

# EISS Super

## Fees and Costs | 1 October 2020

The information in this document forms part of the EISS Super PDS dated 1 October 2020.

### Overview

This document shows fees and other costs that you may be charged.

These fees and costs may be deducted from:

- your money;
- the returns on your investment; or
- the Scheme assets 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 held.

Entry and exit fees cannot be charged.

Information on tax in superannuation and fees and costs related to insurance is set out in other documents and available at [eisuper.com.au/pds](https://eisuper.com.au/pds).

You should read all information about fees and costs to fully understand the impact on your superannuation investments.

### Changes to Fees and Other Costs

If changes are made to the fees and other costs then updated fee information will be available at [eisuper.com.au/feesandcosts](https://eisuper.com.au/feesandcosts) or by contacting us on **1300 369 901**. Material changes will be notified in writing directly to members.

The information in the 'Fees and Costs' table can be used to compare costs between different superannuation products.

## Fees and Costs

Type of fee	Amount		How and when paid
Investment fee <sup>1</sup>	High Growth	0.28% p.a.	This is deducted from the assets of the investment option and reflected in the daily unit price.
	Balanced (MySuper)	0.26% p.a.	
	Conservative Balanced	0.24% p.a.	
	Conservative	0.21% p.a.	
	Cash	0.04% p.a.	
Administration fee <sup>1</sup>	High Growth	0.39% p.a.	This is deducted from the assets of the investment option and reflected in the daily unit price.
	Balanced (MySuper)	0.39% p.a.	
	Conservative Balanced	0.39% p.a.	
	Conservative	0.39% p.a.	
	Cash	0.21% p.a.	
Buy-sell spread	Nil		N/a
Switching fee	Nil		N/a
Advice fees relating to all members investing in a particular MySuper product or investment option	Nil		N/a
Other fees and costs <sup>2</sup>	Amount		How and when paid
Indirect Cost Ratio (ICR) <sup>1</sup>	High Growth	0.19% p.a.	This is deducted from the assets of the investment option and reflected in the daily unit price.
	Balanced (MySuper)	0.24% p.a.	
	Conservative Balanced	0.21% p.a.	
	Conservative	0.16% p.a.	
	Cash	0.00% 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 charged in excess of the cap must be refunded.

2 For information about other fees and costs, please refer to the 'Additional explanation of fees and costs' section on page 3.

## Additional explanation of fees and costs

### Investment fee

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

- fees in payment for the exercise of care and expertise in the investment of those assets (including performance fees); and
- costs that relate to the investment of assets of the entity, other than:
  - borrowing costs; and
  - 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
  - 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.

We rely on the information provided by the investment managers to calculate the Investment fee using actual amounts and, where the actual amount is not known and cannot reasonably be known we use estimates. We have made enquiries to obtain the most complete information available.

### Administration fee

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:

- borrowing costs; and
- 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
- costs that are otherwise charged as an investment fee, a buy-sell spread, a switching fee, an activity fee, an advice fee or an insurance fee.

### Indirect Cost Ratio (ICR)

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.

These costs are referred to as indirect costs because these are not deducted directly from your account, instead these costs indirectly reduce your investment value or return.

We rely on the information provided by the investment managers to calculate the ICR using actual amounts and, where the actual amount is not known and cannot reasonably be known we use estimates. We have made enquiries to obtain the most complete information available.

### Performance Fees and Performance Related Fees

We do not charge a performance fee directly in any of our investment options. Some of the investment managers that we use may charge performance related fees when they outperform an agreed performance benchmark. The fees that investment managers may receive and performance benchmarks that their performance is measured against vary from time to time. It is not possible to accurately estimate future performance-related fees because of the nature of fluctuating investment markets, each investment manager's actual performance and their contractual arrangements. Performance-related fees are not directly deducted from member accounts. Performance-related fees are an indirect cost and form part of the Investment fee or ICR detailed in the 'Fees and Costs' table on page 2.

### Tax

Refer to the document 'How Super is Taxed' available at [eisuper.com.au/pds](https://www.eisuper.com.au/pds) for information on the tax applicable to your benefits. The benefit of tax deductions is passed onto members in the course of netting off these tax benefits against taxable income, as available to the fund.

## Insurance fees

A fee is an insurance fee if:

- the fee relates directly to either or both of the following:
  - insurance premiums paid by the trustee, or the trustees, of a superannuation entity in relation to a member or members of the entity;
  - costs incurred by the trustee, or the trustees, of a superannuation entity in relation to the provision of insurance for a member or members of the entity;
- 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
- the premiums and costs to which the fee relates are not otherwise charged as an administration fee, an investment fee, a switching fee, an activity fee or an advice fee.

Refer to the document 'Insurance in Your Super' available at [eisuper.com.au/pds](https://eisuper.com.au/pds) for information on the insurance available.

## Adviser Remuneration and Advice fee

A fee is an advice fee if:

- the fee relates directly to costs incurred by the trustee, or the trustees, of a superannuation entity because of the provision of financial product advice to a member by:
  - a trustee of the entity; or
  - another person acting as an employee of, or under an arrangement with, a trustee or trustees of the entity; and
- those costs are not otherwise charged as an administration fee, an investment fee, a switching fee, an activity fee or an insurance fee.

We can provide financial advice to members. Our financial planners are paid a salary and do not receive bonuses or commissions. Planner remuneration forms part of the Administration fee. You may choose to obtain your own financial advice and incur a separate advice fee for that financial advice.

If your investment is made through a licensed financial planner, depending on your circumstances and the type of advice provided, your financial planner may charge you a percentage or a dollar based fee for their advice. On your instruction, this fee may be deducted from your EISS Super account. Please note, advice fees are set by negotiation between you and your financial planner. If you are issued with a Statement of Advice from a financial planner, it will include details of the fees and costs of your financial planner.

Any advice fees paid to your financial planner are in addition to any indirect costs. Importantly, not all advice will incur an advice fee and in many cases, we will still be able to provide you with financial advice at no additional cost, depending on the type and scope of advice provided.

## Transactional and Operational costs

Transactional and operational costs include the following:

- brokerage;
- buy-sell spread;
- settlement costs (including custody costs);
- clearing costs;
- stamp duty on an investment transaction;
- costs incurred in or by an interposed vehicle that would be transactional and operational costs if they had been incurred by the superannuation entity to which the superannuation product or investment option relates; and
- for a superannuation product does not include borrowing costs or costs that are indirect costs related to certain derivative financial products.

Some, but not all, transactional and operational costs are included in the ICR.

## Borrowing Costs

Borrowing costs for a superannuation product are costs that relate to a credit facility that is not a derivative financial product that is provided to the superannuation fund trustee, or an interposed vehicle or a trustee of an interposed vehicle in or through which the property of the superannuation fund is invested. The costs of derivative financial products are disclosed separately - either as indirect costs or investment fees.

The Trustee invests in interposed vehicles that incur borrowing costs. The amount borne by the particular investment options varies and those amounts are set out in the table on the next page. Borrowing costs are recovered from the revenues of the particular investment prior to the distribution of any earnings from the investment.

These borrowing costs do not form part of the ICR, so is an additional cost for members.

## Property Operating Costs

Property operating costs for a superannuation product are amounts paid or payable in relation to the holding of or interest in real estate assets.

The Trustee also invests in interposed vehicles that either hold real estate or have an interest in real estate. The amount of property operating costs borne by the particular investment option varies and are set out in the table below.

Property operating costs are recovered from the revenues of the particular investment prior to the distribution of any earnings from the investment. These property operating costs do not form part of the ICR, so is an additional cost for members.

## Table of Performance-Related Fees, Transactional and Operational Costs, Borrowing Costs and Property Operating Costs

The following table is a breakdown (to the extent known or estimated) of performance-related fees, transactional and operational costs, borrowing costs and property operating costs. Some of these fees and costs are included in the ICR, while others are not. Costs not included in the ICR include certain implicit transactional and operational costs, the costs of certain derivative financial products, borrowing costs and property operating costs. Implicit transactional costs include bid-ask spread, which is the difference between the price paid for acquiring an asset and the price that would be payable if it were disposed of.

Performance related fees, transactional and operational costs, borrowing costs and property operating costs by investment option (%)

Investment option	Costs included in the ICR		Costs not included in the ICR		
	Performance related fees	Transactional and operational costs	Transactional and operational costs	Borrowing costs	Property operating costs
High Growth	0.01%	0.09%	0.07%	0.04%	0.03%
Balanced (MySuper)	0.01%	0.08%	0.05%	0.09%	0.08%
Conservative Balanced	0.00%	0.07%	0.05%	0.10%	0.08%
Conservative	0.00%	0.05%	0.04%	0.08%	0.07%
Cash	0.00%	0.00%	0.00%	0.00%	0.00%

### Activity fees

A fee is an activity fee if:

- the fee relates to costs incurred by the trustee, or the trustees, of a superannuation entity that are directly related to an activity of the trustee, or the trustees:
  - that is engaged in at the request, or with the consent, of a member; or
  - that relates to a member and is required by law; and
  - 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.

### Other defined fees

**Buy-sell spread:** A fee to recover transaction costs incurred by the trustee, or the trustees, of a superannuation entity in relation to the sale and purchase of assets of the entity.

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

**Exit fee:** A fee, other than a buy-sell spread that relates to the disposal of all or part of a member's interests in a superannuation entity.

The Trustee does not charge a buy-sell spread, switching fee or exit fee.

### Request for Family Law information fee

This fee is for the provision of information about a member's account in relation to a family law split. The Trustee does not charge a fee for this service.

### Benefit split fee

This is a fee associated with a family law court split. The Trustee does not charge a fee for this service.

## Alterations to fees and costs

Fees are determined and reviewed regularly by us. We may vary the fees without your consent but where required to, will provide you with at least 30 days notice in advance of any increases to fees and costs.

The fees and costs are for the financial year ending 30 June 2020. The Trustee has estimated the fees and costs based on the information available to it at the time of issue of this PDS. The fees and costs may change for the financial year ending 30 June 2021. The extent of any changes is not reasonably quantifiable at present.

## We're here to help

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