

Notes to your Annual statement

The *Notes to your Annual statement* and your accompanying *Annual Statement*, combined make up your statement.

Income account

The following contains further information relevant to your *Sunsuper for life Income account* as well as descriptions of some of the possible items that could appear in a statement. If you would like any information on the items which appear in your statement please contact us on **13 11 84**.

Product changes

We announced a variety of product and legislative changes in our *Product update 2016*.

The Product update included:

- Changes to the insurance we offer (*Sunsuper for life* members only)
- Investment changes
- Other important product and Government changes, including our new Retirement Bonus

These changes have been applied, where applicable, to the 1 July 2016 *Product Disclosure Statements (PDSs)*. The *PDSs* are available at:

- sunsuper.com.au/pds (*Sunsuper for life* members)
- your employer's Sunsuper microsite (*Sunsuper for life Corporate* and *Sunsuper for life Business* members)

Important information (*Sunsuper for life* members only):

Page 3 of the *Product update 2016* for *Sunsuper for life* members contained an extract of the TPD Assist definition that was to apply from 1 July 2016. In the course of finalising the insurance policy the wording of Part B of the TPD Assist definition changed between the time the *Product update* was sent to members and its introduction on 1 July 2016. Part B of the TPD Assist definition, applicable from 1 July 2016, is shown below. For a copy of the *Product update 2016*, visit sunsuper.com.au/productupdate2016

Part B1

Where you were Employed immediately prior to the Date of Disablement and solely by reason of an injury or sickness:

- a) you have been continuously unable to perform your occupational duties since the Date of Disablement and remain so at the Date of Lodgement solely due to the injury or sickness; and
- b) you are under the care of, and following the advice and treatment of a Medical Practitioner; and
- c) the insurer determines in its opinion that you, as at the Date of Lodgement, will be unable ever again to be gainfully employed in any occupation for which you are reasonably suited by education, training or experience.

The determination by the insurer under paragraph (c) is to be made after considering all relevant evidence which is reasonably available to the insurer as at the Date of Lodgement, including any education, training or experience acquired by you up to the Date of Lodgement.

Part B2

Where you were Employed immediately prior to the Date of Disablement and solely by reason of an injury or sickness:

- a) you have been continuously unable to perform your occupational duties since the Date of Disablement and remain so at the New Assessment Date solely due to the injury or sickness; and
- b) you are under the care of, and following the advice and treatment of a Medical Practitioner; and
- c) either:
 - (i) you have not been required by the insurer to participate in an Occupational Rehabilitation Program; or
 - (ii) you have been required by the insurer to participate in an Occupational Rehabilitation Program and are fully participating in the Occupational Rehabilitation Program to the satisfaction of the insurer*; and
- d) the insurer determines in its opinion that you, as at the New Assessment Date, will be unable ever again to be gainfully employed in any occupation for which you are reasonably suited by education, training or experience.

The determination by the insurer under paragraph (d) is to be made after considering all relevant evidence which is reasonably available to the insurer as at the relevant New Assessment Date, or subsequently given to the insurer and relevant to the assessment of you as at the relevant New Assessment Date, including any Occupational Rehabilitation Program and any education, training or experience acquired by you up to the relevant New Assessment Date; **or**

* Where you cease to participate in a required Occupational Rehabilitation Program on the advice of your treating Medical Practitioner, the insurer will consider whether it should vary the Occupational Rehabilitation Program or withdraw its requirement that you participate in the Occupational Rehabilitation Program and in doing so will consider any independent evidence in its consideration as well as any written documentation from your treating Medical Practitioner addressing the following:

- (i) outlining the reasons that you have been advised to cease participation in the Occupational Rehabilitation Program; and
- (ii) stipulating the duration of any required period of cessation and the anticipated timeframe for return to participation in the Occupational Rehabilitation Program; and
- (iii) whether any variations can be made to the Occupational Rehabilitation Program that would enable you to participate; and
- (iv) all medical information relied upon by the treating Medical Practitioner in forming their opinion.

In addition to what's noted above, we would also like to inform you of the following changes that apply to *Sunsuper for life, Business* and *Corporate* members:

Buy-sell spreads. From 1 July 2016 the Buy-sell spreads for all investment options are nil. The Buy-sell spreads for each investment option may vary from time to time to reflect the spreads charged by the relevant managers. Refer to the *Sunsuper for life investment guide* for more information.

Fee and cost disclosure. Due to upcoming legislative changes to how investment fees and costs must be calculated and disclosed, we will be updating our estimated investment fees and costs from when these changes become effective. The updated estimated fees and costs will be shown the next time we update our *PDSs* and *guides*. The current *PDS* and *guides* are available at sunsuper.com.au/pds

Returns to 30 June 2016

Option	Commencement Date	Since commencement (% p.a.)	1 year (%)	3 years (% p.a.)	5 years (% p.a.)	7 years (% p.a.)	10 years (% p.a.)
Growth	n/a	n/a	3.0%	10.0%	9.3%	9.7%	5.7%
Balanced	n/a	n/a	3.5%	9.7%	9.1%	9.6%	6.3%
Retirement	n/a	n/a	3.2%	7.6%	7.4%	7.7%	5.6%
Conservative	n/a	n/a	3.9%	6.5%	6.7%	7.3%	6.1%
Balanced - Index	01-Jul-10	9.7%	5.0%	10.4%	10.2%	n/a	n/a
Shares	01-Jul-10	9.3%	-1.0%	9.5%	8.8%	n/a	n/a
Australian Shares	n/a	n/a	2.2%	9.1%	8.3%	9.8%	6.2%
Australian Shares - Index	n/a	n/a	1.3%	8.8%	8.2%	9.5%	5.4%
International Shares (hedged)	n/a	n/a	-3.6%	10.5%	10.0%	12.1%	4.5%
International Shares (unhedged)	01-Jul-10	8.9%	-3.3%	10.7%	10.2%	n/a	n/a
International Shares - Index (hedged)	n/a	n/a	-1.0%	11.1%	11.4%	13.9%	6.4%
International Shares - Index (unhedged)	01-Jul-10	13.2%	1.4%	15.4%	15.4%	n/a	n/a
Emerging Markets Shares	01-Jul-10	1.7%	-10.9%	2.9%	2.1%	n/a	n/a
Property	09-Aug-07	3.9%	11.0%	11.9%	10.3%	11.5%	n/a
Australian Property - Index	n/a	n/a	24.4%	18.3%	17.9%	16.3%	3.3%
Fixed Interest	01-Jul-10	6.5%	4.2%	4.9%	5.9%	n/a	n/a
Fixed Interest - Index	n/a	n/a	10.6%	7.8%	7.8%	7.7%	7.8%
Cash	n/a	n/a	2.6%	3.0%	3.7%	4.0%	4.7%
Ethical, Environmental & Socially Responsible Investments	01-Jul-10	8.6%	0.6%	8.2%	8.5%	n/a	n/a
Capital Guaranteed	n/a	n/a	4.2%	4.3%	4.6%	4.5%	4.9%

Note: Past performance is not a reliable indication of future performance. Returns are after Investment fees. A super fund's investment performance typically varies over time. Because super is a long-term investment, five and ten-year figures smooth out short-term results – for example, in a given fund over a five year period, a growth option might have a negative return for one year but a positive return for the other four years, giving an overall result that is positive for the five years. The returns shown above are not necessarily the same as the return on investments held by individual members. The actual return received by individual members will depend on the timing of withdrawals and other transactions and the unit prices that applied on the dates those transactions took place.

Where an investment option has less than 10 years of performance data, the since commencement return (% p.a.) performance figure is reported. The since commencement return (% p.a.) performance figure is the actual return the option has achieved from commencement to 30 June 2016.

Your account at a glance

Your balance at 1 July 2015. This is the amount you had in your account at 1 July 2015. Had you left Sunsuper then, your withdrawal benefit would have been this amount less \$40, the exit fee.

Tax deducted from gross income payments. Income payments are subject to Pay As You Go (PAYG) tax for persons under 60 years. This means that income payments from your account whilst you are under 60 years are included in your assessable income for tax purposes and are taxed at your marginal tax rate (plus Medicare levy).

Tax deducted from gross lump sum withdrawals. Lump sum withdrawals are subject to Pay As You Go (PAYG) tax for persons under 60 years. This means that lump sum withdrawals from your account whilst you are under 60 years are included in your assessable income for tax purposes.

Your balance at 30 June 2016. This is the amount you had in your account at 30 June 2016. Had you left Sunsuper then, your withdrawal benefit would have been this amount less \$40, the exit fee. Your balance is calculated by multiplying the number of units you have in each investment option by the unit price for each option. As the unit prices are calculated on a daily basis, the value of your account may change daily. If you are leaving Sunsuper you should contact us to find out the value of your account at that time.

Fund investment returns to 30 June 2016

This section if included in your *Annual statement* shows the 1, 5 and 10 year return for the investment options you were invested in as at 30 June 2016. This is not necessarily the same as the return you received as the actual return received by an individual member will depend on the timing of transactions and the unit prices that applied on the dates those transactions took place.

Your Death benefit consists of your account balance at the time the benefit is paid.

Your income payments from 1 July 2016.

Shows how you have asked us to allocate payments from your account.

Your personal details

Beneficiaries (reversionary, binding or preferred). This lists the people you nominated to receive your Death benefit from your account when you die. If you made a:

- reversionary beneficiary nomination, you may amend or revoke a reversionary nomination at anytime. Your nomination is binding on the Trustee.
- binding beneficiary nomination, the Trustee has no discretion and is bound to pay your death benefit to your nominated beneficiary(s) provided the person(s) nominated is your dependant or legal personal representative, the proportion of benefit to be paid to each person is readily ascertainable, the nomination is valid and less than 3 years old, and there is no contrary court order. You may confirm, amend or revoke a binding nomination at any time.
- preferred beneficiary nomination, it acts as a guide for the Trustee, who in most cases will pay your benefits to your preferred beneficiary(s), but not always, as the Trustee has a responsibility to make sure your benefits are distributed in an appropriate manner.

It's important to regularly review your nominated beneficiaries as your life changes. For more information on the types of beneficiaries you can nominate please refer to the latest *PDS*.

Your detailed *Income account* statement

Transfers-in received. This section shows the total amount deposited into your account.

Net investment earnings. This section shows the amount of money your investment has made, or lost, over the year and is after investment fees have been deducted.

Indirect costs of your investment. Investment fees were not deducted directly from your account. Instead they were paid by reducing investment earnings before the earnings were allocated to your account. These fees are disclosed as 'Indirect Costs' in your *Annual Statement*. To allow you to better understand the effect of these fees on your account balance, we show them as an approximate dollar amount.

The estimated indirect cost ratio for your investment in 2015/2016 is the ratio of the total indirect costs to your average account balance over the financial year.

Buy-sell spread. A Buy-sell spread is a fee to recover transaction costs incurred by the Trustee, or the Trustees, of a super fund in relation to the sale and purchase of assets of the fund. When money is invested in an investment option with a Buy-sell spread, the entry unit price includes a buy spread and is used to buy units. When money is withdrawn from an investment option with a Buy-sell spread, the exit unit price includes a sell spread and is used to sell units.

If you were invested in any of the below investment options during 2015/16, you could have incurred a Buy-sell spread whenever you made withdrawals or investment switches, and when any administration fees were paid. The Buy-sell spread that applied to each option are listed below.

Investment option	Buy-sell spread
Balanced – Index	0.15% / 0.11%
Australian Shares – Index	0.10% / 0.10%
International Shares – Index (hedged)	up to 0.31% / 0.26%*
International Shares – Index (unhedged)	up to 0.30% / 0.25%*
Australian Property – Index	0.10% / 0.10%
Fixed Interest – Index	0.06% / 0.06%
Ethical, Environmental and Socially Responsible Investments	0.23% / 0.23%

* Spreads reduced on 7/10/15 and reduced again to nil on 24/11/15.

Buy-sell spreads are no longer charged on any of Sunsuper's investment options effective 1 July 2016. However, we reserve the right to apply a Buy-sell spread at our discretion.

Income payments. This shows the total amount of payments you have received from your account, less any applicable tax.

Lump sum withdrawals. This shows the total amount of money you have withdrawn from your account or transferred to another super fund or retirement product, less any applicable tax.

Administration fees. The flat Administration fee is generally deducted weekly. The percentage Administration fee is generally deducted monthly. The Administration fees table shows the total administration fees you paid over the 2015/2016 year.

Other fees. This amount includes any fees for withdrawals, financial planning or family law legislation.

Your investments

This section shows you how your money was invested.

Important information regarding the Capital Guaranteed option.

If you have money invested in the Capital Guaranteed option it is important (particularly if your account balance is \$10,000 or more) for you to read this section which highlights the low risk, low return nature of this investment option. Where investments are made into capital guaranteed superannuation products issued by life insurance companies or banks, the capital guarantee is provided by the life company or bank. Sunsuper itself does not guarantee the security of capital. The Capital Guaranteed option is quite different from other investment options. While the capital value is guaranteed by the issuing life insurance companies or banks not to fall, the trade-off with this guarantee is that your longer-term returns may be lower than some less conservative options. This may limit the chances of achieving your financial goals. You may wish to consider other options that may provide higher returns over the long-term. You should also consider seeking financial advice on alternative investment arrangements before investing in or continuing to hold your funds in this option. As at 30 June 2016, the Capital Guaranteed option was invested in products issued by Suncorp and AMP and cash deposits with ME Bank, Bankwest and Westpac.

Your rebalancing nomination. This shows if you have asked us to rebalance your asset allocation. You can choose to rebalance your account once a year (your account will be rebalanced on or after 31 March each year using the 31 March unit price, where that day is a business day) or twice a year (your account will be rebalanced on or after 31 March and 30 September each year using the 31 March and 30 September unit prices respectively, where that day is a business day). Where the rebalance date (31 March or 30 September) falls on a non-business day, the rebalance will be processed using the unit price for the next business day.

Your preservation summary. This section shows when you can access your money. For more information visit sunsuper.com.au

Sunsuper 2016 Annual report

Super funds are able to provide members with their annual report by making it available on their website. From October the *Sunsuper 2016 Annual report* will be available on our website sunsuper.com.au/annualreport. If you would prefer a printed or electronic copy free of charge, please contact us and we will send you one.

Sunsuper Pty Ltd, ABN 88 010 720 840, AFSL No. 228975, is the issuer and Trustee of the Sunsuper Superannuation Fund, ABN 98 503 137 921, USI 98 503 137 921 001, MySuper Authorisation 98 503 137 921 996.

All advice in this *Annual statement* is general advice only and does not take into account your objectives, financial situation or needs. Before acting on general advice, you should consider its appropriateness having regard to your objectives, financial situation and needs. You should consider the relevant *Product Disclosure Statement (PDS)* in deciding whether to acquire, or to continue to hold, the product. A copy of the *PDS* can be obtained by visiting sunsuper.com.au/pds, or your *Business* microsite or *Corporate* websites or by calling 13 11 84.

We make every effort to ensure that the information shown on this statement is correct. Sunsuper reserves the right to make adjustments for any errors, misprints or omissions.

We are committed to respecting the privacy of personal information you give us. Our formal Privacy Policy sets out how we do this. If you would like a copy of Sunsuper's Privacy Policy, please let us know. We have also published our Privacy Policy on our website sunsuper.com.au

To help you get the most from your super, Sunsuper may send you marketing material from time to time. If you do not wish to receive this material, please contact us on 13 11 84.

Your 2016 statement was prepared as at the date noted on your *Annual statement*, below based on information we held and transactions we had processed up to 30 June 2016 except for your nominated beneficiaries, income payment nomination and rebalancing nomination which is based on information held and processed prior to preparation.

These *Notes to your Annual statement* were prepared August 2016.

Additional Information

We are obliged to provide you with any information on Sunsuper you reasonably require to understand your benefit entitlements. So if you would like more information on Sunsuper, or your investment options, visit our website at sunsuper.com.au. If you have any questions about your statement call 13 11 84.

MySuper product dashboards are designed to provide key information to help you compare Sunsuper's investments and fees with other MySuper products and make an informed choice about your super. Our latest MySuper dashboard for the Lifecycle Investment Strategy is available on our website, visit sunsuper.com.au/dashboard

Concerns and complaints

If you are unhappy with our service or super fund, we offer a complaint resolution process at no additional cost to you. Contact us to discuss your complaint:

Customer Service Team: 13 11 84

Sunsuper Customer Relations Team
GPO Box 2924 Brisbane QLD 4001

sunsuper.com.au/contactus


We will do everything we can to resolve the issue as quickly as possible. If you are still not happy or Sunsuper has not responded within 90 days, you can contact the Superannuation Complaints Tribunal (SCT). This is an independent body set up by the Federal Government to help resolve complaints through conciliation. For more information on the complaints resolution process refer to sunsuper.com.au/complaints. Access to the SCT is free of charge.


They may be contacted by writing to:

Superannuation Complaints Tribunal
Locked Bag 3060 Melbourne VIC 3001.

Call 1300 884 114 **Web** www.sct.gov.au

Contacting us is easy:

 13 11 84 (+61 7 3121 0700 when overseas)

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