

2018 PRODUCT DISCLOSURE STATEMENT

Personal Division

Issued 15 October 2018



 **NATIONWIDE**
SUPER



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Please read this

This Product Disclosure Statement (PDS) provides a summary of the key information you need to make a decision about Nationwide Super. It contains a number of references and links to additional information that is part of this PDS, marked with a “! ”.

This is important information you should read before making a decision to invest in this product.

This PDS is for people joining Nationwide Super as a self employed person or choosing to join as an individual. If you are joining Nationwide Super through your employer, see the PDS for Nationwide Super’s Employer Sponsored Division.

The information contained in this PDS is up to date and correct at the time of preparation, however, may be subject to change. A replacement PDS will be issued if there is a materially adverse change to information in this PDS.

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Trustee of Nationwide Superannuation Fund (Nationwide Super) ABN 15 201 768 813 RSE Registration No R1001761

This document contains general information only and has been prepared without taking into account your financial objectives, situation or needs.

It may, therefore, not be right for you. Before you make any investment decision, we suggest you seek licensed financial advice tailored to your own personal circumstances.

Contact details

If you have any questions or would like more information about Nationwide Super

 1800 025 241

 enquiries@nationwidesuper.com.au

 Locked Bag 5215 Parramatta NSW 2124

 nationwidesuper.com.au

1. About Nationwide Super

Nationwide Superannuation Fund is a multi-industry not-for-profit super fund providing exceptional personal service and simple to understand products to members working in all industries.

Nationwide Super is a public offer super fund that is open to:

- **the general public, including the self-employed and those with no employer (Personal Division);**
- employees of participating employers in any industry (Employer Sponsored Division) including a MySuper product; and
- people who are nearing or in retirement (Pension Division).

You can view information about how Nationwide Super is governed to maximise the retirement benefit of its members, including details of Trustee Directors and Executive Officers remuneration at nationwidesuper.com.au/about-us

MySuper

Nationwide Super has elected not to offer a MySuper product within the Personal Division.



For more information about Nationwide Super, see nationwidesuper.com.au

2. How Super works

About super

Superannuation (super) is a way to save for your retirement which is, in part, compulsory. It is a long-term investment with a number of tax advantages provided by the government that make super an attractive way to save for retirement.

Contributions

Most people have the right to choose which super fund they'd like their super contributions paid into.

You are able to make contributions to super by:

- paying money to your Nationwide Super account and claiming it as a tax deduction on your income tax return (generally only applicable for sole traders or partners in a business);
- putting any money you have saved into your Nationwide Super account (and possibly qualifying for a government co-contribution); and/or
- rolling over super you have in another fund into your Nationwide Super account.

There are limitations on contributions that can be made to super, including maximum contribution amounts. **There may be taxation consequences if you exceed these limits.**

After age 65, you need to satisfy a work test in order to be eligible to make voluntary contributions.

Withdrawals

You usually can't access your super until you are aged between 55 and 60, but there are some special circumstances where you can withdraw it earlier than this.

You can request to rollover your super to another complying super fund or New Zealand KiwiSaver at any time.

When you become eligible to withdraw your super you may access your super as a lump sum, pension or combination of both.

Investments

Nationwide Super invests your money. Your super will increase with positive investment returns and decrease if there are negative investment returns.

You must choose how you'd like your money invested from the five investment options that Nationwide Super offers. If you don't make a choice when applying to join the Personal Division, your application will be returned to you.

See 'How we invest your money' for further details.



For more information about super, see moneysmart.gov.au

You should read the important information about how super works in the **'Member Guide'** before making a decision. Go to nationwidesuper.com.au/PDS

The material relating to **'How super works'** may change between when you read this PDS and the day when you acquire the product.

3. Benefits of investing with Nationwide Super

Managing your super savings is simple with Nationwide Super and can provide you with many benefits, including:

- **Super competitive** – Nationwide Super has a history of providing competitive, long-term returns since the Fund was established in 1987.

Note: Past performance is no indication of future performance.

- **Low fee structure** – Nationwide Super also has a competitive and easy to understand fee structure, plus there are no entry or contribution fees (see section 6 for more on our fees).
- **Your choice of investment options** – Nationwide Super offers you a choice of investment strategies based on your tolerance for risk and life stage – without confusing you with too many choices.
- **High level of quality service** – a key advantage, the Nationwide Super team prides itself on making super simple by providing members and employers with a superior level of service from our regionally-based headquarters. Online, via email or over the phone - you have direct access to a team of real people (not machines) who are specially trained and educated in super.
- **Not for profit fund** – Nationwide Super does not pay commissions to advisers and returns all profits to members.
- **Multi-industry fund** – it doesn't matter which industry you work in, you can invest your super with Nationwide Super – so when you change jobs, you don't have to change super funds.
- **Insurance** – Nationwide Super offers competitive insurance cover for death, total and permanent disablement and income protection.

- **Pension products** – Nationwide Super offers you the ability to access your super savings through a pension before you retire (Nationwide Super Pre-Retirement Pension) or after you've retired (Nationwide Super Pension). Refer to the Pension Division PDS for more information.

- **Access to discounted home loans** – ME Bank offers Nationwide Super members a discounted home loan rate as well as access to a range of simple and straightforward everyday banking products.

Refer to www.mebank.com.au for further information and terms and conditions.

- **Free super search** – Nationwide Super can also help you look for any lost or forgotten super.
- **Super Adviser service** – As a Nationwide Super member, you can get help with making decisions about your super from a Super Adviser over the phone. They can help you choose the right options for your particular circumstances and help get your super on track for retirement. Because Nationwide Super wants its members to make good decisions about super, we will pay for the first piece of advice you receive.

Financial advice is provided through Nationwide Super's relationship with Link Advice Pty Ltd, Australian Financial Services Licence 258145. Nationwide Super will pay for the first piece of advice you receive on a single super issue.

Refer to nationwidesuper.com.au/linkadvice for further information.



For more information about Nationwide Super, see nationwidesuper.com.au

4. Risks of super

All investments have some level of risk. However, different investment strategies may carry different levels of risk, depending on the assets that make up the strategy.

Nationwide Super invests in a range of asset classes – for example, cash, fixed interest, property and shares – that have different levels of risk. The likely investment return and the level of risk of losing money is different for each investment option, depending on the underlying mix of assets. Those assets with potentially the highest return over the long-term (such as shares) also have the highest risk of losing money over the short-term.

When considering your investment in super, it is important to understand that:

- the value of investment options will go up and down;
- returns are not guaranteed and may vary;
- future returns may differ from past returns;
- you may lose some of your money due to negative investment returns;
- laws affecting your super may change or we may change the rules of Nationwide Super in the future;

- processing of transactions may be delayed in extreme market conditions so that a new interim rate of investment earnings can be calculated; and
- the amount of your future super savings (including contributions and returns) may not be enough to provide adequately for your retirement.

The appropriate level of risk for you will depend on your age, investment timeframe, where other parts of your wealth are invested and how comfortable you are with the possibility of losing some of your super in some years due to negative investment returns (your tolerance for risk).



You should read the important information about risks of investing in the **'Investment Guide'** before making a decision. Go to nationwidesuper.com.au/PDS

The material relating to **'Risks of super'** may change between when you read this PDS and the day when you acquire the product.

5. How we invest your money

Nationwide Super offers a choice of five investment options. Each one has a different level of risk and potential level of return. **You should consider the likely investment return, risk and your investment timeframe when choosing which option(s) to invest in.**

You can choose one option (from Cash, Prudent, SRI/Ethical, Diversified or High Growth) or a combination of different options. You must choose your own investment option(s) when applying to join the Personal Division.

Investment details for the Diversified option

DESCRIPTION OF OPTION

This option is designed for members who want a moderate level of return over the medium term. There will be some fluctuations of returns from year to year. The option provides balanced investment diversification by investing across a wide range of growth and defensive assets, namely Australian and global shares, property, fixed income, infrastructure, alternative investments and cash.

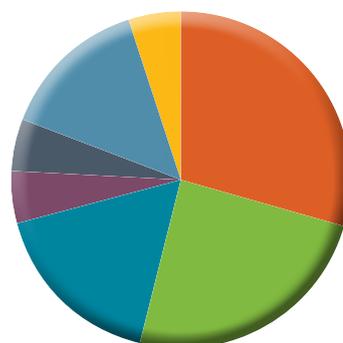
INVESTMENT OBJECTIVE

The option aims to produce an investment return of at least 3% in excess of the average rate of inflation (measured by the Consumer Price Index for Australia) over a rolling 7 year period (as at 30 June). This objective is also considered appropriate over rolling 10 and 20 year periods.

MIX OF ASSET CLASSES

Asset allocation

Asset class	Target	Range
Australian shares	29.5%	15– 40%
Global shares	24.5%	15– 40%
Real assets	17%	5 – 25%
Growth fixed income	5%	0 – 15%
Alternatives	5%	0 – 10%
Defensive fixed income	15%	5 – 30%
Cash	4%	0 – 20%



MINIMUM SUGGESTED TIMEFRAME

7 years

RISK OF A NEGATIVE RETURN

The estimated number of negative annual returns over any 20 year period is 3.5 years.

STANDARD RISK MEASURE

Medium to high (Risk Band 5)

MAY SUIT INVESTOR TYPE

Balanced

You can switch your money into other investment options at any time. You should log in to your account via MemberAccess to request an investment change or contact the Nationwide Super team to request a *Member Investment Choice* form.

We may change the types of investments included in each investment option, add an option or remove one of our investment options at any stage. We will tell you if we do this.



You should read the important information about the Diversified option, our other investment options and the extent to which we take labour standards or environmental, social or ethical considerations into account when we invest in the **'Investment Guide', before making a decision.**
Go to nationwidesuper.com.au/PDS

The material relating to **'How we invest your money'** may change between when you read this PDS and the day when you acquire the 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 or your employer, as applicable, may be able to negotiate to pay lower administration fees. Ask Nationwide Super 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 calculator to help you check out different fee options.

*Note that Nationwide Super does not negotiate fees and does not pay commissions to advisers.

Fees and other costs

This document shows fees and other costs that you may be charged. These fees and other costs may be deducted from your money, from the returns on your investment or from the assets of Nationwide Super as a whole.

Other fees, such as activity fees, advice fees for personal advice and insurance premiums, may also be charged, but these will depend on the nature of the activity, advice or insurance chosen by you.

Taxes and insurance premium costs are set out in another part of this document.

You should read all the information about fees and other costs because it is important to understand their impact on your investment.

Similar information is included in other PDSs so you can compare Nationwide Super's fees and costs with those of other funds.

Nationwide Super - Diversified investment option

TYPE OF FEE	AMOUNT	HOW AND WHEN PAID
Investment fee	Nil	N/A
Administration fee	\$130 p.a. (\$2.50 per week)	Calculated daily and deducted from your account on the last Friday of the month or upon exit.
Buy-sell spread	Nil	N/A
Switching fee	First request each financial year – free Second and subsequent requests each financial year - \$35	Deducted from your account balance when your request to switch is processed.
Exit fee	\$70	Deducted from your account balance when you exit Nationwide Super.
Advice fees Relating to all members investing in a particular investment option	Per activity	Advice fees are charged as a service fee and deducted from your account with your agreement.
Other fees and costs ¹	Per activity	If applicable, other fees and costs for specific services are deducted from your account as they are incurred.
Indirect cost ratio ² (excluding performance fees)	1.32% p.a.	An estimate of costs (excluding performance fees) that are not deducted directly from your account, that will reduce your investment return.
Indirect cost ratio – Performance fees	0.31% p.a.	This was the actual fees paid to investment managers for exceptional returns for the year ended 30 June 2018. This fee will vary depending on the actual performance during 2018/19. It is not deducted directly from your account, and will reduce your investment return.

¹ You should be aware that there are other fees and costs for specific services - refer to the "Additional Explanation of Fees and Costs" section of the Member Guide.

² Calculated based on various estimates as well as information contained in the 30 June 2018 financial statements. Actual costs may vary from year to year. Please note that compared to the prior disclosure of the Indirect cost ratio, this cost now includes additional items as required by law from 30 September 2017. **It is important to note that these are not new or additional costs but are simply additional disclosure of existing fees and costs relating to your investment option.**

Except for the Indirect cost ratio, the fees and costs for our other investment options are the same. For definitions of these fees and costs, refer to nationwidesuper.com.au/fees.

Fee changes

Keep in mind that the level of fees and costs can change. Where there is an increase in fees, Nationwide Super will give at least 30 days prior written notice, as required by law.

Advice fees

Nationwide Super does not pay commissions to planners. However if you choose to have a financial plan prepared in relation to your Nationwide Super account, a fee may be paid from your account. Refer to the financial planner's Statement of Advice for details of these fees.

Example of annual fees and costs

This table gives an example of how the fees and costs for the Diversified option can affect your superannuation investment over a one year period. You should use this table to compare this product with other superannuation products.

Example of annual fees and costs

EXAMPLE - Diversified option		BALANCE of \$50,000
Investment fee	Nil	For every \$50,000 you have in the product, you will be charged \$0 each year
PLUS Administration fees	\$130 (\$2.50 per week)	And , you will be charged \$130 in administration fees regardless of your balance
PLUS Indirect costs for the Diversified option	1.63%	And , indirect costs of \$815 each year will be deducted from your investment, which includes \$156 in estimated performance fees
EQUALS Cost of Nationwide Super		If your balance was \$50,000, then for that year you will be charged fees of \$945 for the Nationwide MySuper option

Note: Additional fees may apply. And, if you leave Nationwide Super, you may also be charged an exit fee of \$70.

7. How super is taxed

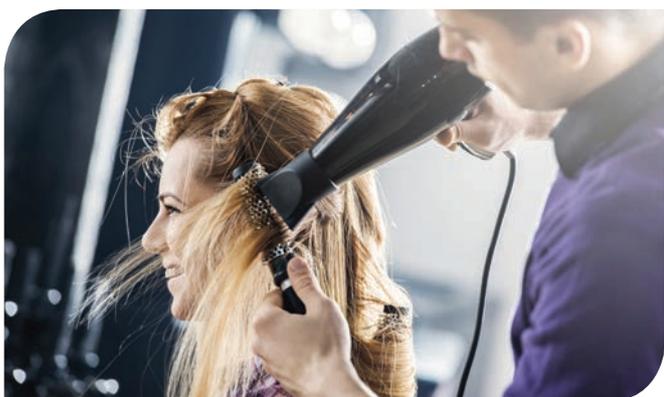
There are a number of ways that super is taxed by the government.

In summary:

Contributions into your super that are made before tax is taken out of your income (including contributions that you have claimed as a tax deduction) are taxed at 15%.

Contributions into your super made from your after-tax savings are not taxed.

Withdrawals from your account may be taxed if you are under age 60. Once you turn 60, generally no tax will apply to withdrawals.



Additional underlying investment related costs apply for the Diversified investment option, which impact on the available investment returns, including:

Nationwide Super - Diversified investment option	
Transactional costs (for 2016/17)	0.09%
Estimated Buy/Sell spread	0.15%
Estimated borrowing costs	0.05%



You should read the important information about fees and costs for the Diversified option and other investment options in the '**Member Guide**', before making a decision.

Go to nationwidesuper.com.au/PDS

The material relating to '**Fees and costs**' may change between when you read this PDS and the day when you acquire the product.

Investment earnings are taxed at up to 15%.

If you exceed the contribution limits for super you will pay extra tax.

Nationwide Super will pay the tax applying to your account directly to the Australian Taxation Office (ATO) and deduct this tax from your account balance or from investment returns.

If you don't tell us your tax file number (TFN), you may pay extra tax on your contributions or when you later access your benefit, or not be able to make some types of contributions. It may also be more difficult to trace different super amounts held in your name.



You should read the important information about how tax applies to super contributions, investment earnings and withdrawals in the '**Member Guide**', before making a decision.

Go to nationwidesuper.com.au/PDS

The material relating to '**How super is taxed**' may change between when you read this PDS and the day when you acquire the product.

8. Insurance in your super

Nationwide Super offers Personal Division members the ability to apply for death, total and permanent disablement (TPD) and/or income protection insurance, provided by The Colonial Mutual Life Assurance Society Limited (CommInsure), ABN 12 004 021 809, AFSL 235035.

Insurance cover assists in providing you and your loved ones with peace of mind. Premiums are deducted from your Nationwide Super account and as a not-for-profit super fund, we don't pay commissions to advisers.

Insurance is not automatic or compulsory for Nationwide Super Personal Division members and therefore you must apply for insurance cover.

Voluntary insurance cover

You can apply for insurance cover that is paid for out of your Nationwide Super account. The types of cover available are:

- death and TPD cover;
- death only or TPD only cover; and
- income protection cover.

Cover is offered on a fixed basis, which means your level of cover remains fixed and your premium changes with your age.

The cost of your insurance cover will depend on the amount of cover you request, your age, occupation, gender, and in the case of income protection cover, your salary.

You can also apply to match any existing insurance cover you hold through another super fund, when rolling over to Nationwide Super.

To apply for insurance cover, you need to:

1. Complete an application for insurance cover by:
 - applying online by logging in to your account at nationwidesuper.com.au/login;
 - downloading an *Application for Insurance* form from nationwidesuper.com.au/forms; or
 - requesting a paper application form to be sent out to you, by calling Nationwide Super or requesting a form when joining Nationwide Super.
2. Meet the eligibility conditions.

Changing or cancelling insurance cover

You can request to change or cancel any existing insurance cover at any time.

To request an application for insurance cover or to change or to cancel your insurance cover you should contact the Nationwide Super team.



You should read the important information about Nationwide Super's insurance cover, the premiums and eligibility for cover, as well as changing or cancelling insurance cover, conditions and exclusions in the **'Insurance Guide'**, before making a decision, as it may affect your entitlement to insurance cover.

Go to nationwidesuper.com.au/PDS

The material relating to **'Insurance in your super'** may change between when you read this PDS and the day when you acquire the product.

9. How to open an account

The following will get you started for joining the Nationwide Super Personal Division:

1. Read this PDS and the other important information referred to in the PDS
2. Complete the *Application Form* included with this PDS or available from nationwidesuper.com.au/forms
3. You can choose your preferred investment (required) and insurance options on the *Application Form*
4. You can then start to make regular and/or one-off payments into your account
5. If you have money in other super funds, you can roll it into Nationwide Super by calling the Nationwide Super team on 1800 025 241, by submitting an online request to 'Consolidate Super' by logging into your account at nationwidesuper.com.au/login or by completing a *Rollover Request* form available from nationwidesuper.com.au/forms

Complaints

If you feel we are not dealing with you as you would like, you can make a formal complaint to us. **Nationwide Super's contact details** are on the inside cover of this PDS.

We will attempt to deal with your complaint quickly and efficiently, however if you are not satisfied with our response, you may take your complaint to the Superannuation Complaints Tribunal by phoning 1300 884 114.

Cooling-off period

There is a cooling-off period during which you can cancel your account by writing to Nationwide Super. The cooling-off period applies:

- within 19 days of us receiving your application, or
- within 14 days of us issuing your Welcome Kit advising you of your account details.

If you cancel your membership during the cooling-off period, we need to transfer any preserved and restricted non-preserved benefits to another complying super fund. Fees, costs and investment earnings will not be applied to your account; however the amount will be adjusted for any tax payable.



You should read the important information about Nationwide Super's cooling off period and complaints and dispute resolution process in the **'Member Guide'** before making a decision.

Go to nationwidesuper.com.au/PDS

The material relating to **'How to open an account'** may change between when you read this PDS and the day when you acquire the product.