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1: About Us

Australian Catholic Superannuation is a public offer fund. As an industry fund, we exist solely for the benefit of our members. The benefits of investing with Australian Catholic Superannuation are explained in Section 3.

We offer a superannuation plan to save for your retirement and an account based pension plan for retirement or transitioning to retirement. Our pension plan contains two different pension options. For details, refer to the Retirement Product Disclosure Statement.

Our superannuation plan offers a MySuper product, named LifetimeOne, which is designed to automatically adjust your investment mix based on your age. This is a value for money investment option for members who do not want to make decisions about their superannuation. It includes Death, Total and Permanent Disability, and Income Protection insurance on an opt-out basis.

For those of you who do want to make your own choices, we offer another 13 investment options (see section 5) and a range of insurance options (see section 8).

Disclosure


2: How Super Works

Superannuation is a way of saving for retirement. We invest your contributions and the earnings (whether positive or negative) to your account. When you retire, you can take your account balance as a lump sum or you can convert it into an income stream also known as an account based pension.

Contributions

Superannuation is compulsory if you are earning more than $450 a month. Your employer is required to contribute at least 9.5% of your salary to super (Superannuation Guarantee). Most employees can choose the superannuation entity their employer pays Superannuation Guarantee contributions to.

You can also make other types of contributions, including salary sacrifice contributions (from your pre-tax salary) and voluntary contributions (from your after-tax salary). If you qualify (income limits and other conditions apply), the government will match your after-tax contributions of up to $1,000 with an additional co-contribution of up to $500.

There are limits to the amounts you or your employer can contribute to super. If you exceed these limits (called contribution caps), your contributions may be subject to additional tax. There are also age based limits on when you can contribute to super.

Go to the Contributions fact sheet

1. You should read the important information about contribution caps and age limits before making a decision. Go to the Contributions fact sheet located in the Forms and Downloads section of www.catholicsuper.com.au/factsheets.

2. The material relating to contributions may change between the time when you read this Statement and the day when you acquire the product.

If we are unable to allocate any contributions to your account, we will place the money in a trust account until we can either allocate or return the contribution. No interest is payable on money in the trust account.

Tax Concessions

The government provides tax concessions to encourage you to save for retirement through super. These concessions are summarised in Section 7 of this PDS.
Taking Your Super
As super is meant for retirement, there are restrictions on when you can take your super.

Go to the Conditions of Release fact sheet
1. You should read the important information about when you can access your super before making a decision. Go to the Conditions of Release fact sheet located in the Forms and Downloads section of www.catholicsuper.com.au/factsheets.
2. The material relating to accessing your super may change between the time when you read this Statement and the day when you acquire the product.

3: Benefits of Investing with Australian Catholic Superannuation
Membership of the Fund provides a range of benefits, including:
• Fees and costs limited to what it costs to manage the Fund and the members’ investments;
• All profits are returned to members or used for the benefit of members;
• Flexible and cost-effective insurance cover;
• Password-protected member online access;
• Account based pensions for members in retirement or transitioning to retirement;
• Two appointment-based advice services:
  – Over-the-phone advice on four specific super or pension topics;
  – Face-to-face extended advice (advice services are provided through an arrangement with Industry Fund Services, AFSL 232514);
• Call Centre open Monday to Saturday;
• Regular seminars and workplace presentations on super and retirement issues; and
• Regular communications, such as annual statements, newsletters, email and website updates.

4: Risks of Super
All investments carry risk. Different investments have different levels of risk, depending on the assets that make up a particular investment. Your Australian Catholic Superannuation account is invested in a range of assets such as shares, property, fixed interest and cash. Each option contains a different combination of assets. The risk you face depends on your investment option. Generally assets with the highest long-term returns have the highest level of short-term risk. For example, shares are expected to have higher long-term returns than cash, but they are more likely to have a negative return in any one year.

The risks you face when investing in superannuation include:
• The value of your investment will vary– it could go up or down;
• Your investment return will vary from year to year and future returns could differ from past returns;
• Returns are not guaranteed;
• Your final account balance, including your contributions and investment returns, may not be enough to provide adequately for your retirement;
• Some investments (such as property) are illiquid and you may not be able to redeem your investment quickly; and
• Superannuation laws could change in the future.

The amount of risk you take is your decision. It will depend on a number of factors, including your age, how long you will be invested in superannuation, any other investments you have outside super and your ability to tolerate investment losses or fluctuations in investment returns.

5: How we Invest Your Money
Australian Catholic Superannuation offers 14 investment options including a MySuper product called LifetimeOne.

When choosing a MySuper product or an investment option, you need to consider the likely investment return, the risk and your investment time frame.

If you are an employer-sponsored member and do not make an investment choice, you will be placed into the MySuper option, LifetimeOne. Personal members (i.e. members who are not enrolled into the Fund by their employer) must make a choice.
The following table provides an overview of the MySuper option, LifetimeOne.

<table>
<thead>
<tr>
<th>Asset Classes</th>
<th>Age 40</th>
<th>Age 50</th>
<th>Age 60</th>
<th>Age 70</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Normal (%)</td>
<td>Ranges (%)</td>
<td>Normal (%)</td>
<td>Ranges (%)</td>
</tr>
<tr>
<td>Australian Shares</td>
<td>36%</td>
<td>20-50%</td>
<td>29%</td>
<td>20-50%</td>
</tr>
<tr>
<td>International Shares</td>
<td>36%</td>
<td>20-50%</td>
<td>29%</td>
<td>20-50%</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>11%</td>
<td>0-20%</td>
<td>11%</td>
<td>0-20%</td>
</tr>
<tr>
<td>Property</td>
<td>11%</td>
<td>0-20%</td>
<td>11%</td>
<td>0-20%</td>
</tr>
<tr>
<td>Alternatives</td>
<td>0%</td>
<td>0-20%</td>
<td>11%</td>
<td>0-20%</td>
</tr>
<tr>
<td>Private Capital</td>
<td>6%</td>
<td>0-20%</td>
<td>4%</td>
<td>0-10%</td>
</tr>
<tr>
<td>Bonds</td>
<td>0%</td>
<td>0-20%</td>
<td>2.5%</td>
<td>0-20%</td>
</tr>
<tr>
<td>Credit Income</td>
<td>0%</td>
<td>0-20%</td>
<td>2.5%</td>
<td>0-20%</td>
</tr>
<tr>
<td>Cash &amp; Term Deposits</td>
<td>0%</td>
<td>0-30%</td>
<td>0%</td>
<td>0-30%</td>
</tr>
<tr>
<td></td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Asset Allocation</td>
<td>Growth</td>
<td>Defensive</td>
<td>Growth</td>
<td>Defensive</td>
</tr>
<tr>
<td></td>
<td>89%</td>
<td>11%</td>
<td>74.3%</td>
<td>25.7%</td>
</tr>
<tr>
<td>Investment Return</td>
<td>To target a net return of at least 4.0% p.a. above CPI*, over rolling 10 year periods</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Objective</td>
<td>To target a net return of at least 3.5% p.a. above CPI*, over rolling 10 year periods</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>To target a net return of at least 3.0% p.a. above CPI*, over rolling 10 year periods</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>To target a net return of at least 2.0% p.a. above CPI*, over rolling 10 year periods</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Risk/estimated Negative Annual Returns Over a 20 Year Period</td>
<td>High / 4 to less than 6</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>High / 4 to less than 6</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Medium to High / 3 to less than 4</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Medium / 2 to less than 3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Suggested Minimum Timeframe</td>
<td>7 + years</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>7 + years</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4 + years</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3-5 years</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*CPI – Consumer Price Index
** The PDS outlines the asset classes, asset allocations, growth/defensive split, investment return objective, risk measure and suggested time horizon for a 40, 50, 60 and 70 year old. Please refer to Your Investment Options fact sheet for this information for each of the 31 stages, based on your specific age.

### Investment Switching

**LifetimeOne**

From age 41 to age 70, your asset mix will change automatically and the switch will be processed at unit prices that are set after your birthday.

**Making An Investment Switch**

You can make an investment switch over the phone, through the online portal or by completing an Investment Switch Super form (available from our website).

Visit catholicsuper.com.au/investments to learn more about how to change your investment options, and the terms around making a switch.
6: Fees and Costs

DID YOU KNOW?

- Small differences in both investment performance, fees and costs can have a substantial impact on your long-term returns.
- For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from $100,000 to $80,000).
- You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.
- You or your employer, as applicable may be able to negotiate to pay lower fees. Ask the fund or your financial adviser.

TO FIND OUT MORE

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

We are required by law to make this statement. We charge only what is needed to operate the Fund and therefore we do not negotiate fees and costs.

Fees And Other Costs For The MySuper LifetimeOne Option

This document shows fees and other costs that you may be charged. These fees and other costs may be deducted from your account, from the returns on your investment or from the assets of the superannuation entity as a whole. Other fees, such as activity fees and advice fees for personal advice, and insurance fees, may also be charged, but these will depend on the nature of the activity, advice or insurance chosen by you.

You should read all the information in the Fees and Costs fact sheet because it is important to understand their impact on your investment.

<table>
<thead>
<tr>
<th>Type of fee / cost</th>
<th>Amount</th>
<th>How and when paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration Fee</td>
<td>$1.50 per week plus 0.25% pa of your account balance (capped at $2,000)</td>
<td>The $1.50 is deducted from your account at the end of each month and the 0.25% is deducted from fund assets before unit prices are determined.</td>
</tr>
<tr>
<td>Investment Fee*</td>
<td>0.43%</td>
<td>Deducted from fund assets before unit prices are determined</td>
</tr>
<tr>
<td>Buy-Sell Spread</td>
<td>Nil</td>
<td></td>
</tr>
<tr>
<td>Switching Fee</td>
<td>Nil</td>
<td></td>
</tr>
<tr>
<td>Advice Fees relating to all members investing in a particular MySuper product or investment option</td>
<td>Nil</td>
<td></td>
</tr>
<tr>
<td>Other fees and costs</td>
<td>Refer to the Other fees and costs section</td>
<td></td>
</tr>
<tr>
<td>Indirect cost ratio*</td>
<td>0.30% - 0.37%</td>
<td>The indirect cost ratio is incurred within the underlying investment and reduced from the investment returns before they are applied to your account.</td>
</tr>
</tbody>
</table>
Example of Annual Fees And Costs

This table gives an example of how the fees and costs for LifetimeOne 60 for this superannuation product can affect your superannuation investment over a 1 year period. You should use this table to compare this superannuation product with other superannuation products.

<table>
<thead>
<tr>
<th>LifetimeOne 60 Example</th>
<th>Balance of $50,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment fees</td>
<td>0.43%</td>
</tr>
<tr>
<td></td>
<td>For every $50,000 you have in the superannuation product you will be charged $215 each year</td>
</tr>
<tr>
<td>PLUS Administration fees(^2)</td>
<td>$78 ($1.50 per week) plus 0.25% of your account balance</td>
</tr>
<tr>
<td></td>
<td>And, you will be charged $78 each year in administration fees regardless of your balance plus $125 for every $50,000 you have in the superannuation product</td>
</tr>
<tr>
<td>PLUS Indirect costs(^4) for the superannuation product</td>
<td>0.37%</td>
</tr>
<tr>
<td></td>
<td>And, annual indirect costs of $185 each year will be incurred within the underlying investment and reduced from the investment returns before they are applied to your account, for every $50,000 you have in the superannuation product</td>
</tr>
<tr>
<td>EQUALS Cost of product</td>
<td>If your balance was $50,000, then for that year you will be charged fees of $603 for the superannuation product</td>
</tr>
</tbody>
</table>

Note: Additional fees may apply.

1 Fees and costs are rebated for low balance accounts in accordance with legal requirements.
2 The maximum asset-based administration fee (0.25%) you will be charged in a financial year is $2,000. This amount is prorated if the account is held for part of the financial year. If you have more than one account, the asset based fee cap applies to each individual account and is not aggregated across multiple accounts.
3 The fees estimate includes performance-related fees calculated on the basis that all managers met or exceeded their return targets. It is possible that actual fees paid could be lower than the estimated fee in the event that performance targets are not met.
4 The indirect cost ratio for the different stages of the LifetimeOne investment option varies depending on the applicable asset allocation for each of the 31 stages of the option. Please refer to the Fees and Costs fact sheet.

Other Fees And Costs

Go to the Fees and Costs fact sheet

1. You should read the important information about fee definitions, other fees and costs, the fees and costs applying to other investment options and the additional explanation of fees and costs before making a decision. Go to the Fees and Costs fact sheet located in the Forms and Downloads section of www.catholicsuper.com.au/factsheets.
2. The material relating to fees and costs may change between the time when you read this Statement and the day when you acquire this product. The calculator at www.moneysmart.gov.au can be used to calculate the effect of fees and costs on your account balance.

Fee Changes

The Trustee can change the fees and costs without your consent. If there is to be an increase in fees, we will notify you at least 30 days in advance.

*Financial Advice Fees

Australian Catholic Superannuation has an arrangement with Industry Fund Services (ABN 54 007 061 195, AFSL 232514) to provide financial planning services on a fee-for-service basis. The cost will be outlined in a Statement of Advice provided by your planner. The cost of limited over the phone financial advice is included in the administration fee.

7: How Super is Taxed

We pay any tax applying to your account directly to the Australian Taxation Office.

When Money Is Paid Into Your Account

The following applies, provided you don’t exceed the contribution caps mentioned in section 2. If you do exceed the caps, additional tax may apply.

Contributions by your employer (including salary sacrifice) and personal contributions for which you intend to claim a tax deduction are generally taxed at 15%. Higher income earners will be liable for additional tax. The benefit of any tax deduction for Income Protection insurance costs and dollar-based administration fees ($1.50 per week) is passed on to members in the form of a reduction in the contributions tax you pay. The tax is deducted from your account balance.

Contributions from your after-tax salary are not taxed.
Investment Earnings

Earnings are taxed at a maximum of 15%. Tax is deducted before the earnings are paid into your account.

When You Withdraw Money From Your Australian Catholic Superannuation Account

If you have a tax-free component, no further tax is charged on that component. Otherwise the tax depends on your age:

• 60 or over – no tax is payable
• Preservation age to age 59 – the first $210,000 is not taxed, the remainder is taxed at 15% plus the Medicare levy. This is a lifetime threshold across all superannuation funds.
• Under your preservation age – taxed at 20% plus the Medicare levy

Note: A different tax treatment applies if your benefit contains an insured amount. In some cases, a higher rate of tax may apply. If you are a temporary resident and you take your super when you leave Australia, your benefit will be taxed up to 65%. We will deduct any tax from your withdrawal benefit.

Terminal Illness

There is no tax on benefits paid as a result of a terminal medical condition.

Death Benefits

If the benefit is paid to a dependant (generally your spouse or someone financially dependent on you), no tax is payable. If it is paid to a non-dependant (e.g. a financially independent adult child), the taxable component is taxed at 15% plus the Medicare levy. A higher rate of tax may apply if the benefit contains an insured component. We will generally deduct any tax from your death benefit.

Tax File Numbers

It is in your interest to provide us with your Tax File Number (TFN). If you do not provide it you may be charged extra tax and we may be unable to accept some types of contributions.

Go to the Tax and Superannuation fact sheet

1. You should read the important information about tax before making a decision. Go to the Tax and Superannuation fact sheet located in the Forms and Downloads section of www.catholicsuper.com.au/factsheets.
2. The material relating to tax may change between the time when you read this Statement and the day when you acquire the product.

8: Insurance in Your Super

Australian Catholic Superannuation provides Death cover (including Terminal Illness cover), Total and Permanent Disablement (TPD) cover and Income Protection Insurance (IP) cover. There are costs associated with insurance cover. Premiums are calculated taking into account factors such as the type and level of cover and your age and are deducted from your account balance.

Automatic Cover

Subject to eligibility requirements, employer sponsored members generally receive the following cover automatically:

• 1 unit of Death/TPD cover for members that join below age 25, costing $1.29 per week. The value ranges from $108,200 at or below age 20 to $105,300 at age 24. This will increase automatically to 3 units of Death and TPD on your 25th birthday.
• 3 units of Death/TPD cover from age 25, costing $3.87 per week. The value ranges from $315,900 at age 25 to $10,200 at age 69.
• 1 unit of Income Protection (IP) cover. Each unit provides a benefit of up to 85% of a salary of up to $15,000–with 75/85ths paid to you and 10/85ths paid to your super account. The benefit is payable for up to 2 years. The annual cost per unit ranges from $15.06 at age 21 or less to a maximum of $230.97 at age 61. If you or your employer provides us with your salary when you join, we will give you sufficient units to cover your salary (subject to a maximum cover limit). The premium depends on the number of units you have and your age.
• Automatic cover on joining is generally provided as Limited Cover for Death, TPD and IP for 12 months. Generally, this means you are only covered for injuries that occur or illnesses where the symptoms first become reasonably apparent on or after the date your cover commences.

Personal members (i.e. members not enrolled by an employer sponsor) will generally automatically receive 1 unit of Death/TPD cover, costing $1.29 per week. The value ranges from $108,200 at or below age 20 to $3,400 at age 69. (Conditions apply, please refer to the Insurance fact sheet.)

Automatic cover is provided on an opt-out basis. If you do not opt out, premiums will be deducted from your account balance. You can cancel your cover by advising the Fund in writing or requesting this over the phone.
Changing Your Cover
We offer a range of insurance options including higher levels of cover, fixed dollar cover, different benefit payment periods and different waiting periods for Income Protection. You can apply to change your cover at any time by completing the relevant insurance application form available from our website or over the phone. If you are applying to increase your cover, your application will generally be subject to underwriting i.e. you will need to provide health and other information to the insurer. The insurer can accept or reject your application or apply exclusions or premium loadings.

Important Information:
Terms and conditions apply to our insurance cover, including eligibility rules, start and end of cover rules, cancellation rules and exclusions. Insurance cover may also cease if your account is inactive for 16 months or more in accordance with legal requirements. See Insurance fact sheet for details. These may affect your entitlement to insurance, so it is important you read the important information outlined below before deciding whether the insurance is appropriate.

Go to the Insurance fact sheet
1. You should read the important information about the insurance terms and conditions before making a decision. Go to the Insurance fact sheet located in the Forms and Downloads section of www.catholicsuper.com.au/factsheets.
2. The material relating to the insurance terms and conditions may change between the time when you read this Statement and the day when you acquire the product.

9: How to Open an Account

Employer-Sponsored Members
We will automatically set up an account for you if your employer enrols you in the Fund. You can provide us with your personal details and make an investment choice by completing the Membership application: Employer-Sponsored & Personal Plans that accompanies this PDS and is also available on our website.

Personal Members
If you are not enrolled into the Fund by your employer, you must complete the Membership application: Employer-Sponsored & Personal Plans that accompanies this PDS and is also available on our website.

Changing Your Mind
If you join as a Personal member, you can cancel your membership within 14 days of the earlier of the day you receive confirmation of your investment or 5 days after you become a member. You cannot cancel your membership if you make any transactions on your account. As a rule, we cannot refund the money to you, but must transfer (rollover) your account to another fund you nominate. The amount transferred will be adjusted for changes in the unit price, tax, insurance premiums and a reasonable amount for transaction and administration costs.

If you are an employer-sponsored member, your employer has the right to cancel your membership within 14 days and have your contribution transferred to another fund (subject to the conditions above). If you wish to cease your membership at a later date, you can transfer (rollover) your account balance to another fund by completing an Application to withdraw benefits form (available from our website). Alternatively you can arrange a transfer electronically by going to the ATO website.

Making A Complaint
Most issues can be resolved by contacting the Member Services Manager on (02) 9715 0000 or 1300 658 776. If the matter is not satisfactorily resolved, you can make a complaint to: The Complaints Officer, Australian Catholic Superannuation and Retirement Fund PO Box 656 Burwood, NSW 1805. If you are not satisfied with the Trustee’s decision, or if the Trustee fails to make a decision, you can contact the Australian Financial Complaints Authority (AFCA) on 1800 931 678 or through www.afca.org.au.

Miscellaneous Information:
If you are a temporary resident and you do not claim your super within 6 months of leaving Australia (some exceptions apply), we must pay your benefit to the Australian Taxation Office (ATO). If we do not have your details, we will rely on the relief permitted by the ASIC and will not send you a notice of the transfer or an exit statement. You will be able to claim your benefit from the ATO.

Unclaimed Super Money and Inactive Low Balance Accounts
Legislation requires Australian Catholic Superannuation to transfer benefits to the Australian Taxation Office (ATO) when your money is classified as Unclaimed Super or as an Inactive Low Balance Account. Please contact the Fund for further information.