

Changes to the Net Earnings calculation

We identified the method used to calculate the Net Earnings in Exit and Periodic Statements wasn't in accordance with Corporations Regulations 7.9.01

As a result, the method used to calculate and display the Net Earnings (amount and rate) reported in these statements has changed.

What's changed?

The Net Earnings on Exit and Periodic Statements was calculated as the earnings on investments, less some fees and costs. We didn't deduct all the costs required by the regulations to show the correct net earnings.

To comply with the regulations, the Net Earnings calculation (amount and rate) was updated to deduct additional fees and costs, such as account keeping fees, trustee fees, good value payments, fee rebates, and taxes related to earnings (PAYG instalments and Year-End tax).

What does mean for investors?

There's been no impact to account balances and subsequently no further action is required.

Members who've exited the funds in the prior 12 months will be notified of the difference in calculation methodology.

Communications to impacted BT SuperWrap, Asgard and Advance Super customers commenced in September 2020 and will be completed by early November 2020.

For existing members:

- SuperWrap members will be notified of the changes in the calculation via their 2020 Annual Statement. This will include an insert with the Net Earnings calculated under the new methodology.
- Asgard Super members and Advance Super members were notified of the change in methodology via their 2019 Annual Statements.

Information current as at 21 October 2020. The information provided is factual only and does not constitute financial product advice. Before acting on it, you should seek independent advice about its appropriateness to your objectives, financial situation, and needs.