

PDS UPDATE – FEES AND COSTS

Pages 11-13 of the PDS are updated with respect to the following disclosures.

Fees and costs applicable from 28 November 2019

The estimated 'Investment fee' and estimated 'Indirect cost ratio' percentages shown in the table on page 11 of the PDS have decreased.

Following the recent transfer of inactive low-balance accounts to the Australian Taxation Office (refer 'Transfer of inactive low-balance accounts to the ATO' on page 4 of the PDS for further information), from 28 November 2019 the estimated total annual fees and costs:

- for each of AERF Sub-Plans A, B, M and REST have decreased; and
- are now the same for all AERF Sub-Plans.

Relevant details are shown in the following table.

Fee and costs	From 1 July 2019 to 27 November 2019				From 28 November 2019
	Sub-Plan A	Sub-Plan B	Sub-Plan M	Sub-Plan REST	All Sub-Plans
Investment fee (estimated)	0.465%	0.465%	0.465%	0.465%	0.434%
Administration fee (unchanged):					
Paid to Trustee	0.175%	0.175%	0.175%	0.175%	0.175%
Paid to AERF Administrator	0.600%	0.600%	0.600%	0.600%	0.600%
Indirect cost ratio (estimated)	0.725%	0.696%	0.706%	0.898%	0.662% ⁵
Estimated total annual fees and costs	1.965%	1.936%	1.946%	2.138%	1.871%

⁵ This percentage includes the following **estimated** indirect costs, which can vary each financial year without prior notice to members:

- 0.171% for transaction costs
- 0.040% for the costs of derivatives used in underlying funds
- 0.000% for performance-related fees, which may be incurred indirectly in underlying funds used to manage the AERF's alternative investments where the underlying fund exceeds its performance hurdle and meets any other relevant conditions for a defined period of time
- 0.451% for other indirect costs.

Example of fees and costs applicable from 28 November 2019

As a consequence of the above changes, the four separate examples for each of AERF Sub-Plans A, B, M and REST on pages 12-13 of the PDS are deleted and replaced with the following single example, which is now applicable to all AERF Sub-Plans.

All AERF Sub-Plans

Example		Balance of \$50,000
Investment fees	0.434% pa	For every \$50,000 you have in the AERF you will be charged \$217.00 each year
PLUS Administration fees	0.775% pa	And, for every \$50,000 you have in the AERF, you will be charged \$387.50
PLUS Indirect costs	0.662% pa	And, indirect costs of \$331.00 each year will be deducted from your investment
EQUALS Cost of fund		If your balance was \$50,000, then for that year you will be charged fees of \$935.50 .