

Additional Information Guide

PREPARED 20 JULY 2020

Issued by
Aracon Superannuation Pty Ltd
ABN 13 133 547 396
AFS Licence Number 507184
RSE Licence Number L0003384
USI 40586548205002

FairVine Super is a Sub Plan of the Aracon
Superannuation Fund ABN 40 586 548 205.

FairVine Super is promoted by
Human Financial Pty Ltd
(ABN 14 615 610 305)

The information provided in this document forms
part of the FairVine Super Product Disclosure
Statement (PDS) prepared 1 May 2020.

Email hello@fairvine.com.au
Website www.fairvine.com.au

Trustee
Aracon Superannuation Pty Ltd

Level 12, 500 Collins Street
Melbourne, VIC, 3004

Promoter
Human Financial Pty Ltd
(ABN 14 615 610 305)
Suite 1801a, Level 18, Westfield Tower 2,
Bondi Junction NSW 2022

Corporate Authorised Representative
CAR No. 001271291 of Warrington Scott
Pty Ltd AFSL (No. 478958)

About the Additional Information Guide

This Additional Information Guide (the "Guide") provides important information about FairVine Super, a Sub Plan of the Aracon Superannuation Fund, and forms part of its Product Disclosure Statement ("PDS") prepared 20 July 2020.

It provides a summary of significant information and contains a number of references to important information, each of which forms part of the PDS. This Guide contains general information only which does not take into account your personal financial situation, objectives or needs. Therefore, you should consider obtaining financial advice from a licensed financial adviser that is tailored to suit your personal circumstances. The PDS and this Guide may be updated or changed by the issuer from time to time.

You should read and consider the important information about FairVine Super before making a decision to invest.

The material relating to FairVine Super may change between the time when you read this statement and the day when you acquire the product. An up-to-date copy of the PDS and other relevant forms or guides is available at www.fairvine.com.au.

Contents

1. How Super Works	3
2. Nomination of Beneficiaries	10
3. Risks of Investing with FairVine Super	12
4. How FairVine Super Invests Your Money	14
5. Fees and Costs	15
6. Taxation	18
7. Additional Information	19

CONTACT DETAILS

If you have any questions or would like more information about FairVine Super, a Sub Plan of the Aracon Superannuation Fund, please contact the Promoter, Human Financial Pty Ltd as follows:

Email: hello@fairvine.com.au
Internet: www.fairvine.com.au
Phone: 02 8322 8199

1. How Super Works

Generally, superannuation (“Super”) is a long-term investment whereby contributions are made over your working life which are then paid as a benefit to you when you retire. The purpose of this section is to provide you with important information to help you to understand your Super and what you can do to help you increase your Super balance.

Generally, contributions can be accepted by the Trustee of a super fund by or on behalf of a person in the following circumstances:

Age Group	Employer Contributions			Member Contributions	Downsizer Contributions
	Superannuation guarantee	Award	Voluntary		
Under age 67	Yes	Yes	Yes	Yes	Yes
Age 67-69	Yes	Yes	Only if gainfully employed part time	Other than for downsizing contributions up to \$300,000, only if you have worked at least 40 hours in not more than 30 consecutive days in the financial year.*	Yes
Age 70-74	Yes	Yes	Only if gainfully employed part time	Other than for downsizing contributions up to \$300,000, only if you have worked at least 40 hours in not more than 30 consecutive days in the financial year.*	Yes
Age 75 and over	Yes	Yes	No	No	Yes

*From 1 July 2018, members over the age of 65 can make a contribution of up to \$300,000 where the funds are sourced from the sale of their principal place of residence sold after 1 July 2018 providing the property was owned for over 10 years. Other conditions apply and you should discuss this with your Adviser before making this type of contribution. See the section ‘Home Downsizing’ for more information.

If contributions are received by the Trustee in contravention of the contribution rules in superannuation legislation, they must generally be returned in the timeframe and manner stipulated by law (adjustments for investment fluctuations and reasonable costs can be made).

Gainfully employed part-time means employed or self-employed (for gain or reward) for at least 40 hours in a period of not more than 30 consecutive days in the financial year in which the contribution is made. This only applies where the member has a total superannuation balance of less than \$300,000 at the end of the previous financial year.

WAYS TO CONTRIBUTE TO YOUR SUPER

Contributions means money deposited to your super account by you, your employer, your spouse or the Government. The table below details the different types of contributions, caps (or limits) on contributions, and when we can accept them.

Type of contribution	Description	Contribution caps	Tax on contributions
Rollover your Super from other super funds	You can transfer your Super that you hold in other super funds by using the FairVine Super member portal rollover service. Prior to rolling your other Super into FairVine Super you should consider whether you will incur any withdrawal charges from your other super funds and if the transfer will affect other entitlements, such as your insurance cover.	There are no contribution caps rolling over your existing Super from other super funds into FairVine Super.	Nil
Your Employer contributions	After joining FairVine Super we will email you a form ("Choice of Super Fund"). You can print that out, sign it and then email or give it to your employer. The form is also available via your member portal on our website in case you ever change jobs! www.fairvine.com.au	Your Employer contributions are considered "Concessional contributions". These are before-tax contributions. Currently in the 2020/21 financial year, there is a cap on Concessional contributions of \$25,000.	15%, or 30% if your adjusted taxable income is \$250,000 or more, on amounts within your cap. If you exceed your cap, the excess amount will be taxed at your marginal tax rate.
Your salary sacrifice contributions	You may also be able to organise salary sacrifice contributions from your before-tax salary with your employer. Salary sacrifice contributions are taxed at 15% up to the concessional contribution cap.	If you contribute more than the cap each year, the excess amount will count towards your non-concessional cap.	
Your Personal and Spouse contributions	You and your spouse can make after-tax contributions to your Super. These contributions are considered "Non-concessional contributions". Contributions made using FairVine Super tools (explained below) fall under this category.	These non- concessional contributions are currently capped at \$100,000 per financial year, or up to \$300,000 over 3 years if you are under age 65. For individuals with a total superannuation balance greater than \$1.6 million at the end of the previous financial year, any non-concessional contributions will be treated as excess non-concessional contributions.	0% on amounts within your cap to a maximum superannuation balance of \$1.6M across all funds. If you exceed your cap, the excess amount will be taxed at the top marginal tax rate of 45% plus Medicare and other levies, as applicable (unless you withdraw the excess amount (including up to 85% of any earnings), in which case the excess amount will be taxed at your personal tax rate). As an employee, you may be able to claim a tax deduction for after-tax personal contributions you make to your Super, provided you meet certain eligibility criteria. Claiming a tax deduction for your personal contributions may have implications for how your contributions are taxed within your Super.

CONTRIBUTIONS THROUGH FAIRVINE SUPER TOOLS

FairVine Super has developed a range of innovative tools and features, enabling you to contribute to your Super in a variety of ways. These include:

- **TopUps:** automated weekly or ad hoc contributions
You can setup weekly contributions or any ad hoc contributions in your FairVine Super member portal. An amount of your choosing will then be debited from your bank account. At the end of every week your TopUps contributions will be transferred to your FairVine Super account.
- **RoundUps:** investing spare change
RoundUps allow you to automatically contribute to your Super by rounding up your day-to-day purchases. You can link your bank cards and bank accounts through your member portal and make regular contributions via rounding up your day-to-day purchases to the nearest dollar. At the end of the week, your contributions will be aggregated and transferred to your FairVine Super account. You can activate or deactivate RoundUps in your member portal.
- **FairRewards:** earning cash rewards into your Super when shopping online
FairVine Super members are able to access an online shopping portal called FairRewards. When you shop online at one of FairVine Super's partner brands through the FairRewards portal, you can earn a fixed or percentage based amount that will be directed into your FairVine Super account*. Members can access the FairRewards portal and the reward amount at <https://rewards.fairvine.com.au/>.
- **FairGig:** a tool to direct a fixed percentage of a member's income to their FairVine Super account.
FairGig has been designed for members such who are contractors or self-employed and do not receive regular superannuation payments. These members can link their bank accounts to automatically divert a fixed percentage of their income into the FairVine Super account.
- **FairShare:** easily share super with your eligible spouse
You can easily contribute super between eligible spouses using FairShare. You have the option to contribute to your eligible spouse through contribution splitting or spouse contributions. Both eligible spouses must be members of FairVine to use FairShare.

The automated TopUps, RoundUps and FairGig tools utilise a third-party system called Basiq. The Trustee and the Promoter do not take responsibility for services provided by Basiq. Members are required to accept Basiq's terms and conditions to use this feature. Basiq's Privacy Policy and Terms of Service can be accessed via the following link: <http://docs.basiq.io/pricing-privacy-and-terms>.

*Rewards earned through the FairRewards Program are payable to the individual and that the individual directs the Promoter to pay it into their FairVine Super account.

CLAIMING A TAX DEDUCTION FOR PERSONAL SUPER CONTRIBUTIONS

If you're an employee, you may be eligible to claim a tax deduction for after-tax personal contributions made into your Super (including contributions made using FairVine Super tools) provided you meet certain eligibility criteria. If you intend to claim a tax deduction for your personal contributions, you must complete a valid Notice of intent to claim or vary a deduction for personal super contributions form (Nat 71121) and submit the form to the Promoter within the required timeframe. For more information, visit the ATO website or contact FairVine Super.

SPOUSE CONTRIBUTIONS TAX OFFSET

You may be entitled to a personal income tax offset of 18% on contributions of up to \$3,000 made on behalf of a spouse earning less than \$40,000, subject to a maximum tax offset of \$540 per year. The following additional rules apply:

- the relevant contributions were not deductible to you;
- the contributions were made to a super fund that was a complying super fund for the income year in which you made the contribution;
- both you and your spouse were Australian residents when the contributions were made; and
- when making the contributions you and your spouse were not living separately and apart on a permanent basis.

Your spouse includes another person of either the same or opposite sex who you were in a relationship with that was registered under a prescribed state or territory law, or if not legally married to you, lived with you on a genuine domestic basis in a relationship as a couple.

Contribution Splitting

CONTRIBUTION SPLITTING

You may be able to split your concessional contributions with your spouse and transfer the contribution to an account in your spouse or partner's name. You may only apply to split contributions if your spouse or partner is either less than their preservation age; or between their preservation age and age 64 years and not retired.

The maximum amount that can be split is the lesser of:

- 85% of your total concessional contributions to the fund in the last financial year before the application is made or in the current financial year if the entire benefit is to be transferred or rolled out of the fund; and
- the Concessional Contributions Cap amount for that financial year.

Contribution splitting does not reduce the amount that counts towards your concessional contributions cap as super funds must report to the ATO all the contributions that were received for you, including those that were subsequently transferred to your spouse after a contribution split application.

SUPER CO-CONTRIBUTION

The maximum government co-contribution of \$500 is potentially available to individuals whose total income in 2019/2020 does not exceed \$38,564 pa. The maximum co-contribution reduces by 3.333 cents for every dollar of total income over \$38,564, cutting out at \$53,564.

The following conditions also apply:

- you make an eligible personal super (after-tax or non-concessional) contribution during the income year into a complying super fund and don't claim a tax deduction for all of it;
- your total income, less any allowable taxation deductions, for the relevant financial year is less than the higher income threshold;
- 10% or more of your total income comes from eligible employment-related activities, carrying on a business or a combination of both;
- you are less than 71 years old at the end of the income year;
- you are not the holder of a temporary visa at any time during the income year, unless you are a New Zealand citizen or holder of a prescribed visa;
- you have a total super balance at previous 30 June less than general transfer cap (\$1.6m for 2020/21);
- non-concessional contributions are made within your non-concessional contributions cap; and
- you lodge your income tax return for the relevant income year.

The ATO will assess whether you are entitled to receive a co-contribution using information provided by your super fund(s) and from your personal income tax return. If you are entitled to a co-contribution, the ATO will deposit it into your super account on your behalf subject to that fund having your TFN. The minimum super co-contribution payment is \$20 and payment amounts are rounded to the nearest 5 cents.

PAYMENT OF UNCLAIMED MONIES TO THE ATO

Under Federal Government (Unclaimed Money) legislation, there are a number of circumstances in which superannuation must be paid to the Australian Taxation Office as unclaimed money including inactive benefits of an uncontactable member who has reached age 65 and certain benefits of 'lost members'. The following accounts of 'lost' members must be paid to the Australian Taxation Office as unclaimed money:

- account balances of less than \$6,000 (or such other threshold determined by the Government from time to time); or
- accounts which have been inactive for a period of 12 months and there are insufficient records to ever identify the owner of the account.

A former temporary resident's superannuation benefit must also be paid to the Australian Taxation Office as unclaimed money where it has been at least six months since they have departed Australia and their visa has lapsed AND the Australian Taxation Office issues a notice to FairVine Super requesting the benefit be paid to the Australian Taxation Office.

If this happens, you have a right, under the Government's legislation, to claim your super money directly from the Australian Taxation Office (subject to the applicable tax rates).

Further information about unclaimed money can be obtained from the Australian Taxation Office website (www.ato.gov.au).

INACTIVE LOW BALANCE ACCOUNTS

From 1 July 2019 members who are inactive for a period of 16-month and have account balances under \$6,000 as at 30 June and 31 December each year will be transferred to the ATO.

An account is considered an 'inactive low-balance account' where:

- no contribution has been received for 16 months;
- the balance of the account is less than \$6,000; and,
- the member has not taken certain other actions within that 16-month period that demonstrate some engagement with the fund, such as changing their insurance or investment arrangements, or making a death benefit nomination.

The ATO will look to reunite members with their fund. Members can contact the ATO in writing and advise they are not a member of an inactive low-balance account.

FIRST HOME SUPER SAVER SCHEME (FHSS)

From 1 July 2017, individuals can make voluntary contributions into superannuation of up to \$15,000 per year with a cap of \$30,000 in total for the purpose of saving for the purchase of a first home.

Individuals can make voluntary concessional (before tax) and non-concessional (after tax) contributions for the purpose of saving for their first home. If concessional, the contributions will be taxed at 15%. The contributions together with deemed earnings can be withdrawn for use as a deposit from 1 July 2018.

Contributions under this scheme are subject to the concessional and non-concessional contribution caps.

The withdrawal of concessional contributions and associated deemed earnings will be taxed at marginal tax rates less a 30% tax offset. Non-concessional withdrawals will not be taxed.

To qualify individuals must:

- not have previously owned property in Australia (nor have the Commissioner of Taxation determine the individual suffered a financial hardship as specified by regulations)
- have not previously released FHSS funds
- either live or intend to live in the premises the individual is buying as soon as practicable
- intend to live in the property for at least six months of the first 16 months they own it, after it is practical to do so.

HOME DOWNSIZING

From 1 July 2018 people aged 65 and older who meets the eligibility requirements will be able to make a contribution of up to \$300,000 to superannuation after selling their principal place of residence providing it has been owned for more than 10 years. This is in addition to any other contributions they are eligible to make and regardless of their superannuation balance.

Downsizer contributions are not non-concessional and do not count towards contribution caps. The downsizer contribution will also count towards your transfer balance cap, currently set at \$1.6 million. This cap applies when you move your super savings into retirement phase. You can only make downsizing contributions for the sale of one home.

Both members of a couple are eligible so that a couple will be able to contribute up to \$600,000.

Downsizer contributions will be taking into account when determining eligibility for the age pension. Where a downsizer contribution is made, there is no requirements to purchase another home.

TEMPORARY RESIDENTS

If you entered Australia on any temporary visa, which has expired or cancelled, you are eligible to access your benefit from your super fund under the Departing Australia Super Payment ("DASP") condition of release within six months of leaving Australia.

Generally, any benefits not claimed within six months of departure will be transferred to the Australian Taxation Office as unclaimed monies.

The easiest way to claim your super is to apply online at the Australian Taxation Office and using the DASP online application system at www.ato.gov.au/departaustralia.

FAMILY LAW SUPERANNUATION

The Family Law Act 1975 allows couples to divide their superannuation interests in the event of the breakdown of their marriage or de facto relationship (including same sex couples). The interests may be divided by formal agreement or by a Family Court order. In the event that a member's superannuation interests are split, a new interest may be created for the non-member spouse within FairVine Super or their interest may be transferred or rolled over to another regulated superannuation fund. Only superannuation interests of \$5,000 or above can be split.

For further information concerning contributions and taxation of contributions, go to www.ato.gov.au/super. The material relating to contributions and taxation of contributions may change between the time when you read this guide and further information and the day when you acquire the product.

PAYMENT OF BENEFITS

As super is generally considered a long-term investment and includes various taxation concessions, the Government has placed restrictions on when you can gain access to benefits. All contributions made by you or on your behalf since 1 July 1999, and any investment earnings on those contributions, are required to be retained or “preserved” in the super system until you satisfy a condition of release.

Any benefits that you accumulated in super prior to 1 July 1999 are apportioned into preserved and non-preserved components. Certain benefits may be classified as unrestricted non-preserved and are able to be withdrawn at any time.

CONDITIONS OF RELEASE

Preserved benefits can only be accessed when you meet a condition of release, which generally includes any one of the following circumstances:

- you reach your preservation age that is less than age 60 years, have ceased employment and the Trustee is reasonably satisfied that you do not intend ever again to become gainfully employed;
- you reach age 60 years, have ceased employment and either of the following applies:
 - you attained age 60 years on or before the ending of employment; or
 - the Trustee is reasonably satisfied that you do not intend ever again to become gainfully employed;
- you reach age 65 years;
- the Trustee is satisfied that you suffer from a permanent disability;
- you die;
- your benefit is less than \$200;
- you have a terminal medical condition that is supported by medical reports from two practitioners, one of whom must be a relevant specialist, that certify that you are likely to die within 24 months;
- you qualify for an early release of part of your benefits on the grounds of severe financial hardship or specified compassionate grounds;
- you are a temporary resident permanently departing Australia, subject to certain conditions;
- you comply with any other condition of release specified in government legislation.

PRESERVATION AGE

Your preservation age is determined based on your date of birth, as summarised in the following table:

Date of Birth	Preservation Age (years)
Before 1 July 1960	55
From 1 July 1960 to 30 June 1961	56
From 1 July 1961 to 30 June 1962	57
From 1 July 1962 to 30 June 1963	58
From 1 July 1963 to 30 June 1964	59
On or after 1 July 1964	60

2. Nomination of Beneficiaries

After you join FairVine Super, you will be asked what you wish to happen to your super account should you die before your benefit is paid out in full to you. You will have the option of either “binding” or “non-binding” nominations to choose from. If you are uncertain of which to choose, you should consult your licensed financial adviser. In either case, your death benefit can generally be paid only to either or both of the following:

- one or more of your dependants; and/or
- your legal personal representative.

A dependant includes your spouse, child, and/or any person with whom you have an interdependency relationship. Your spouse includes another person of either the same or opposite sex who you were in a relationship with that was registered under a prescribed state or territory law, or if not legally married to you, lived with you on a genuine domestic basis in a relationship as a couple. The definition of child includes an adopted child, a stepchild, or an ex-nuptial child, a child of your spouse, or someone who is classified as a child under the Family Law Act.

An interdependent relationship between two people applies if:

- they have a close personal relationship;
- they live together;
- one or both of them provides the other with financial support; and
- one of both of them provides the other with domestic support and personal care.

Two people with a close personal relationship who do not live together because one or both suffers from a physical, intellectual or psychiatric disability can still be considered to have an interdependent relationship.

A legal personal representative means the executor of the will or administrator of the estate of a deceased person, the trustee of the estate of a person under a legal disability or a person who holds an enduring power of attorney granted by a person.

If you do not make a nomination or your nomination is invalid, the Trustee will, in its absolute discretion, pay your death benefit to one or more of your dependant(s) and/or legal personal representative.

NON-BINDING DEATH BENEFIT NOMINATION

If you make a non-binding death benefit nomination, the Trustee will take your nomination into account when deciding who to pay your death benefit to. However, your nomination is only a guide and the Trustee has discretion in deciding who should receive your death benefit and in what proportions.

BINDING DEATH BENEFIT NOMINATION

If you make a binding death nomination the Trustee will pay your benefit according to your nomination as long as the nomination is valid at the time of your death. To ensure you make a valid binding nomination:

- you must nominate either dependant(s) or your legal personal representative; and
- the proportion of the benefit that will be paid to each person you nominate must be certain or readily ascertainable from your nomination and add to 100%.

Your nomination must be in writing and be signed and dated, in the presence of two witnesses, being persons who are at least 18 years of age and neither of whom is nominated as a beneficiary in the nomination notice. The nomination must contain a declaration signed and dated by the witnesses stating that the nomination was signed by you in their presence.

Binding nominations have a fixed term of three years and override any nomination you have made previously. You must confirm or amend your notice at least every three years in order for it to be valid.

You may revoke your binding nomination at any time by completing a new notice. The Trustee is required to follow a valid binding death nomination even if your circumstances changed between the date of the binding nomination and the time of your death.

3. Risks of Investing with FairVine Super

Some of the significant risks of FairVine Super are summarised in the PDS. The following section provides further detail concerning other risks of your investment in FairVine Super. The actual investment risks may vary significantly from that set out below and will depend on the actual investment portfolios you select. You need to consider and manage these risks. This summary is a guide only and is not an exhaustive list of all the risks.

MARKET RISK

Market risk is the risk that events may occur which have a negative effect on the price of investments within a particular market, for example, the stock market for shares or the bond market for fixed interest securities. These events may include changes in economic, social, technical, political, legal, or accounting conditions, as well as market sentiment. These factors can affect both Australian and international markets and in particular less developed financial markets. Movements in investment markets will result in the value of the FairVine Super underlying assets, and the value of your investment, moving up or down.

INVESTMENT SPECIFIC RISK

This is the risk that a single investment or concentrated investments made by the Trustee, for example an investment in a particular company's shares or a specific portfolio, could have a significant adverse effect upon the overall performance of FairVine Super or the investment strategies.

CONCENTRATION RISK

The fewer the number of holdings in a portfolio the higher the concentration risk. With a more concentrated portfolio there is a greater risk that poor performance by one or a group of investments can significantly affect the performance of the whole portfolio.

COUNTERPARTY RISK

Certain investments rely on counterparties such as brokers, lenders, issuers and clearing exchanges and these parties may be unable to meet their obligations. FairVine Super mitigates this risk by conducting due diligence on the counterparties it engages and continuously

monitoring and internally reporting on counterparty risk.

COUNTRY RISK

As the investment options have the capacity to be exposed to businesses that have some proportion of their operations outside Australia, some investments will be subject to country risk. In assessing country risk, it is appropriate that investors should be aware of the potential impact on investment prices of political and sovereign risk, expropriation, and regulatory differences in enforcement of contracts especially in those countries where there is a less robust regulatory and investor protection network. Socio-economic issues, including cultural differences and attitudes to foreign ownership, may also impact on the investment price.

CURRENCY RISK

Investment in international markets usually involves currency risk. Currency risk is the potential for adverse movements in exchange rates to reduce the Australian dollar value of international investments. For example, if the Australian dollar falls, the value of international investments expressed in Australian dollars can increase; if the Australian dollar rises, the value of international investments can decrease.

In order to protect the Plan from the risks of the effects of currency fluctuation, where it is considered appropriate, investments in businesses with operations outside Australia may be fully or partially hedged.

INTEREST RATE RISK

Changes in interest rates can have a positive or negative impact directly or indirectly on investment value and returns. Interest rates can change due to a variety of reasons, including government policy and the outlook for inflation. For example, the cost of a company's borrowing can increase or decrease or the interest return on a fixed interest security can make it more or less favourable.

LIQUIDITY RISK

Liquidity risk is the extent to which investments can be converted into cash or other liquid securities without suffering a substantial

reduction in value. This risk may arise in circumstances where in order to liquidate an investment quickly, it may be necessary to sell that investment at a substantial discount and so have a negative impact on the overall performance of FairVine Super.

MANAGER RISK

This is the risk that a fund manager engaged to manage a portfolio of investments may suffer an unexpected loss of key personnel, the consequences of which could have a negative impact on the performance of those investments within FairVine Super. Also, there is a risk that a manager's investment philosophy or process may not produce the results sought. The Trustee attempts to reduce this risk by employing a variety of different fund managers to ensure that the manager risk is diversified.

CREDIT RISK

This is the risk that institutions in which the Trustee has invested may become insolvent and so unable to meet their interest payments and not be in a position to repay the monies invested. The Trustee attempts to reduce this risk by only investing in those institutions which, after investigation, it is ascertained have good credit ratings, competent management, and a satisfactory performance history.

OPERATIONAL RISK

Risks specific to FairVine Super, as with any other super fund, include the possibility of changes to FairVine Super or its internal operations. This may include changes to key staff involved in the management, or the failure of its systems or procedures. The Trustee seeks to minimise this risk by taking into account the best interests of Members at all times when making decisions and by having a compliance and risk management framework in place in accordance with legislative requirements.

LEGISLATIVE CHANGES

Changes made to super, taxation, and Social Security legislation may affect the value of your investment, your ability to access your benefits and your eligibility for Social Security benefits. Similarly, changes to financial services-related laws can impact on the cost of providing financial services and ultimately the costs and returns of your investments.

OTHER RISKS

The above list is by no means exhaustive. Other possible influences include natural disasters, new technology, war, and acts of terror which are beyond the control of the Trustee, the fund managers or other service providers.

While the Trustee intends to apply sound investment principles to the operation of FairVine Super and to invest in a manner which recognises and attempts to control the risks, investors should carefully consider the risk factors in making their investment choices and consider obtaining personal financial advice.

There are a number of specific risks associated with the FairVine Super investment options, including:

- Index tracking error risk: the risk that the performance of the investment option differs from the performance of the relevant reference index (including due to fees and costs); and
- Managed Investment Scheme Risk: the risks associated with investment managers not performing to expected benchmark, as well as other risks around management and administration of the MIS e.g. valuation errors.

4. How FairVine Super Invests Your Money

STANDARD RISK MEASURE

The table below shows how the risk level is determined.

Risk	Risk Label	Estimated number of negative annual returns over any 20 year period
1	Very low	Less than 0.5
2	Low	0.5 to less than 1
3	Low to Medium	1 to less than 2
4	Medium	2 to less than 3
5	Medium to High	3 to less than 4
6	High	4 to less than 6
7	Very high	6 or greater

Note that past performance is not a reliable indicator of future performance. Both the Balanced and Growth options at FairVine Super have been classified by the Asset Consultant as Risk Band 4 (Medium risk).

The overall profiles and investment strategies applicable to the managed investment options are outlined below.

FAIRVINE OPTIONS ASSET ALLOCATION

	Balanced	Growth
Growth	70%	80%
Australian equities	35% range (15% - 45%)	40% range (25% - 55%)
International equities	30% range (15% - 45%)	35% range (25% - 55%)
Australian listed property	5% range (0% - 15%)	5% range (0% - 15%)
Defensive	30%	20%
Australian fixed interest	10% range (0% - 20%)	10% range (0% - 20%)
International fixed interest	10% range (0% - 20%)	5% range (0% - 20%)
Cash	10% range (0% - 15%)	5% range (0% - 15%)

ETHICAL INVESTING

When considering potential investments for FairVine Super, the Plan typically focuses on managed funds and Exchange Traded Funds ("ETFs") with a focus on ethical investing (where appropriate) along with the following characteristics:

- Existing investment performance track record;
- Appropriate risk management and weighting of underlying investments; and
- Adequate liquidity in the underlying company or fund/ETF (including fund/ETF size).

ETHICAL SCREENS

At FairVine Super we aim to ensure that the funds we invest in do not include companies that engage in unethical practices. All international equity investments in FairVine Super's investment options exclude companies with significant business activities involving fossil fuels, alcohol, tobacco, military weapons and civilian firearms, nuclear power and adult entertainment. At the date of the publication of the PDS, Australian equity investments in FairVine Super's investment options exclude companies with significant business activities involving tobacco and military weapons.

5. 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 or your employer, as applicable, may be able to negotiate to pay lower fees. Ask the fund or your financial adviser.

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 calculator to help you check out different fee options.

This section provides you with the fees and costs that you may be charged as a member of FairVine Super. These fees and costs may be deducted from your balance, from the returns on your investment, or from the assets of the Fund as a whole.

The following fee table discloses the fees and costs for each available investment strategy. This information can be used to compare costs between different superannuation products.

FAIRVINE SUPER		
Type of fee	Amount	How and when paid
Investment fee	Nil	N/A
Administration fee ^{1,2}	0.826% per annum plus \$104 per annum (\$2 per week)	Deducted monthly in arrears from your account
Buy-sell spread ³	0.30% buy 0.30% sell	Included in the unit pricing of the investment option
Switching fee ⁴	Nil	N/A
Advice fees	N/A	N/A
Other fees and costs ⁵		
Indirect cost ratio	0.124% per annum	Deducted from the assets of the underlying investments and reflected in the unit price.

The total fees for both the Balanced Option and Growth option are the same except for the ICR. The ICR for the Growth Option is 0.143%.

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 that cap must be refunded. For those with initial investment balances less than \$10,000, or when Supermatch displays a balance of less than \$10,000, the Trustee may consider accepting applications below this amount.

² Includes a Trustee and Custodian fee of 0.088%, investment platform fee of 0.11% and a Promoter Fee of 0.628% + \$104 per annum. Part of the Promoter Fee will be used to fund the Operational Risk Financial Requirement ("ORFR") Reserve with the balance being provided through trustee capital. The Trustee, Custodian and Promoter fees are all GST inclusive. All fees quoted above are inclusive of GST and any Reduced Input Tax Credits (RITC) will be allocated to the expense reserve account to fund FairVine Super's ORFR requirement.

³ Buy/sell spreads may be varied from time to time and will be reviewed on a regular basis.

⁴ The buy-sell spread applies for entering in and out of the investment options, including switching between investment options. There is no additional switching fee.

⁵ See the Additional Explanation of Fees and Costs below for an explanation of other fees and costs that may apply, including activity fees and insurance fees.

FEE CHANGES

The Trustee has the right to change the amount of fees without members' consent. Where this may result in an increase in fees, the Trustee will provide you with at least 30 days written notice of the change.

UNIT PRICING

The Trustee calculates each member's interest in an investment option by reference to "units" issued in the investment option.

The value of unit prices may rise or fall. The change in the value of unit prices represents the investment return (or loss) applicable to an investment option. The value of each investment option will be calculated weekly after allowing for its share of liabilities and operating expenses. In exceptional circumstances, such calculations may be delayed or suspended. The investment option unit prices are determined by dividing the redemption value of each investment option by the total number of units on issue for that investment option. All transactions are based on the unit prices applicable to the transaction.

Units will normally be allocated at the next unit price after the date the Administrator receives your contributions (or other amounts) and complete documentation. For investment switches or withdrawals, units will normally be redeemed at the next unit price after the date the Administrator receives the complete documentation. Accordingly, annual investment returns will vary from member to member, having regard to the performance of underlying investments from time to time and individual cash flows. Unit prices may be obtained by emailing hello@fairvine.com.au. Annual investment returns will be published on the FairVine Super website or by contacting FairVine Super directly.

ADDITIONAL EXPLANATION OF FEES AND COSTS

OPERATIONAL RISK RESERVE

As part of the Stronger Super reforms, all superannuation funds are now required to satisfy an Operational Risk Financial Requirement (ORFR) to specifically cover potential losses arising from operational risks. An operational risk is the risk of a loss resulting from inadequate or failed internal processes, people and systems, or from external events. The ORFR may be drawn upon to assist in compensating members or the Fund in the event of an operational risk occurring. The Trustee has established an ORFR Strategy which details how the ORFR will be satisfied and maintained.

A component of the ORFR will be funded from Reduced Input Tax Credit (RITC) and expense recovery.

Some of the ORFR fee will be borne by the Promoter, however if there are insufficient funds to maintain the ORFR, additional funds may be allocated as a one of fee deduction from member accounts.

EXPENSE RECOVERY RESERVE

The Trustee has established and maintains an Expense Recovery Reserve to meet liabilities of the Fund. The Expense Recovery Reserve may be funded by a combination of RITC claimed by the Fund, interest earned on the Expense Recovery Reserve and allocating a small amount of fund earnings prior to unit prices being declared.

DEFINED FEES

Activity Fees are fees incurred by the Trustee that are directly related to an activity of the Trustee where:

- A. the fee relates to costs incurred by the trustee of the superannuation entity that are directly related to an activity of the trustee:
 - I. that is engaged in at the request, or with the consent, of a member; or
 - II. that relates to a member and is required by law; and
- B. those costs are not otherwise charged as an administration fee, an investment fee, a buy-sell spread, a switching fee, an exit fee, an advice fee or an insurance fee.

Activity Fees may apply with FairVine Super. However, the Promoter in certain circumstances may rebate these fees to the members.

Administration Fees are fees that relate to the administration or operation of the superannuation entity and include costs incurred by the Trustee that relate to administration or operation other than:

- A. borrowing costs; and
- 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
- 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.

Advice Fees are incurred where:

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:

- A. a trustee of the entity; or
- B. another person acting as an employee of, or under an arrangement with, the trustee of the entity; and
- C. those costs are not otherwise charged as an administration fee, an investment fee, a switching fee, an exit fee, an activity fee or an insurance fee.

Buy-sell Spreads are fees to recover transaction costs incurred by the Trustee in relation to the sale and purchase of assets of the entity.

Insurance Fees are fees that relate directly to the insurance premiums paid by the Trustee in relation to a member and/or the costs incurred by the Trustee in relation to the provision of insurance for a member where these do not relate to any costs incurred that are based on the performance of an investment. The premiums or costs are not otherwise charged as an administration fee, investment fee, switching fee, exit fee, activity fee or advice fee.

Investment Fees are fees that relate to the investment of the assets of a superannuation entity and include

- A. fees in payment for the exercise of care and expertise in the investment of those assets (including performance fees); and

- B. costs that relate to the investment of assets of the entity, other than:
 - I. borrowing costs; and
 - II. 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
 - III. costs that are not otherwise charged as an administration fee, a buy-sell spread, a switching fee, an exit fee, an activity fee, an advice fee or an insurance fee.

Switching Fees are fees to recover the costs of switching all or part of a members' interest in the superannuation entity from one investment option or product in the entity to another.

FEE REBATES

Members of the FairVine Super plan may be eligible for fee rebates in certain circumstances. Any eligible rebate will be paid in cash directly into a member's nominated bank account and funded by the Promoter as not to impact other members within the Plan.

The FairVine Super 'Baby Bonus' allows FairVine members who are on parental leave to be entitled to a fee rebate. The fee rebate will cover the Administration and Indirect Cost Fee only. The maximum period that the fee will be rebated for any one parental leave period is 12 months. There is no limit to the number of parental leave periods that a member may qualify for.

To apply for the rebate, you will need to notify the Promoter via your online member portal by uploading a scan of your child's Birth Certificate or Acknowledgement of Birth. In addition, you will have to inform the Promoter of the length of your parental leave, accompanied by a letter from your employer confirming your period of leave.

The Plan also offers a fee rebate for members who have a balance lower than \$2,500. To be eligible, your balance must be under \$2,500 at the end of the financial year. The fee rebate will cover the Administration and Indirect Cost Fee only and will be limited to the total fees charged from the previous financial year.

6. Taxation

	Lump sum benefits	
	Assessable Portion	Tax Rate
Age 60 and over	Nil	n/a
Under Age 60: Tax free component	Nil	n/a
Taxable component: • Under preservation age	100%	20%
• Between preservation age and age 60 or paid due to disability	\$0 to \$215,000	0%
	Over \$215,000	15%

The tax-free component includes any non-concessional contributions and pre-1 July 1983 amounts. The taxable component is the balance of the benefit after any tax-free component. The above rates are for the 2018/19 financial year and do not include the Medicare or other levies if the amounts are assessable. Different rates of tax apply to superannuation benefits that include an "untaxed element". If you are able to access your benefit as a lump sum due to a terminal medical condition, your benefit will generally be tax-free.

The tax treatment of death benefits paid will vary depending on who receives your benefit. Generally, if the benefit is paid as a lump sum to a 'tax dependant' beneficiary, the benefit will be tax-free. A 'tax dependant' beneficiary includes:

- your spouse or de facto partner, including a person with whom you are in a registered relationship under prescribed laws;
- your children under 18 years of age;
- any person who was financially dependent on you at the time of death; and
- any person who had an interdependency relationship with you at the time of death.

For benefits paid to non-tax dependants, the taxed element of the taxable component of the lump sum death benefit will be taxed at a rate not exceeding 15% plus the Medicare and other levies. The untaxed element of the taxable component of the lump sum death benefit will be taxed at a rate not exceeding 30% plus the Medicare and other levies.

A HIGHER TAX ON CONCESSIONAL CONTRIBUTIONS

Clients with income (for Div 293 purposes) exceeding \$250,000 (not indexed) are subject to an additional 15% tax on part or all of their non-excessive concessional contributions.

See under the heading 'How Super Works' at the start of this guide for more information about taxation on contributions in various circumstances.

7. Additional Information

HOW TO JOIN FAIRVINE SUPER

1. Please read our Product Disclosure Statement (PDS) available at www.fairvine.com.au. The PDS is not intended to give any personal advice, rather just a general overview of important information. If you would like personal financial advice, please seek a financial professional to discuss if FairVine Super suits your financial situation.
2. Complete the FairVine Super online application form on www.fairvine.com.au.
3. You will receive a Welcome Pack by email confirming receipt of your application.

KEEPING YOU INFORMED

In addition to your Welcome Pack, as a member, you'll receive an Annual Member Statement. These statements will show:

- your account balance,
- benefits, and
- a list of all transactions made during the financial year.

We will communicate with you via the telephone, brochures, email, post, SMS and other forms of relevant electronic communication.

Copies of the PDS, this Additional Information Guide and other important information can be obtained electronically via www.fairvine.com.au or by calling 02 8322 8199. If your details change, please email or call us, or change your details online so that we can update your records.

PRIVACY

In this section, 'we' means the Promoter (Human Financial Pty Ltd), the Trustee (Aracon Superannuation Pty Ltd) or the Member Administrator (DIY Master Pty Ltd).

We collect your personal and sensitive information about you for the following reasons, to:

- Administer products and services and manage our relationship with you, including to establish and maintain member records, and provide regular statements, reports and communications;
- Provide products and services to you;
- Process transactions, applications, claims, requests and queries in relation to our products and services;
- Identify you in accordance with the Anti-Money Laundering & Counter Terrorism Financing Act and to protect against fraud;
- Let you know about other products or services that we may offer; and
- Comply with applicable laws and regulations.

If we do not collect your personal or sensitive information, we may not be able to process your applications, provide you with services relating to FairVine Super or administer your interest in FairVine Super.

We may disclose your personal or sensitive information to third parties including:

- Outsourced service providers including an administrator or the Promoter of FairVine Super;
- Specialist service providers, such as custodians, auditors and lawyers;
- Insurance providers;
- Your financial adviser, your attorney appointed under a power of attorney, or your appointed representative; and

- Government authorities as required or desirable in administering and conducting the business of FairVine Super including in complying with relevant regulatory or legal requirements. It is possible that this may also include a Government authority that is overseas.

Personal or sensitive information will only be disclosed to third parties other than those listed above if you have consented, if you would reasonably expect us to disclose information of that kind to those third parties, if we are authorised or required to do so by law or it is necessary to assist with law enforcement.

PRIVACY POLICIES

The Trustee complies with the Privacy Act 1988. Any disclosures of your personal information will be done accordingly by law and this Privacy Policy. In order to provide you with our services, we may collect your name, date of birth, contact details (phone number, email and/or postal address), financial details, employment details, tax file number (TFN), health information and beneficiary details. We generally collect personal information directly from you.

FairVine Super takes all reasonable steps to ensure that these third parties are bound by confidentiality and privacy obligations with respect to the protection of your personal information.

The Privacy Policies of the Trustee, the Promoter and the Member Administrator set out how you can access and correct information we hold about you, how you can complain about a breach of your privacy rights and how your complaint will be handled.

For more information, the Trustee's privacy policy can be found at www.araconsuper.com.au, the Promoter's privacy policy can be found at www.fairvine.com.au and the Member Administrator's Privacy Policy can be found at www.diymanager.com.au.

UNCLAIMED MONIES

In certain circumstances prescribed under the Superannuation (Unclaimed Money and Lost Members) Act 1999, superannuation benefits must be treated as unclaimed money and paid by the Trustee to the ATO. These circumstances include:

- if we lose contact with you after you reach your pensionable age (65); or
- if you are a former temporary resident whose visa has expired, have departed Australia without claiming your superannuation benefits within 6 months and the ATO issues a notice to the Trustee requesting payment.

Unclaimed monies can be claimed directly from the ATO. In the case of former temporary residents this can occur at any time after departing Australia, subject to the payment of the applicable tax.

If superannuation benefits are transferred to the ATO as unclaimed monies, they will not retain any associated insurance cover.

The ATO has an unclaimed monies register that can be checked for you. For more information, you can contact the ATO on 13 10 20 or go to www.ato.gov.au.

If you are a former temporary resident whose superannuation benefits is transferred to the ATO as unclaimed money, you will not be notified of this or receive an exit statement after the transfers occurs. The Trustee will rely on relief provided by the Australian Securities & Investments Commission ("ASIC") Class Order [CO 2019/873] which says, in effect, that the trustee of a superannuation fund is not obliged to meet certain disclosure requirements in relation to non-residents that have ceased to hold an interest in the fund as a result of the payment of unclaimed superannuation to the Commissioner of Taxation.

Please note: The Trustee is also required to transfer other amounts to the ATO including the following member accounts:

- Lost accounts with balances of less than \$6,000 (or such other amount that is determined by the Government); and
- Lost accounts which have been inactive for a period of 12 months where the Trustee is satisfied, based on the information reasonably available to it, that it will never be able to pay the amount to the member.

These amounts may also be claimed from the ATO at any time. The unclaimed money rules are subject to change. For up-to-date information about unclaimed money go to www.ato.gov.au.

TRANSFERS TO AN ELIGIBLE ROLLOVER FUND

If not required to pay unclaimed monies to the ATO as described above, the Trustee may transfer your benefit to an Eligible Rollover Fund ("ERF"). The Trustee's ERF is currently:

Super Safeguard Fund (ABN 13 917 747 013, RSE Registration Number R1001389)
GPO Box 3426
Melbourne VIC 3001

Telephone: 1300 135 181
Facsimile: 1300 135 191
Email: enquiries@supersafeguard.com.au
Internet: www.supersafeguard.com.au

Being transferred to an ERF may affect your benefit because you will cease to be a member of FairVine Super, and you will become a member of the ERF and be subject to its governing rules.

If your benefit is transferred to the ERF, and we can provide them with your current contact details, the ERF is required to provide you with its current Product Disclosure Statement. Please note, in an ERF the amount of administration costs charged against your benefits must not be greater than the investment return credited to, or debited against, those benefits in a financial year.

ANTI-MONEY LAUNDERING AND COUNTER TERRORISM FINANCING (AML/CTF)

The Trustee is obligated to comply with the Anti-Money Laundering and Counter Terrorism Financing Act 2006 (CTF) (AML/CTF). This requires the Trustee to maintain a program that identifies, mitigates and manages money laundering and counter-terrorism risks associated with the business. This means that from time to time they may:

- require you to provide additional information to verify your identity before providing services to you
- delay or refuse services where there are reasonable grounds to believe that the transaction may breach the applicable AML/CTF or other Australian law
- provide information to AUSTRAC where there appear to be reasonable grounds under their requirements.