



**MEAT INDUSTRY EMPLOYEES'
SUPERANNUATION FUND**



**Superannuation for meat
industry employees**

Product Disclosure Statement

22 October 2015

MySuper Authorised 17317520544110

This document is issued by Meat Industry Employees' Superannuation Fund Pty Ltd (ABN 58 005 793 199) (AFSL 239953) as Trustee of the Meat Industry Employees' Superannuation Fund (MIESF, the Fund) (ABN 17 317 520 544).

Contents

1. About Meat Industry Employees' Superannuation Fund (MIESF, the Fund)
2. How super works
3. Benefits of investing with MIESF
4. Risks of super
5. How we invest your money
6. Fees and costs
7. How super is taxed
8. Insurance in your super
9. How to open an account

This Product Disclosure Statement (PDS) is a summary of significant information and contains a number of references to important information. Each of these references is marked with a ✓ and forms part of this PDS. You can download this information from miesf.com.au/pds or request a copy by calling the Fund. You should consider that information before making a decision about MIESF.

The information provided in the PDS is general information only and does not take into account your personal financial situation or needs. You should obtain financial advice tailored to your personal circumstances.

The information within this PDS may change from time to time. If the change is not materially adverse, we will update you with any changes on our website, by telephone or mail-out. You can obtain paper copies of any updates at no charge by contacting the Fund.

Contact Us:

Meat Industry Employees' Superannuation Fund
2nd floor, 62 Lygon Street
CARLTON SOUTH VIC 3053

Telephone: 1800 252 099 or (03) 9662 3861 (for callers from mobile phones)

Fax: (03) 9662 2430

Email: fundadmin@miesf.com.au

Website: www.miesf.com.au

I. About Meat Industry Employees' Superannuation Fund (MIESF, the Fund)

MIESF is an accumulation fund, which was established over 30 years ago by the Australasian Meat Industry Employees Union. It operates Australia-wide as a multi-employer fund, providing superannuation (super) for people working in the meat industry and their spouses.

- MIESF has 3 sections and this PDS relates to the Main section and the Spouse section. It does not cover the Pension section.
- MIESF is an industry fund that returns all profits to members.
- Our fees and costs are very competitive (see Section 6 of this PDS for further information).
- All net earnings are for the benefit of our members.
- MIESF provides Death, Terminal Illness and Total and Permanent Disablement (TPD) insurance cover to all eligible members.
- When you retire, you can stay with the Fund as we offer a Pension section that you can easily transfer into.
- MIESF is run by the Trustee, which is a company (Meat Industry Employees' Superannuation Fund Pty Ltd).

- **MIESF is MySuper Authorised 17317520544110 and can accept all Superannuation Guarantee contributions made by your Employer.**
- The Fund's Main section offers the MIESF MySuper investment option and the High Growth Option.
- The Fund's Spouse section members are invested in the MIESF MySuper investment option.
- The latest Product Dashboard for MIESF MySuper can be seen on our website at miesf.com.au/dashboard
- Other important information, including executive and director remuneration and other documents prescribed by superannuation law, is available on our website at miesf.com.au/who-runs-fund
- From 1 January 2014, all Main section and Spouse section members' account balances that are not invested in the High Growth Option are invested in MIESF MySuper. This was previously referred to as the Trustee Option. Many of those account balances are referred to as "accrued default amounts" in superannuation legislation.

2. How super works

When you retire, it is likely that the kind of lifestyle you have in retirement will largely depend on what you do about your super now and in the future. Therefore it is important for you to understand how your super works and what it can do for you. Your super can also provide financial support for your dependants if you die while you are a member of MIESF.

Superannuation was introduced by the Government as a partly compulsory form of investment to help you save for your retirement. The Government supports superannuation savings and therefore provides favourable tax treatment for the money invested in superannuation.

The types of contributions that MIESF will accept on your behalf are:

- Before tax contributions, being
 - Compulsory Superannuation Guarantee (SG) contributions made by your Employer; and
 - Salary sacrifice contributions that you may wish to make to the Fund from your pre-tax salary;
- Voluntary member contributions, which are contributions you make to the Fund from your post-tax salary;
- Government co-contributions – if you earn less than \$50,454 a year and make post-tax contributions to the Fund, you may qualify for a government co-contribution.
- Government low income superannuation contribution - if you earn less than \$37,000 a year, the Australian Taxation Office will refund the 15% tax paid by the Fund on your SG and salary sacrifice contributions. The maximum payment is \$500 p.a. and it will be made directly into your superannuation account.

Please note, the Government places limits on the amount of pre-tax and post-tax contributions you may make to a superannuation fund. Further information on this and the taxation of super is provided in Section 7 of this PDS.

Withdrawing benefits from the Fund

As superannuation benefits are intended to support you in your retirement, you are generally unable to access your super until you reach your preservation age (between age 55 and 60 depending on when you were born) and retire permanently from the workforce. In some circumstances you may be able to access your super under early release conditions prior to retirement. Please contact the Fund for information on these circumstances.

Choice of fund

Choice of fund legislation allows many members to choose to direct their employer to pay their SG contributions to any complying superannuation fund. Your Employer will advise whether you are able to make such a choice. From 1 January 2014, if you have not actively chosen the superannuation fund that your Employer pays your contributions to or you have not made an investment choice, your contributions must be paid to a MySuper account.

If you become a member of the Fund and then subsequently choose to have your SG contributions paid to another fund (this is called “exercising choice”), your Employer will need to notify the Trustee of this and the date contributions were first remitted to your chosen fund.

Transferring your account balance

If you have “exercised choice” and transferred part of your account balance to another fund, your Death, Terminal Illness and TPD insurance cover may cease (please see Section 8 of this PDS).

If you choose to have your SG contributions paid to another fund and you do not transfer part of your account balance out of the Fund, as long as you are under age 55, you will continue to receive Death, Terminal Illness and TPD insurance cover in MIESF. Once you are aged 55 or over, your Death, Terminal Illness and TPD insurance cover ceases three years after the last contribution from your participating employer is received. TPD insurance cover ceases at age 65 regardless of your working status and the date of the last employer contribution made on your behalf. Similarly, Terminal Illness cover ceases at age 69 and Death insurance cover ceases at age 70. For further information on Death, Terminal Illness and TPD insurance cover in MIESF, please see Section 8 of this PDS.

To arrange for your account balance to be transferred to another fund, you can contact that fund and they will advise you what to do.

Privacy

Superannuation funds are subject to privacy laws and MIESF has a Privacy Policy. It can be seen on our website at miesf.com.au/who-runs-fund

For more general information about super and how it can benefit you to make additional contributions, and other calculators that may help you make decisions in relation to your superannuation, please visit www.moneysmart.gov.au/superannuation-and-retirement.

✓ You should read the important information about how super works, including privacy, before making a decision. Go to miesf.com.au/pds and read Section 2 in MIESF’s “Additional Member Information Booklet”. The material relating to how super works may change between the time when you read this PDS and the day when you acquire this product.

3. Benefits of investing with MIESF

Every member has a MIESF account. The growth of your super benefits is linked to the amount of contributions made to this account, the deductions from it, and the investment earnings in the relevant investment option(s). The larger the contributions and the higher the investment return, the faster your account will grow.

Features & benefits

MIESF is a simple, low cost superannuation fund that offers the following features and benefits:

- Contributions are accepted from your Employer on your behalf;
- You can make additional voluntary contributions on a pre-tax or after-tax basis;
- You can also make contributions into MIESF on behalf of your spouse if your spouse joins the Fund's Spouse section;
- The ability to roll over any superannuation benefit received from another superannuation plan;
- Lump sum benefits can be paid on retirement, resignation or retrenchment (subject to preservation requirements under Superannuation Law);
- Death, Terminal Illness and Total and Permanent Disablement (TPD) insurance cover is provided subject to some restrictions (please refer to Section 8 of this PDS for more information);
- Our Pension section means that you can continue with the Fund even after you retire;
- If you leave the industry, your new Employer can usually make contributions to MIESF;
- MIESF does not accept contributions made on a pre-tax basis from self-employed members;
- MIESF provides a long-term superannuation vehicle. You don't have to leave MIESF when you change or leave an Employer. You can:
 - Leave your benefit in the Fund indefinitely (subject to Superannuation Law); or
 - Receive a pension when you retire.

Spouse section

As a member of MIESF, you can make contributions on behalf of your spouse to MIESF's Spouse section. These are included in your spouse's \$180,000 limit for non-concessional contributions and they can only be made on an after-tax basis, i.e. from after-tax earnings. Spouse, for this purpose, includes

- A person with whom you are living in a genuine domestic relationship as a couple; or
- A person in a registered relationship under State or Territory law.

To become a Spouse section member, simply complete the Spouse Application Form which is available from the Fund.

You may be able to claim a tax offset for superannuation contributions made on behalf of a low-earning or non-working spouse. Eligibility for the tax offset is dependent on your spouse's assessable income, with a

maximum tax offset of \$540 applying for assessable incomes up to \$10,800 p.a. For income in excess of \$10,800 p.a. the tax offset gradually phases out to nil at assessable incomes of \$13,800 p.a. The maximum eligible contribution for the tax offset is limited to \$3,000.

The Spouse section does not provide any Death, Terminal Illness and TPD insurance cover. The net of tax, deductions from a Spouse account are the weekly administration fee of \$1.30 and the \$35 withdrawal/exit fee.

Spouse section members cannot make contributions to the Fund or make an investment choice.

✓ You should read the important information about making contributions to the Fund and treatment of small account balances and unclaimed moneys before making a decision. Go to miesf.com.au/pds and read Section 3 in MIESF's "Additional Member Information Booklet". The material may change between the time when you read this PDS and the day when you acquire this product.

4. Risks of super

All investments, including superannuation, carry a certain level of risk. Generally, those investments with a higher investment return over the long term have a higher level of investment risk over the short term. Conversely, those investments with a lower risk over the short term usually have a lower return over the long term.

When investing in the Fund, you should consider the following general risks:

- The value of your investment in the Fund, will vary over the period of your membership;
- The level of returns and risks in the two investment options will vary depending on the assets that make up the options and past returns are not necessarily an indicator of future returns;
- The Fund's investment objectives are not a forecast or a guarantee of future performance;
- A positive investment return cannot be guaranteed and you may lose some of your money;
- Superannuation laws may change in the future, affecting the tax treatment and how and when you can take your super;
- The amount of your superannuation savings may not adequately provide for your retirement;
- The level of risk that you are comfortable with will vary based on your age, your investment time frame, other investments you may have and your own tolerance for risk.

✓ You should read the important information about the risks of super before making a decision. Go to miesf.com.au/pds and read Section 4 in MIESF's "Additional Member Information Booklet". The material relating to the risks of super may change between the time when you read this PDS and the day when you acquire this product.

5. How we invest your money

MIESF offers two investment options and each of these options has a different level of risk and potential return. You can elect to have all or part of your account balance split between the two investment options. You can switch between options twice a year, with effect from 30 June and 31 December.

The Trustee may change the investment options by altering the objectives, asset allocation or the available options. We will update you with any changes on our website.

You should consider the likely investment return, level of risk and your investment timeframe when choosing an investment option.

When you join the Fund, if you don't make an investment choice, your account balance will be invested in MIESF MySuper, which is our MySuper Authorised investment option.

	MIESF MySuper			High Growth Option		
Investment Objectives	<ul style="list-style-type: none"> Avoid a loss; that is to be in a position to declare a positive rate of return for each year ending 30 June; and Beat inflation; that is to achieve a rate of return which exceeds the rate of inflation (as measured by the CPI) by at least 2% per annum, after allowance has been made for tax and investment costs, over rolling ten-year periods measured at each 30 June. 			<ul style="list-style-type: none"> Provide capital growth over rolling seven-year periods measured at each 30 June; and Beat inflation; that is to achieve a rate of return which exceeds the rate of inflation (as measured by the CPI) by at least 4% per annum, after allowance has been made for tax and investment costs, over rolling ten-year periods measured at each 30 June; and Achieve a total return, after allowance has been made for tax and investment costs, that is greater than the median (middle-ranking) return of "growth" investment options in the SelectingSuper survey, over rolling five-year periods measured at each 30 June (selectingsuper.com.au). 		
Asset Classes (showing the target and allowable range allocations)		Target %	Range %		Target %	Range %
	Australian Shares	15	5 - 25	Australian Shares	40	38 - 42
	International Shares	12	2 - 22	International Shares	40	34 - 46
	Private Equity	3	0 - 5	Property	10	6 - 14
	Equities	30	10 - 50	Growth Assets	90	88 - 92
	Property	20	10 - 30	Fixed Interest - Australian	4	2 - 6
	Infrastructure	10	0 - 20	Fixed Interest - International	6	2 - 10
	Real Assets	30	10 - 50	Cash	0	0 - 1
	Fixed Interest	30	10 - 50	Debt Assets	10	8 - 12
	Cash	10	5 - 30			
	Interest-bearing Assets	40	20 - 60			
Description of Option	<p>The aim of this option is to ensure the security of your retirement money and to provide a reasonable rate of return above bank rates of interest over the medium and long-term without taking undue financial risk.</p> <p>This option is intended to be suitable for members who have a strong need to achieve a positive earning rate each year.</p>			<p>The aim of this option is to provide members with an exposure to Australian and International Shares and Listed Property Shares of around 90%.</p> <p>It is designed to deliver higher long term returns to members, but is likely to experience significantly higher volatility than the MIESF MySuper option.</p> <p>This option is intended to be the suitable for members who can tolerate a higher degree of risk.</p>		
Investment Time Frame	At least 3 years			At least 5 to 7 years		
Risk Label	Medium Risk			High Risk		
Risk Band	4			6		

There is an industry-wide "Standard Risk Measure" which measures the estimated number of negative annual returns over any 20 year period. This is 2.2 for MIESF MySuper and 4.5 for the High Growth Option. The Standard Risk Measure covers seven Risk Bands/Risk Labels; from 1 (very low risk) to 7 (very high risk).

✓ You should read the important information about how we invest your money (including investment switches and the allocation of investment returns) before making a decision. Go to miesf.com.au/pds and read Section 5 in MIESF's "Additional Member Information Booklet" and download a "Member Investment Choice" form. The material relating to investments may change between the time when you read this PDS and the day when you acquire this product.

6. Fees and costs

DID YOU KNOW?

Small differences in both investment performance and 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 may be able to negotiate to pay lower contribution fees and management costs where applicable. 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 fee calculator to help you check out different fee options.

Fees and other costs for MIESF MySuper and the High Growth Option

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your account balance or from the returns on your investment or from the Fund's assets as a whole.

Taxes and Death, Terminal Illness and TPD insurance cover costs are set out in Sections 7 and 8 of this PDS. You should read all the information about fees and costs because it is important to understand their impact on your investment. The information can be used to compare our fees with similar funds.

Type Of Fee Or Cost	Amount	How and when paid
Investment fee	Nil	
Administration fee	\$79.53 per year (\$1.53 per week)	The net of tax cost of \$67.60 is deducted from your account balance at 30 June each year or pro rata of \$1.30 per week at your date of exit from the Fund.
Buy - sell spread	Nil	
Switching fee	Nil	
Withdrawal/exit fee	\$41.18 per transaction	The net of tax cost of \$35 is deducted from your account balance when you make a withdrawal or exit from the Fund.
Advice fee	Nil	
Indirect Cost Ratio p.a.	MIESF MySuper - 0.46%* High Growth Option - 0.37%	These costs come out of the investment option's earnings before determining the earnings rates.

There are no establishment or contribution fees. MIESF does not pay fees or commissions to financial advisers and our fees are not negotiable.

*The percentage is an estimate of the investment-related costs for the year ended 30 June 2015 and it includes performance fees of 0.01%. The average performance fees paid for the 5 years ended 30 June 2015 was 0.04% p.a.

Example of annual fees and costs

The table below provides an example of how the fees and costs for MIESF MySuper can affect your superannuation investment over a one year period. You can use this to compare this product with other superannuation products.

EXAMPLE - MIESF MySuper	Balance of \$50,000
Investment fees 0%	For every \$50,000 you have in MIESF MySuper you will be charged \$0 each year.
PLUS Administration fees \$79.53	And , you will be charged \$79.53 in administration fees regardless of your balance.
PLUS Indirect costs 0.46% for the MySuper product	And , indirect costs of \$230 per year will be deducted from your investment.
EQUALS cost of MIESF MySuper	If your balance was \$50,000, then for that year you will be charged fees of \$309.53 for MIESF MySuper.

If you make a withdrawal or exit the Fund, you will also be charged a fee of \$35 (net of tax).

The fees and costs for the High Growth Option consist of indirect costs of 0.37% plus administration fees of \$79.53 which amounts to \$264.53 for a balance of \$50,000.

The Trustee has the right to increase fees at any time without requiring your consent. You will receive 30 days notice before any increase in fees takes effect.

✓ You should read the important information about fees and costs before making a decision. Go to miesf.com.au/pds and read section 6 in MIESF's "Additional Member Information Booklet". The material relating to our fees and costs may change between the time when you read this PDS and the day when you acquire this product.

7. How super is taxed

This section gives a brief summary of how superannuation is currently taxed.

Employer and Salary Sacrifice Contributions (Concessional Contributions)

Employer contributions (including salary sacrifice contributions) are known as concessional contributions. Concessional contributions are usually taxed at 15% when paid into the Fund and are limited to \$30,000 per person per annum from 1 July 2015. The limit is \$35,000 if you are 49 years old or over on 30 June 2015.

From 1 July 2013, concessional contributions in excess of the limit can be transferred back to the member as taxable income.

Voluntary Member Contributions (Non-Concessional Contributions)

Voluntary member contributions are known as non-concessional contributions. No tax is applied to these amounts at the time that they are contributed to the Fund (provided that they are within a cap of \$180,000 per year). If you are under age 65, you will be able to bring forward contributions for the next two years and make a contribution of up to \$540,000 in one year. However, if you do this, you will then be unable to make further non-concessional contributions for the next two years.

Contributions in excess of the cap will be taxed at 49%.

Tax on Investment Earnings

The Fund's investment earnings are taxed at up to 15% and this is deducted before the earnings rates for members are declared and applied to your account.

Tax on Withdrawals from the Fund

For members 60 years of age or over

Benefits will be paid tax free (where the benefit has already been subject to tax within the fund, as is the case with the Fund).

For members under 60 years of age

Your benefit may be made up of two components. The **tax-free component** is, as its name implies, tax free.

For members under their preservation age, the **taxable component** is taxed at a maximum rate of 22%.

If you are between your preservation age and 60, the taxable component is tax free up to the tax-free threshold amount, which for the 2015/2016 financial year is \$195,000. Any element of the taxable component in excess of this is taxed at a maximum rate of 17%.

Tax File Number

You should provide your Tax File Number (TFN) to the Trustee.

You do not have to provide your TFN, however, if you choose not to provide it:

- Your concessional contributions and some benefits will be subject to extra tax; and
- We will not be able to accept voluntary member contributions from you.

✓ You should read the important information about how super is taxed before making a decision. Go to miesf.com.au/pds and read Section 7 in MIESF's "Additional Member Information Booklet." The material relating to how super is taxed may change between the time you read this PDS and the day when you acquire this product.

8. Insurance in your super

MIESF provides Death and Total and Permanent Disablement (TPD) insurance cover to all eligible members. The Death cover insurance will also be payable on Terminal Illness, which effectively means that the payment is made "early", prior to the date of death.

The insurance cover provided is subject to the terms and conditions contained in a group insurance policy taken out by the Trustee with TAL Life Limited (ABN 70 050 109 450 AFSL 237848).

How much Death, Terminal Illness and TPD insurance cover is provided?

Death and Terminal Illness cover is generally \$200,000 for ages at death 15 to 64, however, it is restricted to \$100,000 in some limited circumstances. Death cover is \$35,000 for ages at death 65 to 69 inclusive. Terminal Illness cover is \$35,000 for eligible members aged 65 to 68 inclusive.

The table below shows the TPD cover:

Age at Date of Disablement	TPD Cover \$
15-38	200,000
39	150,000
40	110,000
41	80,000
42	55,000
43	30,000
44-49	20,000
50-54	10,000
55-59	5,000
60-64	2,500

Eligibility conditions and exclusions

The insurance cover provided within the Fund is subject to important eligibility conditions and cover restrictions, which are explained in MIESF's Insurance Booklet.

The Insurance Booklet has the following sections:

1. Overview
2. What is the cost of the insurance cover?
3. Are you eligible for insurance cover?
4. When does your cover commence?
5. When does your insurance cover end?
6. How do the Death and TPD benefits interact?
7. What are the cover restrictions?
8. What is not covered by the insurance?
9. Cover whilst on leave without pay
10. What happens if you are overseas?
11. Who gets your Death benefit?
12. "Anti-detriment payment"
13. Payment of your TPD benefit
14. Key definitions

The insurance cover ceases for several reasons including:

- If MIESF has not received contributions from a Participating Employer on your behalf in the past three years and you are aged 55 or over; or
- If you make partial cash withdrawals from your account balance or rollovers to another superannuation fund which amount to more than \$20,000 in any financial year after 30 June 2013.

Please note that there is no provision to offer you the option of continuing your insurance cover with the Trustee's Insurer once you leave the Fund.

Please note that we will not notify you prior to your Death, Terminal Illness and TPD insurance cover ceasing.

You should therefore make sure that you are familiar with the situations when your Death, Terminal Illness and TPD cover will cease. If you are in any doubt, please contact us to determine whether you have Death, Terminal Illness and TPD cover at any particular time.

What is the cost of the insurance cover?

The cost of the insurance cover to the Trustee is \$6.58 per insured member per week. The Fund pays the insurer monthly and recoups the net of tax cost from insured members at the rate of \$5.60 per week.

The cost will be deducted from each insured member's account balance unless the member opts out of insurance cover as described below.

The Fund's insurance cover is designed to give financial assistance to you or your dependants in the event of your permanent disablement, terminal illness or death. The Trustee does not believe that the cost of this cover inappropriately erodes members' retirement benefits.

Members may choose to opt out of Death, Terminal Illness and TPD insurance cover altogether; however, a member cannot opt out of one, but not the others. Once a member opts out of cover, the member will become ineligible for cover at any time. If you wish to opt out, please contact our office as detailed on page 2 of this PDS.

There is no provision to offer members a different level or type of insurance cover.

✓ You should read the important information about insurance in your super before making a decision. Go to miesf.com.au/pds and read MIESF's "Insurance Booklet". The material relating to the Fund's insurance may change between the time when you read this PDS and the day when you acquire this product.

9. How to open an account

Joining is easy!

In most cases, membership begins when your Participating Employer sends contributions on your behalf. You should also complete the Membership Application & Nomination of Dependants form and return it to either your Employer or MIESF.

If you want to transfer other superannuation accounts to MIESF, you should also complete the Superannuation Transfer Authority form. We will then arrange the transfer on your behalf.

What happens next?

Once we receive contributions from your Employer, and your application has been processed, you will receive a Membership Card which has your member number on it. This should happen within a few weeks of you returning your Membership Application & Nomination of Dependants form. Keep your Membership Card in a safe place so you can quote your member number any time you contact our office.

Also included with your Membership Card is MIESF's latest Annual Report. It details (as at the date of the Annual Report) such things as MIESF's investments and how they have been performing, who the current directors are, and any changes to the Fund and superannuation rules which you should know about.

If you have not received your Membership Card or Annual Report, or you require a Membership Application form, please contact our office as detailed on page 2 of this PDS.

In order for us to send you information about the Fund, please tell us when you change address.

It is important that you read this Product Disclosure Statement before making a decision to join MIESF.

You can make enquiries or complain

Most queries can be sorted out over the phone. To make a complaint about some aspect of your membership or benefits, please contact the Complaints Officer at our office as detailed on page 2 of this PDS.

✓ You should read the important information about your enquiries and complaints before making a decision. Go to miesf.com.au/pds and read Section 9 in MIESF's "Additional Member Information Booklet". The material relating to enquiries and complaints may change between the time when you read this PDS and the day when you acquire this product.