives	0%	15%
Cash	5%	40%	
Risk level (using a Standard Risk Measure)	Medium (Risk band 4)		

Investment option name	Bendigo Balanced Wholesale Fund (APIR STL0013AU)		
Investment return objective	To deliver investment returns after fees in excess of 3% above inflation over a full market cycle (typically 7 to 10 years). Inflation is measured by the Australian Consumer Price Index as published by the Australian Bureau of Statistics.		
Investment strategy	<p>To invest via a selection of high-quality investment managers that specialise in managing specific asset classes.</p> <p>The responsible entity will select investment managers to invest the fund's assets across a variety of asset classes constructing the investment portfolio in a manner that it believes will meet the investment return objective.</p> <p>Sandhurst is the fund's responsible entity. To view the details of investment managers selected by the responsible entity, please refer to Sandhurst's website at www.sandhursttrustees.com.au/imguide.</p>		
Target asset allocation	The neutral position of the fund is 60% growth assets and 40% defensive assets.		
		Min	Max
	Australian shares	10%	40%
	International shares	10%	40%
	Property & infrastructure	0%	20%
	Fixed interest	10%	50%
	Alternatives	0%	20%
Cash	5%	30%	
Risk level (using a Standard Risk Measure)	Medium to high (Risk band 5)		

Investment option name	Bendigo Growth Wholesale Fund (APIR STL0014AU)		
Investment return objective	To deliver investment returns after fees in excess of 4% above inflation over a full market cycle (typically 7 to 10 years). Inflation is measured by the Australian Consumer Price Index as published by the Australian Bureau of Statistics.		
Investment strategy	<p>To invest via a selection of high-quality investment managers that specialise in managing specific asset classes.</p> <p>Sandhurst will select investment managers to invest the fund's assets across a variety of asset classes constructing the investment portfolio in a manner that it believes will meet the investment return objective.</p> <p>Sandhurst is the fund's responsible entity. To view the details of investment managers selected by the responsible entity, please refer to Sandhurst's website at www.sandhursttrustees.com.au/imguide.</p>		
Target asset allocation	The neutral position of the fund is 80% growth assets and 20% defensive assets.		
		Min	Max
	Australian shares	15%	50%
	International shares	15%	50%
	Property & infrastructure	5%	22%
	Fixed interest	5%	25%
	Alternatives	0%	20%
Cash	0%	25%	
Risk level (using a Standard Risk Measure)	High (Risk band 6)		

Investment option name	Bendigo Socially Responsible Growth Fund (APIR STL0055AU)		
Investment return objective	To deliver investment returns after fees in excess of 4% above inflation over a full market cycle (typically 7 to 10 years). Inflation is measured by the Australian Consumer Price Index as published by the Australian Bureau of Statistics.		
Investment strategy	<p>To invest via a selection of high-quality investment managers that specialise in managing specific asset classes which take into account environmental, social, ethical and governance considerations in the selection, retention or realisation of investments relating to the fund.</p> <p>The responsible entity will select investment managers to invest the fund's assets across a variety of asset classes constructing the investment portfolio in a manner that it believes will meet the investment return objective.</p> <p>Sandhurst is the fund's responsible entity. To view the details of investment managers selected by the responsible entity, please refer to Sandhurst's website at www.sandhursttrustees.com.au/imguide.</p>		
Target asset allocation	The neutral position of the fund is 80% growth assets and 20% defensive assets.		
		Min	Max
	Australian shares	15%	50%
	International shares	15%	50%
	Property & infrastructure	5%	22%
	Fixed interest	5%	25%
	Alternatives	0%	20%
	Cash	0%	25%
Risk level (using a Standard Risk Measure)	Medium to high (Risk band 5)		

Investment option name	Bendigo High Growth Wholesale Fund (APIR STL0030AU)		
Investment return objective	To deliver investment returns after fees in excess of 5% above inflation over a full market cycle (typically 7 to 10 years). Inflation is measured by the Australian Consumer Price Index as published by the Australian Bureau of Statistics.		
Investment strategy	<p>To invest via a selection of high-quality investment managers that specialise in managing specific asset classes.</p> <p>The responsible entity will select investment managers to invest the fund's assets across a variety of asset classes constructing the investment portfolio in a manner that it believes will meet the investment return objective.</p> <p>Sandhurst is the fund's responsible entity. To view the details of investment managers selected by the responsible entity, please refer to Sandhurst's website at www.sandhursttrustees.com.au/imguide.</p>		
Target asset allocation	The neutral position of the fund is 97% growth assets and 3% defensive assets.		
		Min	Max
	Australian shares	20%	65%
	International shares	20%	65%
	Property & infrastructure	5%	25%
	Fixed interest	0%	10%
	Alternatives	0%	20%
	Cash	0%	20%
Risk level (using a Standard Risk Measure)	High (Risk band 6)		

Investment option name	Bendigo Defensive Index Fund (APIR STL0031AU)		
Investment return objective	To deliver investment returns after fees in excess of 1.5% above inflation over a full market cycle (typically 7 to 10 years). Inflation is measured by the Australian Consumer Price Index as published by the Australian Bureau of Statistics.		
Investment strategy	<p>To predominantly invest via a selection of index funds that seek to track the performance of selected benchmarks for each asset class.</p> <p>The responsible entity will invest the fund's assets across a variety of asset classes constructing the investment portfolio in a manner that it believes will meet the investment return objective.</p> <p>Sandhurst is the fund's responsible entity. To view the details of investment managers selected by the responsible entity, please refer to Sandhurst's website at www.sandhursttrustees.com.au/imguide.</p>		
Target asset allocation	The neutral position of the fund is 20% growth assets and 80% defensive assets.		
		Min	Max
	Australian shares	0%	15%
	International shares	0%	15%
	Property & infrastructure	0%	12%
	Fixed interest	30%	80%
	Cash	10%	60%
Risk level (using a Standard Risk Measure)	Low (Risk band 2)		

Investment option name	Bendigo Conservative Index Fund (APIR STL0032AU)		
Investment return objective	To deliver investment returns after fees in excess of 2% above inflation over a full market cycle (typically 7 to 10 years). Inflation is measured by the Australian Consumer Price Index as published by the Australian Bureau of Statistics.		
Investment strategy	<p>To predominantly invest via a selection of index funds that seek to track the performance of selected benchmarks for each asset class.</p> <p>The responsible entity will invest the fund's assets across a variety of asset classes constructing the investment portfolio in a manner that it believes will meet the investment return objective.</p> <p>Sandhurst is the fund's responsible entity. To view the details of investment managers selected by the responsible entity, please refer to Sandhurst's website at www.sandhursttrustees.com.au/imguide.</p>		
Target asset allocation	The neutral position of the fund is 40% growth assets and 60% defensive assets.		
		Min	Max
	Australian shares	5%	30%
	International shares	5%	30%
	Property & infrastructure	0%	20%
	Fixed interest	20%	65%
	Cash	5%	40%
Risk level (using a Standard Risk Measure)	Medium (Risk band 4)		

Investment option name	Bendigo Balanced Index Fund (APIR STL0033AU)		
Investment return objective	To deliver investment returns after fees in excess of 3% above inflation over a full market cycle (typically 7 to 10 years). Inflation is measured by the Australian Consumer Price Index as published by the Australian Bureau of Statistics.		
Investment strategy	<p>To predominantly invest via a selection of index funds that seek to track the performance of selected benchmarks for each asset class.</p> <p>The responsible entity will invest the fund's assets across a variety of asset classes constructing the investment portfolio in a manner that it believes will meet the investment return objective.</p> <p>Sandhurst is the fund's responsible entity. To view the details of investment managers selected by the responsible entity, please refer to Sandhurst's website at www.sandhursttrustees.com.au/imguide.</p>		
Target asset allocation	The neutral position of the fund is 60% growth assets and 40% defensive assets.		
		Min	Max
	Australian shares	15%	40%
	International shares	15%	40%
	Property & infrastructure	0%	20%
	Fixed interest	10%	50%
	Cash	5%	30%
Risk level (using a Standard Risk Measure)	Medium to high (Risk band 5)		

Investment option name	Bendigo Growth Index Fund (APIR STL0034AU)		
Investment return objective	To deliver investment returns after fees in excess of 4% above inflation over a full market cycle (typically 7 to 10 years). Inflation is measured by the Australian Consumer Price Index as published by the Australian Bureau of Statistics.		
Investment strategy	<p>To predominantly invest via a selection of index funds that seek to track the performance of selected benchmarks for each asset class.</p> <p>The responsible entity will invest the fund's assets across a variety of asset classes constructing the investment portfolio in a manner that it believes will meet the investment return objective.</p> <p>Sandhurst is the fund's responsible entity. To view the details of investment managers selected by the responsible entity, please refer to Sandhurst's website at www.sandhursttrustees.com.au/imguide.</p>		
Target asset allocation	The neutral position of the fund is 80% growth assets and 20% defensive assets.		
		Min	Max
	Australian shares	20%	50%
	International shares	20%	50%
	Property & infrastructure	5%	22%
	Fixed interest	5%	25%
	Cash	0%	25%
Risk level (using a Standard Risk Measure)	High (Risk band 6)		

Investment option name	Bendigo High Growth Index Fund (APIR STL0035AU)		
Investment return objective	To deliver investment returns after fees in excess of 5% above inflation over a full market cycle (typically 7 to 10 years). Inflation is measured by the Australian Consumer Price Index as published by the Australian Bureau of Statistics.		
Investment strategy	<p>To predominantly invest via a selection of index funds that seek to track the performance of selected benchmarks for each asset class.</p> <p>The responsible entity will invest the fund's assets across a variety of asset classes constructing the investment portfolio in a manner that it believes will meet the investment return objective.</p> <p>Sandhurst is the fund's responsible entity. To view the details of investment managers selected by the responsible entity, please refer to Sandhurst's website at www.sandhursttrustees.com.au/imguide.</p>		
Target asset allocation	The neutral position of the fund is 97% growth assets and 3% defensive assets.		
		Min	Max
	Australian shares	25%	65%
	International shares	25%	65%
	Property & infrastructure	5%	25%
	Fixed interest	0%	10%
	Cash	0%	20%
Risk level (using a Standard Risk Measure)	High (Risk band 6)		

For members seeking to choose an investment option other than the Cash Account you should consider the disclosure document in relation to the relevant managed fund before making an investment decision. Each managed fund has its own product disclosure statement, available on our website, which you should read when you are considering to invest. You can also request a paper copy free of charge by contacting our Client Services Team. The disclosure documents will provide you with further important information about the investment option, including benefits, risks, features and fees and costs that relate to the investment option.

Differences between investing in an investment option directly and investing through a super fund

If you are investing in a specific financial product through a super or pension product such as the Pension, there are a number of differences in the rights you might have if you had invested directly and held the investment options in your own name:

- All investments through a super or pension product are held in Sandhurst's name, not in your name. This means that you will not receive communications from the underlying product issuers in relation to your managed funds.
- You do not have the right to call, attend or vote at meetings of investors in a managed fund because Sandhurst is the legal owner of these investments.
- If you invested directly and not through a super or pension product, you would be able to withdraw your money without the legislative restrictions and other limitations affecting access to super benefits. However, you would not be able to transfer preserved super money into the investment options offered on the Pension's investment menu directly. Nor would you be eligible for concessional tax treatment that is available in respect of super contributions.
- If you invested directly in a managed fund, you would only incur the fees and costs applicable to the managed fund and not the fees and costs applicable to the super or pension product. However you might not be entitled to any wholesale discounts or rebates that Sandhurst can usually negotiate with a fund manager.
- The time for processing transactions may be quicker if you were a direct investor because Sandhurst may be required to deal with several fund managers in order to process a single investor's request.
- If you invested directly in a managed fund, you would usually have the benefit of a 14-day cooling-off period. Sandhurst is not entitled to any cooling-off period because it is a wholesale investor.
- If you invested directly in a managed fund, any queries or complaints would be handled by the inquiry and dispute resolution mechanisms of the managed fund. As a super investor, any queries or complaints must be handled by Sandhurst's inquiry and dispute resolution mechanisms, even if they relate to a managed fund. f

Valuing your account

We generally determine the value of a unit in a managed fund by using the redemption/sell price provided by the fund manager for that particular fund. The actual method by which unit prices for managed funds are calculated and the timing at which they are provided may vary between funds and is determined by the fund manager for that particular fund. Please refer to the product disclosure statement of the particular managed fund for more information about how individual unit prices are calculated.

Prices are generally provided each business day and may rise and fall in accordance with market movement. There may be times when we don't receive updated prices. This might happen when shares are delisted or assets cannot be valued. In these circumstances, we may use different valuation methods.

Interest earned on the Cash Account is calculated daily based on an annual rate and credited to your account monthly.

You should be aware that your account balance does not include the tax impact of any unrealised gains or losses that may arise if you request a full withdrawal.

Delays in processing investment instructions

Sometimes it may not be possible to act on your instructions in a timely fashion for example when we may have insufficient information, or certain requirements may not have been met, for us to process a transaction. In these cases, you and/or your financial adviser will be contacted. Purchasing or redeeming investments in accordance with your instructions may at times be delayed by unusually high volumes of processing or circumstances beyond our control such as unit pricing delays which typically occur following the end of an income distribution period. In such cases, Sandhurst accepts no liability for any losses incurred.

Switching investment options

You have the ability to change your selected investment options in the Pension at any time. You can switch into and out of your selected investment options via Bendigo SmartStart Online or by completing a Switching Instruction form available from our website.

No switching fees are charged, however, transaction costs usually will apply to managed funds (in the form of buy-sell spreads). Please see the 'Fees and other costs' section for more information.

It is recommended you consult a licensed financial adviser before making any decision to switch between investment options.

Changes to investment menu

Sandhurst regularly monitors and reviews the investment options available and investment mechanism to ensure that the existing investment options and mechanisms continue to be appropriate and suit the investment needs of members.

Sandhurst may add, suspend or restrict further investments to an investment option or close an investment option. For example, Sandhurst may do this if it becomes aware of new investment opportunities or changes to the existing investment option, such as a change to the investment manager, investment objective and strategy, asset classes, underlying investment managers or underlying investments.

If an investment option is withdrawn from the menu, Sandhurst may continue to hold this investment on your behalf or redeem and transfer your investments held in that investment option to another investment option which Sandhurst considers has similar risk/return characteristics. If there is no appropriate investment option identified then the redemption proceeds will be transferred to your Cash Account. Sandhurst will notify you of any such change where possible prior to the change or as soon as practicable after the change. At this time you will also be provided with the opportunity to make your own selection.

Any changes to the investment menu or the investment mechanism which Sandhurst considers not materially adverse to you will be communicated to you via our website as soon as practical.

Labour standards, or environment, social or ethical considerations

Sandhurst does not take into account labour standards or environmental, social or ethical considerations in the selection of investment options for the Pension and the selection, retention or realisation of investments of the Pension. However, the responsible entities of the investment options and the managers who manage the underlying investments of the Pension may take labour standards or environmental, social or ethical considerations into account when selecting, retaining or realising investments. For example Sandhurst Trustees as responsible entity of the Bendigo Socially Responsible Growth Fund takes into account ethical, social and governance considerations, which may also include labour standards, in the selection and retention of investment managers for that fund.

Fees and other costs

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 fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website (www.moneysmart.gov.au) has a superannuation calculator to help you check out different fee options.

** This text is required by law to be included in all PDSs. However the Pension's administration fees and costs are not negotiable.*

This document shows the fees and costs that you may be charged. These fees and costs may be deducted directly from your money from your returns on your investment or from the assets of the Pension as a whole.

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

Taxes are set out in another part of this PDS.

You should read all the information about fees and costs because it is important to understand their impact on your investment.

All the fees and costs shown in this section include stamp duty and GST less any reduced input tax credits, unless otherwise stated.

The fees and costs will depend on each investment option you select. The fees and costs for each particular investment option you select are set out in the relevant disclosure document available on our website and should be read in conjunction with the below.

Important note: The fees and costs table below relate to those fees and costs incurred at the Pension level only. In order to fully understand the fees and costs that relate to selecting a specific financial product available as an investment option (i.e. an investment option that is not the default or the Cash Account), you must consider both the fees and costs in the table below and also the fees and costs in the disclosure document for the relevant financial product. Each managed fund has its own product disclosure statement, available on our website, which you should read when you are considering to invest.

TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
Investment fee¹	Nil	Not applicable
Administration fee¹	\$98 p.a. plus 0.20% of your account balance p.a.	The fixed dollar fee is charged monthly and is deducted from your Cash Account at the end of each month. The percentage-based fee is calculated daily and charged to your Cash Account at the end of each month. Where you are only a member for a portion of the month, the fee will be charged on a pro-rata basis.
Buy-sell spread	Cash Account Nil	Cash Account Not applicable
	Managed fund investment options Varies across the managed funds available with buy spreads ranging from 0.00% to 0.25% and sell spreads from 0.09% to 0.25% ⁴	Managed fund investment options Reflected in the buy and sell unit price of each managed fund investment option when there is a transaction on your account.
	Default investment option (Bendigo Conservative Index Fund) 0.10% (buy) / 0.10% (sell) ⁴	Default investment option (Bendigo Conservative Index Fund) Reflected in the buy and sell unit price of the managed fund investment option when there is a transaction on your account.
Switching fee	Nil	Not applicable
Advice fees	Nil	Not applicable
Other fees and costs²		
Indirect cost ratio^{1, 3, 5}	Cash Account Nil	Calculated daily and deducted from the managed fund's net assets prior to the calculation of the unit price for the underlying managed fund investment option/s.
	Managed fund investment options Nil at Pension level	
	Default investment option (Bendigo Conservative Index Fund) 0.436% p.a.	

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, the total combined amount of administration fees, investment fees and indirect costs charged to you is capped at 3% of the account balance. Any amount in excess of that cap must be refunded.

² Refer to the 'Additional explanation of fees and costs' section below.

³ While there is no indirect cost ratio that is applied at the Pension level, where you choose a specific financial product that is available as an investment option (i.e. an investment option that is not the default or the Cash Account), it is important to also consider the fees and costs that apply at the level of the investment (e.g. the management costs and transactional and operational costs for the managed fund options), to fully understand the fees and costs that apply when investing in the chosen investment option through the Pension. Refer to the relevant product disclosure statement(s) available on our website for the fees and costs that relate to the specific financial product.

⁴ The buy-sell spread that applies to each managed fund investment option can change from time to time. To determine the buy-sell spread that applies to a specific managed fund investment option, refer to the "Buy-sell spreads" section in Additional explanation of fees and costs (below).

⁵ The indirect cost ratio for the default investment option is an estimate which includes estimated transactional and operational costs. Refer to the Additional explanation of fees and costs below for further information.

Example of annual fees and costs

The table below gives an example of how the fees and costs for the Bendigo Balanced Index Fund investment option can affect your pension investment over a one year period. You should use this table to compare this pension product with other pension products.

Example: Bendigo Balanced Index Fund		Balance of \$50,000
Investment fees	Nil	For every \$50,000 you have invested in the pension product you will be charged \$0 each year.
PLUS Administration fees	A fixed dollar fee of \$98 + percentage based fee of 0.20% p.a.	And , you will be charged a fixed dollar fee of \$98 regardless of your balance plus a percentage based fee of \$100 for every \$50,000 you have invested.
PLUS Indirect costs for the pension product	Nil at Pension level**	And, indirect costs of \$0 each year will be deducted from your investment.
EQUALS Cost of product		If your balance was \$50,000, then for that year you will be charged fees of \$198 for the pension product.*

* Additional fees may apply. **And**, if you leave the super entity, you may be charged a **buy-sell spread** which also applies whenever you make a contribution, exit, rollover or investment switch. The **buy-sell spread** for exiting is **0.10% at Pension level***** (this will equal to **\$50** for every \$50,000 you withdraw).

** While there is no indirect cost ratio that is applied at the Pension level, where you choose a specific financial product that is available as an investment option (i.e. an investment option that is not the default or the Cash Account), it is important to also consider the fees and costs that apply at the level of the investment (e.g. the management costs and transactional and operational costs for the managed fund options), to fully understand the fees and costs that apply when investing in the chosen investment option through the Pension. Refer to the relevant product disclosure statement available on our website for the fees and costs that relate to the specific financial product.

*** To determine the buy-sell spread that applies to a specific managed fund investment option, refer to the "Buy-sell spreads" section in Additional explanation of fees and costs (below).

Sandhurst may make a payment from its own resources to an authorised distributor if your membership was arranged through them. Authorised distributors may include a Bendigo **Community Bank**[®] branch, joint venture or franchise Bank branch or any other related or non-related entity of Sandhurst or the Bank. Amounts are paid by Sandhurst and not by you. However, to the extent that any or all of these arrangements are prohibited by law, including the Future of Financial Advice reforms, Sandhurst will not make these payments.

Additional explanation of fees and costs

Defined fees

Activity fees

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

- (a) the fee relates to costs incurred by the trustee of the super 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 an administration fee, an investment fee, a buy-sell spread, a switching fee, an advice fee or an insurance fee.

Family Law fees

Family Law Fees may also apply where you request us to process family law related requests under the provisions of the Family Law Act 1975. For payment splitting there is a charge of \$100, with \$50 being debited from both the member spouse and non-member spouse at the time of the payment split. If the non-member spouse is entitled to the whole amount of the payment split then the \$100 will be debited from the non-member spouse's entitlement.

There is no charge on an application for information.

Administration fees

An **administration fee** is a fee that relates to the administration or operation of the super entity and includes costs that relate to that administration or operation, other than:

- (a) borrowing costs; and
- (b) indirect costs that are not paid out of the super 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, buy-sell spread, a switching fee, an activity fee, and advice fee or an insurance fee.

Advice fee

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

- (a) the fee relates directly to costs incurred by the trustee of the super 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 an administration fee, an investment fee, a switching fee, an activity fee or an insurance fee.

Member Advice Fee

Warning: If you consult a financial adviser additional fees may be payable to them. Please refer to the Statement of Advice your financial adviser provides you for the details of any agreed fees which may be deducted from your account.

A fee that you incur for engaging an adviser ('Member Advice Fee') will be an advice fee. You can negotiate a one-off and/or an ongoing Member Advice Fee with your financial adviser, for advice in relation to your investment in the Pension.

- **Member Advice Fee – One-Off:** This fee is deducted from your Cash Account and paid to your financial adviser for one-off financial advice and services provided in relation to your pension account. You can agree with your financial adviser on the amount of this fee which can be up to \$10,000 (inclusive of GST) per request. A new request must be supplied each time you wish this fee to be applied. If there is insufficient funds in your account to cover this fee, the fee will not be paid to your financial adviser until such time as your account has sufficient balance to meet this payment.
- **Member Advice Fee – Ongoing:** This fee is paid to your financial adviser for ongoing financial advice and services provided to you in relation to your pension account. You can agree with your financial adviser on the amount of this fee which can be:
 - up to a maximum of 2.2% p.a. (inclusive of GST) of your account balance (calculated daily); or
 - up to a maximum of \$10,000 p.a. (inclusive of GST).

The amount of this fee is accrued daily and is deducted from your Cash Account at the end of each month. For example, on an average monthly balance (over 12 months) of \$50,000, we would pay your financial adviser up to a maximum of \$1,100 p.a. (based on a Member Advice Fee – Ongoing of 2.2% p.a.) (inclusive of GST).

Any Member Advice Fee you have agreed to pay must be set out on your Application Form, or advised to us in writing by you or by your financial adviser with your signed acknowledgement. Any Member Advice Fee(s) will be deducted from your account and paid in full to the financial adviser via his/her dealer group, until you instruct us to cease payment, you change your nominated financial adviser or when you no longer have a financial adviser including after we are notified of your death.

Buy-sell spreads

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

The buy-sell spread applied for each managed fund investment option in the Pension is the same as the buy-sell spread for the underlying managed fund and is based on an estimate of costs, and may change in the future. The buy-sell spread of a managed fund investment option is generally the difference between their entry (buy) and exit (sell) unit prices. This difference is an amount to recover the transaction costs (such as brokerage) of buying and selling the underlying securities/assets incurred by the fund manager of the particular managed fund.

The buy-sell spread is incurred when you purchase or redeem units in a managed investment fund option, by applying the buy price or sell price (as applicable) at the time of the transaction.

The buy-sell spread for each managed fund investment option offered through the Pension are as follows:

Investment Option Name	Buy Spread	Sell Spread
Cash Account	Nil	Nil
Sandhurst Strategic Income Fund – Class B	0.00%	0.10%
Bendigo Defensive Wholesale Fund	0.12%	0.12%
Bendigo Conservative Wholesale Fund	0.15%	0.15%
Bendigo Balanced Wholesale Fund	0.17%	0.17%
Bendigo Growth Wholesale Fund	0.20%	0.20%
Bendigo Socially Responsible Growth Fund	0.25%	0.25%
Bendigo High Growth Wholesale Fund	0.23%	0.23%
Bendigo Defensive Index Fund	0.09%	0.09%
Bendigo Conservative Index Fund*	0.10%	0.10%
Bendigo Balanced Index Fund*	0.10%	0.10%
Bendigo Growth Index Fund*	0.10%	0.10%
Bendigo High Growth Index Fund	0.10%	0.10%

As an example of how the buy-sell spread operates, if you invest (buy) \$50,000 in the Bendigo Conservative Index Fund, the cost to you would be \$50.

Sandhurst often buys and sells units in a managed fund investment option on the same day. We intend to deal as a net buyer or net seller of units on any given day. As a result, no transaction may need to be made at all to give effect to your investment instructions. However, you will still receive the prevailing sell or buy price applied to your particular investment transaction. Any benefit that may arise from the netting of transactions will be credited to a reserve of the Plan.

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 super entity.

Indirect cost ratio

The **indirect cost ratio (ICR)** for a MySuper product or an investment option offered by a super 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 super entity attributed to the MySuper product or investment option.

Note: A fee deducted from a member's account or paid out of the super entity is not an indirect cost.

In relation to the default investment option, where you do not actively choose a specific financial product to invest in the ICR for the investment option reflects the indirect costs that reduces the return on that investment option (and reflects the indirect costs incurred by the underlying managed fund).

The ICR for the Bendigo Conservative Index Fund based on the estimated past financial year's indirect costs is 0.436% p.a.

In relation to the investment options where you choose to invest in specific financial products (i.e. an investment option that is not the default or the Cash Account), there are no costs incurred at the Pension level that would reduce your return on that investment. All of the costs that would reduce your return are incurred at the investment level and reduce the return at the investment level.

It is important to also consider the fees and costs that apply at the level of the investment (e.g. the management costs and transactional and operational costs for the managed funds), to fully understand the fees and costs that apply when investing in the chosen investment option through the Pension. Refer to the relevant disclosure document(s) available on our website for the fees and costs that relate to the specific financial product (i.e. an investment option that is not the default or the Cash Account).

The below example shows the cumulative effect of costs at the Pension level and the investment level of investing \$50,000 in the Bendigo Balanced Index Fund.

Example: Bendigo Balanced Index Fund		Balance of \$50,000
Investment fees	Nil	For every \$50,000 you have invested in the pension product you will be charged \$0 each year.
PLUS Administration fees (charged at the Pension level)	A fixed dollar fee of \$98 + percentage based fee of 0.20% p.a.	And , you will be charged \$98 in administration fees regardless of your balance plus a percentage based fee of \$100 for every \$50,000 you have invested.
PLUS management costs and transactional and operational costs of the selected investment	0.454% p.a.	And , management costs and transactional and operational costs of the selected investment of \$227 each year will be deducted from your investment.
EQUALS Cost of investing		If your balance was \$50,000, then for that year you will be charged fees of \$425 for investing in the selected investment option via the pension product.

Transactional and operational costs

The Pension may incur transactional and operational costs as a result of holding units in the managed fund that makes up the default. These costs are incurred when the managed fund acquires and disposes of certain fund assets. These costs may include clearing costs, brokerage, stamp duty and buy-sell spreads charged by the underlying investment managers to the responsible entity of this managed fund. These costs are paid for by the relevant managed fund when they are incurred. However, some of these costs are recovered by charging a buy-sell spread, which is reflected in the buy-sell spreads applicable to the relevant managed fund investment option (see above). The estimated net transactional and operational costs are a reflection of the estimated unrecovered transactional and operational costs that may be incurred by and impact on investment performance of the relevant managed fund and are reflected in its unit price.

The estimated transactional and operational costs for the relevant managed fund that makes up the default option (i.e. the Bendigo Conservative Index Fund) based on the past financial year are:

	Total estimated transactional and operational costs	Minus buy/sell spread recovery	Equals estimated net transactional and operational costs
Bendigo Conservative Index Fund	0.064% p.a.	0.029% p.a.	0.035% p.a.

These costs may vary depending on the level of fund transactions.

Investment fees

An investment fee is a fee that relates to the investment of the assets of a super 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 that relate to the investment of assets of the entity, other than:
 - (i) borrowing costs; and
 - (ii) indirect costs that are not paid out of the super 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.

Switching fees

A switching fee for a super 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 super entity from one investment option or product in the entity to another.

Other costs and expenses

The Trust Deed provides that certain costs and expenses of operating the Plan may be deducted from an Expense Reserve Account that does not belong to any individual member (i.e. unallocated revenue). As these costs, and the income they are funded from, do not form part of your account balance, they do not impact on your return but are in addition to the fees and costs set out in the table above.

When your Cash Account has a negative balance

If your Cash Account goes into a negative balance, interest will be charged at the daily rate applicable to the Cash Account for the period that your Cash Account has a negative balance.

Transactions including switches, partial withdrawals and other payments (including fees and pension payments) may result in your Cash Account balance temporarily going into negative until such time as your balance is restored. For further information on the Cash Account please refer to 'Your Cash Account' in the 'How we invest your money' section.

Taxation

Any available tax deductions will be passed onto your pension account.

For general tax information relating to your pension account refer to the 'Taxation' section of this PDS.

Changes to fees

Sandhurst may change the fees and costs at any time without your consent. You will be given at least 30 days' notice of any increase in fees (unless the increase is a result of an increase in costs to the Pension).

Taxation

This is only a brief summary of the general tax issues you need to consider in relation to the Pension.

It is based on taxation laws, and the way they are interpreted, as at the date of this PDS, and assumes you have provided us with your tax file number. Please note, the information in this section of the PDS assumes that no part of your benefit includes an element untaxed in the Pension. If it does, then a higher rate of tax would apply. We recommend you seek:

- tax advice based on an understanding of your own personal situation from a qualified tax adviser; and
- information from the ATO in respect of tax matters.

Pension payments

When you commence a pension, the amount you invest may be divided between two components:

- tax-free; and
- taxable.

How any pension payments and lump sums are taxed will depend on your age and how the amount you initially invest is divided between these two components. The tax-free component of any benefit paid from a pension will be in the same proportion as the percentage of the initial investment that is tax-free. No tax is payable on rollovers to another super fund.

Prior to age 60

Pension payments from your pension account will be split between the tax-free and taxable components as described above.

Prior to age 60 the taxable component of any pension payment will be taxed at your marginal tax rate, plus the Medicare levy. Generally you can claim a 15% tax offset on this part of the payment, provided you have reached your Preservation Age.

Sandhurst will deduct PAYG withholding tax from each pension payment and send you a PAYG Payment Summary each financial year.

Further information is available from the ATO. We strongly recommend that you seek advice from a professional tax adviser on these matters.

Age 60 or over

Pension payments or lump sum withdrawals (where eligible to be made) you receive after you turn 60 are tax-free. You do not need to include them in your taxable income.

Tax of investment earnings

The investment earnings in a Standard Pension account are not taxed.

The investment earnings in a TTR Pension account are subject to tax of up to 15%. Lower rates of tax may apply as a result of capital gains tax discounts and tax credits, including dividend imputation and foreign tax credits.

Tax of benefits paid to you as a lump sum

If you make a lump sum withdrawal and do not roll it over or transfer it to another complying super or pension fund, then this amount will be treated as a Super Lump Sum Payment. How your lump sum payment is taxed will depend on its components and your age. Any lump sum withdrawals you make may also affect your social security entitlements.

Component	Tax treatment
Tax-free	Nil
Taxable	Under Preservation Age Taxed at 20% (plus Medicare levy)
	Between Preservation Age and 59 Tax-free up to your low-rate cap* and the balance is taxed at 15% (plus Medicare levy)
	Age 60 or over Tax-free

* The low-rate cap is a lifetime cap up to which a member can be taxed on the taxable component of a lump sum benefit at a lower (including nil) rate of tax. The low rate cap amount is reduced by any amount previously applied to the low rate cap. The low-rate cap is indexed each financial year to the Average Weekly Ordinary Time Earnings (AWOTE) in \$5,000 amounts. The low-rate cap is \$210,000 (for the 2019/2020 financial year).

Tax of death benefits

The ways in which a death benefit may be paid under your pension account are set out below.

Paid as a Lump Sum

A lump sum benefit can be paid to a tax dependant or a non-tax dependant:

Tax dependants

Currently your dependants for tax purposes are:

- a spouse (legally married, de facto or former spouse)
- a child under the age of 18 years
- a person in an "interdependency relationship" with the member on the date of death
- any other person who is wholly or partially financially dependent on you at the time of your death.

If the lump sum benefit is paid to a tax dependant, it will be tax-free.

Non-tax dependants

If the benefit is not paid to a tax dependant, then the benefit will be divided up into two components and taxed as follows:

- Tax-free component – paid tax-free; and
- Taxable component – the taxable component is taxed at 15% plus Medicare levy.

Paid as a pension

If a death benefit is payable as a pension, including as a reversionary pension to an eligible pension beneficiary and:

- you are aged 60 or over when you die, then the income stream paid to the beneficiary will be tax-free (regardless of the age of the beneficiary); or
- you are under 60 when you die and:
 - the beneficiary is 60 or older, then the income stream will be tax-free
 - the beneficiary is less than age 60, then the tax-free component is tax free, and the taxable component must be included in their tax return and will be taxed at their marginal tax rate. A 15% tax offset will apply to this taxable portion of the payment.

Further information is available from the ATO. We strongly recommend that you seek advice from a professional tax adviser on these matters.

Excess transfer balance tax

If you exceed your transfer balance cap you will be liable to pay excess transfer balance tax on earnings from the excess amount for the period you exceeded the cap. The rate of the excess transfer balance tax is 15% for the first time you exceed the cap and then 30% for second and subsequent breaches. The tax is applied to a notional earning rate on the excess amount rather than the actual earnings.

Surcharge on previous contributions

The Superannuation Contributions Surcharge was abolished with effect from 1 July 2005. However, the ATO may assess a liability to super surcharge on contributions made on your behalf before 1 July 2005, and before the commencement of your pension.

Providing your tax file number (TFN)

The Plan, under the Superannuation Industry (Supervision) Act 1993, is authorised to seek your TFN which will only be used for lawful purposes such as administering your account and identifying you. These purposes may change in the future as a result of legislative change. The TFN may be disclosed to another super provider, when your benefits are being transferred, unless you request in writing that your TFN is not to be disclosed to any other trustee.

It is not an offence to not quote your TFN. However, if you do not quote your TFN when you join the Pension, there may be adverse consequences (e.g. the Pension will be unable to accept your personal contributions (if any), the tax on super benefits may be higher etc.).

However if you are under 60 years of age, when you join the Pension and, you wish to provide your TFN you will need to complete a Tax File Number Declaration Form and return it with your Application Form.

Additional information

Cooling-off

If you change your mind, you may write to us and request cancellation of your application. The request must be received within 14 days from the earlier of:

- the time you receive written confirmation of the opening of your account, and
- five days after the opening of your account.

The amount refunded will be adjusted to take account of any increases or decreases in the value of the investments you may have selected, any tax payable and any reasonable administration expenses. Please note, you cannot exercise your cooling-off rights if you make any transaction on your account during the cooling-off period.

Complaints resolution

If you have a complaint about the operation or management of the Pension, you should call 1800 033 426, email: superannuation@bendigobank.com.au or write to:

Superannuation Enquiries Officer
Bendigo SmartStart Pension
GPO Box 264
Melbourne VIC 3001

All complaints will be handled in a courteous and confidential manner and will be properly considered and dealt with within the time required under super law. Once we have investigated your complaint, you will receive a written reply explaining our decision.

If you are not satisfied with this decision, or the complaint is not dealt with within 90 days, you may contact the Australian Financial Complaints Authority ('AFCA') on 1800 931 678, email: info@afca.org.au or via web: www.afca.org.au.

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