

# Fees and costs



## Equip Corporate 1 November 2021

The information in this guide forms part of the Product Disclosure Statement (PDS) of Equip Corporate dated 1 November 2021.

Equip Corporate is a product of Equip, a profit-to-member super fund. We keep costs low and our profits flow back to our members.

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

Other fees, such as activity fees, advice fees for personal advice and insurance fees, may also be charged, but these will depend on the nature of the activity, advice or insurance chosen by you. Taxes,

insurance fees and other costs relating to insurance are set out in our *How super works* and *Insurance in your super* guides that form part of the PDS.

You should read all the information about fees and other costs because it is important to understand their impact on your investment. The fees and other costs for each investment option offered by Equip are set out later in this guide.

## Main fees and costs

Type of fee	Amount	How and when paid
<b>Investment fee</b>	Estimated to range from 0.06% to 0.43% p.a., depending on your investment options.	Investment and performance fees are deducted from the underlying asset value and reflected in the daily unit prices applied to your account. The fee depends on the investment option which applies to you.
<b>Administration fee</b>	A flat fee of \$1 per week, plus an asset-based fee of: <ul style="list-style-type: none"><li>■ 0.25% p.a. for MySuper members, or</li><li>■ 0.15% p.a. for non-MySuper members.</li></ul>	Deducted from your account effective on the last day of each month. We only deduct the \$1 per week fee if your account balance is \$3,000 or higher at the end of the month.  You are a MySuper member if any portion of your account balance is invested in the Equip MySuper option.  The asset-based fee is subject to a maximum of \$1,250 p.a.
<b>Buy-sell spread fee</b>	Nil	N/A
<b>Advice fees</b> Relating to all members investing in a particular MySuper product or investment option	Nil	N/A
<b>Other fees and costs</b>	Refer to the additional explanation of fees and costs table on the following page.	
<b>Indirect cost ratio</b>	Estimated to range from 0% to 0.83% p.a., depending on your investment options.	These investment related costs are not deducted from your account; rather, they reduce the value of the assets of each investment option before the daily unit price is determined. The estimate is based on the financial year ending 30 June 2021.

### Product Disclosure Statement

The information in this "additional guide" (Guide) forms part of the Product Disclosure Statement (PDS) for Equip Corporate. The final authority on any issue relating to Equip is the Trust Deed governing Equip, any applicable Participation Agreement and the relevant insurance policy.

This Guide is issued by the Trustee and contains a summary only. It is for general information and has been prepared without taking into account your personal objectives, financial situation or needs. You should consider whether this information is appropriate to your personal circumstances before acting on it and, if necessary, you should also seek professional financial advice. Where tax information is included you should consider obtaining personal taxation advice. This Guide was up to date at the time when it was prepared. Some information in this Guide is subject to change from time to time. If a change does not adversely affect you, the updated information will be available on our website [equipsuper.com.au](http://equipsuper.com.au). A copy of any updated information can be requested free of charge by calling our Helpline **1800 682 626**.

Togethr Trustees Pty Ltd ABN 64 006 964 049, AFSL 246383 is the Trustee of the Equisuper Superannuation Fund ABN 33 813 823 017 ("Equip").

## If your account balance is below \$6,000

If your account balance is less than \$6,000 at the end of the financial 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 charged in excess of that cap must be refunded. At the end of each financial year (or if you are leaving Equip), we will check and refund any excess fees charged. You'll see any of those types of refunds on your statement.

## Example of annual fees and costs

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

Example - MySuper product		Balance of \$50,000
Investment fee	0.28% p.a.	For every \$50,000 you have in the superannuation product, you will be charged \$140 each year
<b>PLUS</b> administration fee	\$1 per week plus 0.25% p.a. asset fee on your account balance	<b>And</b> , you will be charged \$52 in administration fees regardless of your balance, plus \$125
<b>PLUS</b> indirect cost for the superannuation product	0.33% p.a.	<b>And</b> , indirect costs of \$165 each year will be deducted from your investment
<b>EQUALS</b> cost of the product	<b>\$482</b>	If your balance was \$50,000, then for that year you will be charged fees of <b>\$482</b>

# Additional explanation of fees and costs

## Estimated fees and costs for each investment option

This table gives a detailed explanation of the total estimated fees and costs for each investment option. The total investment fee shown is estimated for the financial year from 1 July 2021, while the indirect cost ratio (ICR) shown is an estimate based on the financial year ending 30 June 2021.

As the performance fee shown is an estimate, the actual performance fee for each investment option will vary from year to year.

	Investment fee			ICR
	Base investment fee	Estimated performance fee	Total estimated investment fee	
<b>Diversified options</b>				
Growth Plus	0.31%	0.04%	0.35%	0.30%
Growth	0.29%	0.03%	0.32%	0.29%
Balanced Growth	0.25%	0.03%	0.28%	0.33%
Equip MySuper	0.25%	0.03%	0.28%	0.33%
Balanced	0.18%	0.02%	0.20%	0.32%
Conservative	0.14%	0.01%	0.15%	0.33%
<b>Sector specific options</b>				
Australian Shares	0.35%	0.00%	0.35%	0.17%
Overseas Shares	0.34%	0.09%	0.43%	0.21%
Sustainable Responsible Investment (SRI)	0.32%	0.00%	0.32%	0.36%
Property	0.18%	0.00%	0.18%	0.83%
Fixed Interest	0.06%	0.00%	0.06%	0.36%
Cash	0.06%	0.00%	0.06%	0.00%



## Transactional and operational costs

Transactional and operational costs are costs relating to the purchase or sale of the assets of the fund, an underlying fund or other investment vehicle as well as costs associated with managing property investments.

These costs are deducted from the assets of the fund or from the underlying investment vehicle and are an additional cost to you.

Transaction costs include both explicit and implicit costs.

### Explicit costs

Explicit costs include, but are not limited to, brokerage, clearing costs, stamp duty on an investment transaction, commissions, buy-sell spreads, due diligence costs, settlement costs and custody fees.

Explicit costs of investments are included in the indirect cost ratio (ICR) for each investment option.

### Implicit costs

Implicit costs are embedded in the price of certain investments and include, but are not limited to, a bid/offer spread, which is the difference between the price a buyer is willing to pay (the bid price) and the price a seller is willing to accept (the ask price) for a particular security. Bid/offer spreads may be incurred when buying and selling fixed income securities such as bonds, foreign currency conversions and listed equities. Implicit costs are not included in the investment fee or ICR.

Many of these implicit costs are estimates as they are not known with certainty. The table on the right hand side of this page shows the estimated implicit costs for the 12 months to 30 June 2021 for each investment option.

### Borrowing costs

Borrowing costs are costs that relate to a credit provided to the superannuation fund trustee, or to entities in which the fund invests. They are additional costs to the investor which are deducted from the underlying assets and not from your account directly; they reduce the earnings returned to the fund. These costs are not included in the investment fee or ICR.

The table on the right hand side of this page shows the estimated borrowing costs for each investment option for the past 12 months to 30 June 2021.

### Property operating costs

Property operating costs include a range of costs associated with managing property investments, for example council and water rates, utilities and lease renewal costs. These costs are not included in the investment fee or ICR.

The table on the right hand side of this page shows the estimated property operating cost for each investment option for the past 12 months to 30 June 2021.

Investment option	Estimated implicit costs	Estimated borrowing costs	Estimated property operating costs
<b>Diversified options</b>			
Growth Plus	0.16%	0.04%	0.03%
Growth	0.15%	0.04%	0.03%
Balanced Growth	0.13%	0.05%	0.05%
Equip MySuper	0.13%	0.05%	0.05%
Balanced	0.11%	0.04%	0.03%
Conservative	0.10%	0.03%	0.03%
<b>Sector specific options</b>			
Australian Shares	0.36%	0.00%	0.00%
Overseas Shares	0.05%	0.00%	0.00%
Sustainable Responsible Investment (SRI)	0.00%	0.00%	0.00%
Property	0.11%	0.43%	0.56%
Fixed Interest	0.08%	0.00%	0.00%
Cash	0.00%	0.00%	0.00%

## Changes to fees and costs

The fees and costs for Equip may change in the future. We'll give you 30 days notice before any increase in fees.

### Tax

You can find important information about how super is taxed in our *How super works* guide available at [equipsuper.com.au/boc/join](https://equipsuper.com.au/boc/join)

### Tax benefits passed on to members

Equip claims a tax deduction on the administration fees and insurance premiums we deduct from your account and passes this benefit back to you directly by reducing the amount of tax that is deducted from your account. This means that you essentially receive a 15% refund of your administration fees and insurance premiums.

If you have exposure to Australian shares, tax offsets gained through franking credits are reflected in unit prices.

### Other levies

At times, government bodies charge superannuation funds levies to recover the cost of superannuation related projects they undertook. Equip may choose to pass these costs on to members in proportion to their account balance.

## Defined fees

Activity fee	Explanation
<p>A fee is an activity fee if:</p> <ul style="list-style-type: none"> <li>a) the fee relates to costs incurred by the trustee of a superannuation entity that are directly related to an activity of the trustee:               <ul style="list-style-type: none"> <li>i) that is engaged in at the request, or with the consent, of a member; or</li> <li>ii) that relates to a member and is required by law; and</li> </ul> </li> <li>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.</li> </ul>	<p>Some super funds may apply a fee if you make a contribution splitting request, family law information request or a family law account split request.</p> <p><b>Equip does not charge any activity fees.</b></p>
Administration fee	Explanation
<p>An administration fee is a fee that relates to the administration or operation of the superannuation entity and includes costs that relate to that administration or operation, other than:</p> <ul style="list-style-type: none"> <li>a) borrowing costs; and</li> <li>b) indirect costs that are not paid out of the superannuation entity that the trustee has elected in writing will be treated as indirect costs and not fees, incurred by the trustee of the entity or in an interposed vehicle or derivative financial product; and</li> <li>c) costs that are otherwise charged as an investment fee, a buy-sell spread, a switching fee, an exit fee, an activity fee, an advice fee or an insurance fee.</li> </ul>	<p>Administration fees help cover the cost of running a superannuation fund.</p> <p>Equip charges an administration fee of \$1 per week, plus an asset-based administration fee of:</p> <ul style="list-style-type: none"> <li>■ 0.25% p.a. for MySuper members, or</li> <li>■ 0.15% p.a. for non-MySuper members.</li> </ul> <p>You are a MySuper member if any portion of your account balance is invested in the Equip MySuper option.</p> <p>The asset-based administration fee is subject to a maximum of \$1,250 p.a.</p> <p>Your administration fees are deducted from your account. We only deduct the \$1 per week if your account balance is \$3,000 or higher at the end of the month.</p> <p>Equip claims a tax deduction on administration fees and passes this benefit back to you directly by reducing the amount of tax that is deducted from your account.</p>
Advice fee	Explanation
<p>A fee is an advice fee if:</p> <ul style="list-style-type: none"> <li>a) the fee relates directly to costs incurred by the trustee of the superannuation entity because of the provision of financial product advice to a member by:               <ul style="list-style-type: none"> <li>i) a trustee of the entity; or</li> <li>ii) another person acting as an employee of, or under an arrangement with the trustee of the entity; and</li> </ul> </li> <li>b) those costs are not otherwise charged as an administration fee, an investment fee, a switching fee, an activity fee or an insurance fee.</li> </ul>	<p>Equip members can access two levels of advice and any fee for that advice may be deducted from your super account. Equip does not pay commissions to financial advisors.</p> <p><b>Limited advice</b></p> <p>Equip Member Services can offer limited advice on your investment options. A fee may apply for some advice but we'll let you know upfront. You can find out more by contacting our Helpline on <b>1800 682 626</b>.</p> <p><b>Personal advice</b></p> <p>Equip Financial Planning can offer you full personal advice. The fees for this service are outlined in the Financial Services Guide for Equip Financial Planning as well as in any statement of advice you receive, but we'll also let you know the fees upfront before any service is provided. You can book an appointment with Equip Financial Planning on our website or by contacting <b>1800 065 753</b>.</p>
Buy-sell spread fee	Explanation
<p>A buy-sell spread fee is a fee to recover transaction costs incurred by the trustee of a superannuation entity in relation to the sale and purchase of assets of the entity.</p>	<p>Some super funds may charge a buy-sell spread fee to recover the cost of buying and selling various investments when you change your investment options.</p> <p><b>Equip does not charge a buy-sell spread fee to your account.</b></p>



## Indirect cost ratio

The indirect cost ratio (ICR) for a MySuper product or an investment option offered by a superannuation entity, is the ratio of the total of the indirect costs for the MySuper product or investment option, to the total average net assets of the superannuation entity attributed to the MySuper product or investment option.

Note: A fee deducted directly from a member's account is not included in the indirect cost ratio.

## Investment fee

An investment fee is a fee that relates to the investment of the assets of a superannuation entity and includes:

- a) fees in payment for the exercise of care and expertise in the investment of those assets (including performance fees); and
- b) costs incurred by the trustee of the entity that:
  - i) relate to the investment of assets of the entity; and
  - ii) are not otherwise charged as an administration fee, a buy-sell spread, a switching fee, an activity fee, an advice fee or an insurance fee.

## Explanation

The investment fee and indirect cost ratio (ICR) are the costs associated with investing, including the fees paid to external managers and custodians. They are not deducted from your account directly, but are deducted from the underlying asset value and are reflected in the daily unit prices.

The investment fees and ICR for each investment option are shown in the *Estimated fees and costs for each investment option* table earlier in this document.

The **investment fee** shown is comprised of a base fee (including an amount for the care and expertise in investing assets) and an estimated performance fee.

## Performance fees

Any performance fees that Equip pays directly to an investment manager are paid if the manager outperforms its benchmarks by a certain hurdle rate.

If the manager exceeds the hurdle, we will apportion the amount of the fee payments to the unit prices of those investment options to which the fee relates. Unit prices will be adjusted monthly to reflect actual performance payments to external managers.

Performance fees cannot be known precisely in any given year, since the managers' outperformance cannot be anticipated. However, we have provided an estimate of the performance fees in this PDS. The performance fees may exceed this estimate, they may be lower or they may not be paid at all.

## Insurance fee

A fee is an insurance fee if:

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

## Explanation

Insurance fees include the cost of your insurance cover in Equip, if you have it. You may have received this cover automatically when you joined, or you may have applied for it.

**The cost of any death and TPD cover you hold is deducted from your account on the last day of every month, and we pay this amount to the insurer.**

Equip does not charge any other fee relating to insurance.

Equip claims a tax deduction on any insurance premiums we deduct from your account and pass this benefit back to you directly by reducing the amount of tax that is deducted from your account.

You can find more information relating to the costs of insurance cover in our *Insurance in your super* guide at [equipsuper.com.au/boc/join](http://equipsuper.com.au/boc/join)

## Switching fee

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

## Explanation

Some super funds may charge you a fee when you change your investment options.

**Equip does not charge a fee to switch your investment options.**



**SuperRatings has awarded Equip a platinum choice rating, the top rating given to only the best superannuation products. Go to [superratings.com.au](http://superratings.com.au) for the full rating criteria.**

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