

Pension Product Disclosure Statement



Fire & Emergency Services
Superannuation Fund

Issued by Fire and Emergency Services Superannuation Board (ABN 55 476 454 384) as
Trustee of the Fire and Emergency Services Superannuation Fund (ABN 43 198 502 058)

1 January 2022

Table of contents

Page

1 About the Fire and Emergency Services Superannuation Fund (FES Super)	2
2 About FES Super's pensions	2
3 FES Super Pensions in more detail	3
4 Benefits	5
5 How we invest your money	6
6 Fees and costs	8
7 How superannuation is taxed	9
8 How to open a Pension Account	10
9 Other information	10

The information provided in this Product Disclosure Statement (PDS) summarises important information and contains reference to other important documents that relate to the Fire and Emergency Services Superannuation Fund (FES Super) Pension products. This PDS summarises the benefits, options, features and significant risks that are attached to the FES Super Pension products offered. You should read this PDS and any additional documents referred to within this PDS before you complete the application form and make a decision to invest in a FES Super Pension.

The FES Super Pension products offered are administered by FES Super in accordance with the Fire and Emergency Services Superannuation Act 1985 and the Superannuation Industry (Supervision) Act 1993. If there is a conflict between this PDS and the legislation, the legislation will prevail.

The information set out in this PDS is of a general nature, and does not constitute legal, taxation or personal financial advice. In providing this information, we have not considered your personal circumstances including your investment objectives, financial situation or needs. We are not licenced or qualified to provide personal financial advice. Before acting or relying on any of the information in this PDS, you should review your personal circumstances and assess whether the information is appropriate for you. You may also wish to seek advice specific to your personal circumstances from a suitably qualified adviser.

We do not guarantee the performance of FES Super, the investment options or any particular rate of return. The repayment of capital is not guaranteed.

The information in this PDS is up to date as at the issue date and may change from time to time.

Copies of this PDS can be found on our website or by contacting us, and will be provided to you free of charge.

1. About the Fire and Emergency Services Superannuation Fund (FES Super)

The Fire and Emergency Services Superannuation Fund (FES Super) is the superannuation fund for employees of the Department of Fire and Emergency Services of Western Australia (DFES).

Membership is also available to employees of the:

- United Professional Firefighters Union of Western Australia;
- Western Australian Volunteer Fire and Rescue Service Association (Inc); and
- Fire and Emergency Services Superannuation Board.

WHO MANAGES FES SUPER?

The Fire and Emergency Services Superannuation Board (FES Super Board) is the Trustee of FES Super. The FES Super Board is responsible for managing FES Super in the best interests of all members and for ensuring FES Super is run in accordance with the law.

The FES Super Board has six Board Members, three are appointed by the Fire and Emergency Services Commissioner and three are elected by FES Super members. Each member representative is elected to the FES Super Board for three years.

FES Super operates solely for the benefit of its members.

2. About FES Super's Pensions

FES Super offers two pension options – the Account Based Pension and the Transition to Retirement Pension. In this PDS, you will find important information about these products to help you decide whether these pensions meet your retirement needs.

These pensions are for current and former employees of the Department of Fire and Emergency Services of Western Australia (DFES), the United Professional Firefighters Union of Western Australia, the Western Australian Volunteer Fire and Rescue Services Association (Inc) and the Fire and Emergency Services Superannuation Board who are still FES Super members.

Partners of FES Super members are also eligible for these pensions.

FES SUPER ACCOUNT BASED PENSION

A FES Super Account Based Pension can provide a regular income for members who have reached their preservation age and have permanently retired from the workforce, or have reached age 65 or have met another condition of release.

FES SUPER TRANSITION TO RETIREMENT PENSION

A FES Super Transition to Retirement Pension can provide a regular income to FES Super members who have reached their preservation age but wish to continue working in either a full-time or part-time capacity.

A FES Super Transition to Retirement Pension can be used to help you transition to retirement in various ways. For example, you may be able to:

- Reduce your working hours without reducing your income; or
- Continue working your current hours and get the tax benefits of salary sacrificing into your Accumulation Account (subject to contribution caps). This will mean that you are drawing down from part of your superannuation while also "topping up" as you go; or
- Increase your income by receiving an income stream from a FES Super Transition to Retirement Pension while also receiving your normal salary.

To be eligible for a FES Super Transition to Retirement Pension, you must have reached your preservation age but not have retired. There are restrictions on the amount of income you can withdraw and you cannot withdraw a lump sum. When you meet a condition of release (e.g. permanently retire) you can convert your FES Super Transition to Retirement Pension to a FES Super Account Based Pension which will allow lump sum withdrawals.

It is important to note that only members with an Accumulation Account can transfer funds into a FES Super Transition to Retirement Pension.

FES Super recommends that you seek advice from a qualified financial adviser before deciding whether a FES Super Transition to Retirement Pension is appropriate for you.

The key features of the FES Super Account Based Pension and FES Super Transition to Retirement Pension are shown below.

	FES Super Account Based Pension	FES Super Transition to Retirement Pension
Starting balance	At least \$30,000. Once your Account Based Pension or Transition to Retirement Pension is opened, Commonwealth Government rules prevent you from adding any extra contributions or rolling in money from other superannuation funds. However, you may open additional pension accounts.	
Minimum balance	When/if your account balance reduces to \$6,000 or less at any time, the remaining balance will be paid out to you before the next 30 June.	
Income payments	You must elect a pension payment which is at least the minimum percentage amount required according to your age. The minimum limit is set by the Commonwealth Government	Usually you can elect pension payments between 4% and 10% of your account balance each financial year. These limits are set by the Commonwealth Government.
lump-sum withdrawals	You can make ad-hoc lump-sum withdrawals (commutations). Minimum withdrawal is \$2,000. Up to 8 lump sum withdrawals can be made each financial year. For the 9th and any subsequent lump sum withdrawals, a fee of \$50 will apply each time.	You cannot make lump sum withdrawals.

	FES Super Account Based Pension	FES Super Transition to Retirement Pension
Transfer balance cap	<p>If you started a pension before 1 July 2021, you will have a personal transfer balance cap between \$1.6 and \$1.7million and you can see your personal transfer cap in your myGov/ATO account online.</p> <p>If you start a pension for the first time on or after 1 July 2021, the cap is \$1.7 million.</p>	No transfer balance cap applies.
Maximum pension amount	No maximum applies.	Maximum of 10% of your account balance can be drawn in a financial year (set by the Commonwealth Government).
Finishing age or event		<p>Will cease on:</p> <ul style="list-style-type: none"> • Your retirement from employment or at an earlier age at your discretion – you can transfer your pension account balance back to your FES Super Accumulation Account at any time. • You reaching age 65 – if you are continuing to work, your Transition to Retirement Pension will be converted to a FES Super Account Based Pension. • Your death, or permanent incapacity where FES Super has approved your claim for permanent incapacity.
Pension Payments	<p>At the start of each financial year, we will advise you of your minimum and maximum limits (if applicable) and ask you to nominate the total pension you wish to receive for the remainder of that financial year within those limits.</p> <p>You can choose to receive your pension payments:</p> <ul style="list-style-type: none"> • Weekly, every Wednesday; • Fortnightly, on a Wednesday of each fortnight; • Monthly, on the 15th day of each month; • Quarterly, on 15th September, 15th December, 15th March and 15th June; • Six monthly, on 15th December and 15th June; or • Annually. 	
Tax on investment earnings	No tax is paid on investment earnings.	Up to 15% tax paid on investment earnings.

3. FES Super Pensions in more detail

A FES Super Account Based Pension or Transition to Retirement Pension may suit you if you meet the criteria below:

- You are retired and want a regular income stream; or
- You wish to continue working using a transition to retirement strategy; and
- You have a superannuation lump sum benefit that can be accessed.

ARE YOU ELIGIBLE?

You may be eligible to open a FES Super Account Based Pension or a FES Super Transition to Retirement Pension when you have access to a lump sum benefit from FES Super or another superannuation fund, after meeting a relevant condition of release. These include permanently retiring after you have reached your preservation age, early release of your superannuation due to Total and Permanent Disablement or attaining your preservation age.

Your preservation age is based on your date of birth as follows:

Your date of birth	Preservation age
1 July 1960 – 30 June 1961	55
1 July 1961 – 30 June 1962	56
1 July 1962 – 30 June 1963	58
1 July 1963 – 30 June 1964	59
After 30 June 1964	60

Generally, you meet a condition of release when:

- you permanently retire from the workforce on or after your preservation age;
- you have reached your preservation age and you commence a transition to retirement pension;
- you cease employment on or after turning 60 years of age;
- you reached age 65;
- you become permanently incapacitated at any age;
- you suffer from a terminal medical condition;
- you meet tightly restricted compassionate grounds or financial hardship; or
- you die.

There is a minimum entry amount of \$30,000 for opening a pension account. Only superannuation money that you can access immediately can be transferred to a pension. While you cannot add money to an already established pension account, you can open additional pension accounts.

There is also a Commonwealth Government transfer balance cap on the amount of money that can be transferred to a FES Super Account Based Pension. This means the total value attributed to complying pensions (e.g. account-based pensions and lifetime annuities) as at 30 June 2017, plus the value of any new pensions that start after that date, cannot exceed the cap. As the cap applies in respect of amounts transferred to retirement accounts, subsequent earnings, losses and drawdowns on those amounts will not be counted towards the cap. If you exceed the cap, you may

need to withdraw funds from one or more of these accounts to pay the tax on the notional earnings related to the excess.

If you start a FES Super Account Based Pension for the first time on or after 1 July 2021, your transfer balance cap is \$1.7 million. This amount is indexed periodically in line with the consume price index (CPI), rounded down to the nearest \$100,000.

If you had a FES Super Account Based Pension before 1 July 2021, it will be between \$1.6 million and \$1.7 million depending on your personal circumstances. You can see your personal transfer cap in your myGov /ATO account online. For future financial years, your personal transfer balance cap will be increased by the unused portion of your personal transfer balance cap which is indexed periodically in line with the consumer price index (CPI), rounded down to the nearest \$100,000. For more information on the transfer balance cap, go to the Australian Taxation Office website at ato.gov.au.

FES SUPER ACCOUNT BASED PENSION

A FES Super Account Based Pension is an easy and convenient way to convert your Accumulation Account into a tax effective regular income in retirement. It offers:

- a low cost, flexible and tax effective pension in retirement;
- your choice of how much income you are paid each year, subject to limits set by the Commonwealth Government and your account balance;
- your choice to have payments made directly into your nominated bank account weekly, fortnightly, monthly, quarterly or annually and you can change the frequency at any time;
- the ability to make lump sum withdrawals (called commutations) of \$2,000 or more at any time;
- a choice of investment strategies and the ability to choose which investment option you are invested in (refer to section 5);
- the ability to nominate a reversionary beneficiary to receive pension payments in the event of your death (refer to section 4);
- the option to make either a binding beneficiary nomination or a non-binding beneficiary nomination as to who you wish to receive your lump sum benefit in the event of your death (if no reversionary beneficiary has been nominated);
- the option to stop your payments and withdraw your investment as a lump sum or roll it over to another Account Based Pension or superannuation fund;
- tax free pension payments and commutations if you are aged 60 or older; and
- you are able to keep tabs on your account online through the FES Super Member portal at www.fessuper.com.au.

We encourage you to seek qualified financial advice to help you make a decision.

FES SUPER TRANSITION TO RETIREMENT PENSION

You don't have to retire to access your superannuation savings. If you have reached your preservation age, you can open a FES Super Transition to Retirement Pension and draw an income stream while you are still working. You are not required to reduce your working hours, but you may choose to, to better align your work with your lifestyle, health or family priorities.

If you do reduce your working hours, the income you receive from your FES Super Transition to Retirement Pension will help to make up for any loss of salary. Alternatively, if you wish to continue working the same number of hours, you may use your FES Super Transition to Retirement Pension to

increase your total income or to maximise your retirement savings by salary sacrificing. It offers:

- a low cost, flexible pension;
- your choice to have payments made directly into your nominated bank account weekly, fortnightly, monthly, quarterly or annually and you can change the frequency at any time;
- a choice of investment strategies and the ability to choose which investment option you are invested in (refer to section 5);
- the ability to nominate a reversionary beneficiary to receive pension payments in the event of your death (refer to section 4);
- the option to make either a binding beneficiary nomination or a non-binding beneficiary nomination as to who you wish to receive your lump sum benefit in the event of your death (if no reversionary beneficiary has been nominated);
- the option to stop your payments and rollover your investment to a FES Super Accumulation Account;
- tax free pension payments if you are aged 60 or older; and
- you are able to keep tabs on your account online through the FES Super Member portal at www.fessuper.com.au.

We encourage you to seek qualified financial advice to help you make a decision.

Lump sum withdrawals

A FES Super Transition to Retirement Pension does not allow lump sum withdrawals. However, after you have retired, you can review your options and consider setting up a FES Super Account Based Pension which does allow ad-hoc lump sum withdrawals.

Automatic transfer to the FES Super Account Based Pension

When you turn 65 years of age, you meet a condition of release which means your FES Super Transition to Retirement Pension will be automatically converted to a FES Super Account Based Pension and:

- Your investment earnings will no longer be taxed;
- You can make ad-hoc lump sum withdrawals; and
- No maximum pension payment amount applies.

If you retire, suffer permanent incapacity or are diagnosed with a terminal medical condition before you reach age 65, you will also have met a condition of release. If any of these apply, you should contact us so that we can update your account and have it transferred to a FES Super Account Based Pension.

RISKS

A FES Super Account Based Pension or Transition to Retirement Pension may not provide an income for the rest of your life. Payments will only continue to be made until your pension account balance has been exhausted.

You should also understand that your pension account balance is determined by the amount invested, the investment returns earned by your chosen investment option (which may be positive or negative), the fees and taxes, and how much income has already been paid to you.

Superannuation is a long-term investment and someone who leaves FES Super soon after joining may be paid less than the amount paid in because of the level of investment returns and the effect of fees, costs and tax.

The benefits in the FES Super Account Based Pension and Transition to Retirement Pension are not guaranteed or

underwritten by the Western Australian Government or the FES Super Board.

All investments carry risk. Different strategies may carry different levels of risk, depending on the assets that make up the strategy. Assets with the highest long-term returns may also carry the highest short-term risk. As a general rule, the more an investment is expected to earn over time, the more likely it is to rise and fall in value on a short term or year-by-year basis.

FES Super offers a range of investment options for pension members, each with a different mix of assets. This means that the likely investment return and the amount of risk involved is different for each option.

Refer to the FES Super Reference Material document available at www.fessuper.com.au for information about different types of risk.

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

- investment returns are not guaranteed. The level of returns and the value of your investments will vary and future returns may differ from past returns. There is a risk that you may not receive the repayment of your investment amount;
- the amount of your superannuation savings may not be enough to provide adequately for your retirement;
- superannuation laws may change in the future, which may affect your benefits or your ability to access your benefits; and
- changes may occur to the taxation of superannuation, which may affect the return on your investment.

What is your acceptable level of risk?

The level of risk acceptable to each person will vary depending on a range of factors, including your age, your investment timeframe of when you expect to drawdown on your super savings, where other parts of your wealth are invested, and your risk tolerance

4. Benefits

FES SUPER ACCOUNT BASED PENSION

Income payments

You must select a pension payment which is at least the minimum percentage amount required according to your age (refer to the table below). Payments are calculated based on your account balance as at 1 July each year or the date your FES Super Account Based Pension commences. If you establish an account after 1 July, the minimum payment is proportioned for the remaining days in the financial year.

Age	Minimum drawdown rates (%)
Under 65	4
65-74	5
75-79	6
80-84	7
85-89	9
90-94	11
95 or more	14

Unless you nominate the investment options from which your pension will be paid, they will be equally split across all your investment options.

There is no fixed term for payment of your Account Based Pension. Your pension will continue to be paid until your account balance has been fully paid out in full,

or you transfer your Account Based Pension to another superannuation product or fund. Consequently, an Account Based Pension may not provide an income for the rest of your life.

Minimum Payment Amounts

Federal Government regulations set a minimum for the amount of pension you can receive each year, depending on your age. You can choose any amount (up to your account balance) above the minimum and change the amount at any time.

The minimum pension amount can be calculated by multiplying your account balance as at 1 July each year by the minimum payment percentage for your age.

The minimum annual payment amount may be paid only via regular pension payments – lump sum commutations do not count towards minimum annual pension payments.

All Account Based Pension members must elect to receive a pension payment amount which is at least the minimum percentage amount required according to the age bracket you fall into.

Yearly Updating of Limits

Each year on 1 July, we recalculate your minimum pension limit. Your new limit is calculated after all your payments for the past financial year have been deducted and investment earnings are applied.

We will send you advice of your new limit and you can choose whether to adjust the amount of your payment or you can choose to do nothing and your payments will stay the same subject to meeting the minimum payment requirements.

If your current pension amount is set at the current year's minimum limit, your pension payments will be adjusted to your new limit.

Deferring Payments

If you commence an Account Based Pension after 31 May in a financial year, you can elect to defer the commencement of your pension payments until the following financial year.

Commutations

You can make full or partial commutations (lump sum withdrawals) from your Account Based Pension at any time, until your balance is paid out in full. Partial commutations will be treated as lump sum super payments and will be assessable for tax purposes. If you make a full commutation and close your account your membership will cease and you will not be entitled to any further payments. Once you have no remaining accounts with FES Super, you will not be eligible to open another account.

The following rules apply to commutations:

- they can only be made payable to you;
- withdrawal requests must be in writing and directed to FES Super; and
- the pro rata minimum pension amount must be paid before the commutation.

Please note that lump sum tax may be payable on commutations (refer to section 7).

FES SUPER TRANSITION TO RETIREMENT PENSION

Income Payments

You can elect pension payments between 4% and 10% of your account balance per financial year. These limits are mandated by superannuation law.

Payments are calculated based on your account balance as at 1 July each year or the date your FES Super Transition to Retirement Pension commences. If you establish an account after 1 July, the minimum payment is proportioned for the

remaining days in the financial year. Annual payments are not normally proportioned but you may request that your first annual payment be proportioned.

Unless you nominate the investment options from which your pension will be paid, they will be equally split across all your investment options.

There is no fixed term for payment of your Transition to Retirement. While you have an account, your pension will continue to be paid until your account balance has been paid out in full and consequently may not provide an income for the rest of your life.

Yearly Updating of Limits

Each year on 1 July, we recalculate your minimum and maximum pension limit. Your new limits are calculated after all your payments for the past financial year have been deducted and investment earnings are applied.

We will send you advice of your new limits and you can choose whether to adjust the amount of your payment or you can choose to do nothing and your payments will stay the same subject to meeting the minimum and maximum payment requirements.

Deferring Payments

If you commence a Transition to Retirement Pension after 31 May in a financial year, you can elect to defer the commencement of your pension payments until the following financial year.

Commutations

Generally, you cannot make any commutations (lump sum withdrawals) from your Transition to Retirement Pension unless you have an unrestricted non-preserved component. Maximum limits also apply.

The only way your Transition to Retirement Pension can be accessed in full is if you satisfy one of the following conditions of release:

- you permanently retire from the workforce on or after your preservation age;
- you cease employment on or after age 60;
- you reach age 65;
- you become permanently incapacitated at any age;
- you are suffering from a terminal medical condition; or
- you die.

You may be able to access a limited portion of your funds if you meet strict criteria under financial hardship or compassionate grounds.

Please note that lump sum tax may be payable (refer to section 7).

DEATH BENEFITS

You are required to nominate what happens to your account balance should you die before your benefit is paid out in full. You have two options and we suggest you consider obtaining advice to assist you in deciding which option suits your needs.

Reversionary Beneficiary Option

Under this option, you can nominate a Partner to whom your pension payment will revert on your death. Selecting this option allows FES Super to continue regular pension payments to your Partner until your account balance has been paid out in full.

The minimum reversionary pension amount for your Partner is calculated by multiplying your account balance at the date you die by the minimum pension limits for your Partner's age.

The following conditions apply to reversionary pensions:

- the FES Super Board is bound by your nomination;
- payments will continue to be paid to your nominated Partner until your account balance is paid out in full;
- your nominated Partner will have the option to convert the reversionary pension to a lump sum at any time;
- if your nominated Partner dies before the reversionary pension is paid out in full, the balance will be paid to their estate; and
- to amend a reversionary beneficiary you must complete the Reversionary Beneficiary Nomination form.

Lump Sum Option

Under this option, your benefit will be paid to one or more of your Dependants or your Estate. If at the time of your death FES Super had accepted a Binding Beneficiary Nomination Form that remained valid, your benefit would be paid in accordance with that nomination.

If no valid Binding Beneficiary Nomination Form was held, your benefit would be paid at the FES Super Board's discretion to one or more of your dependants and/or your estate. If you had made a Non-Binding Beneficiary Nomination Form, the FES Super Board would consider that nomination, but would not be bound by it, when making its decision.

No Nomination

If, in the event of your death, no nomination has been received, the FES Super Board will distribute your benefit to your dependant(s) and/or your legal representative in the proportions determined by the FES Super Board at its discretion, subject to the governing rules of FES Super.

PROOF OF IDENTITY

Under the Anti-Money Laundering and Counter Terrorism Financing Act 2006 (AML/CTF), superannuation funds are required to identify, monitor and mitigate risks relating to the laundering of money or the financing of terrorism. Accordingly, you may be required to provide proof of identity.

FES Super is required to report suspicious transactions to AUSTRAC, the regulator responsible for AML/CTF regulations. As part of this reporting process, FES Super may need to disclose a member's personal information to AUSTRAC. We are prohibited from telling you when such reports are made

5. How we invest your money

For members with a pension account, FES Super offers the following investment options, each with a different level of risk and potential level of return:

- Smoothed (explained further below)
- Cash
- Moderate
- Growth
- Australian Shares
- International Shares
- Fixed Interest

Members can choose to have their pension account invested in one option or a mix of any of these seven investment options. The most suitable option(s) for you will depend on your individual circumstances.

The Smoothed Option is FES Super's default investment option, which means that your super will be invested in this option unless you choose a different one.

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

CHANGING YOUR INVESTMENT OPTIONS

You have the flexibility to change your investment choice on a monthly basis. However, you should keep in mind that super is generally considered to be a long-term investment. Accordingly, you should think carefully about making changes in response to short term fluctuations in the value of your investment.

If you wish to change your investment option(s) (called "switching"), you can do so by completing the appropriate form and sending it to us. If we receive your completed form by the end of the calendar month, your switch will take effect on the first day of the following month. You can make up to four switches each financial year without incurring a fee.

CREDITING RATES

FES Super calculates and declares final crediting rates (which may be positive or negative) for each investment option at the end of each month. The rates credited or debited to your account are the actual monthly earning rates compounded for your chosen investment options, after deducting tax, investment management fees and other costs, where applicable.

Interim crediting rates will be applied when you close your pension account. Interim crediting rates will be applied for any period for which final rates have not yet been declared.

For example, if you were to close your pension account on 7 November, the final crediting rates may not yet have been declared for the month of October. Therefore, the daily interim crediting rates that are calculated on 7 November for each investment option are applied for the period 1 October to 7 November.

The interim crediting rates are designed to closely reflect the investment returns for each investment option from the last declared monthly rate until the time of transaction.

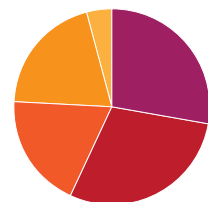
MOVING OUT OF THE SMOOTHED OPTION IS A ONE-WAY MOVE

The Smoothed Option generally has an investment fluctuation reserve in which a portion of earnings are set aside when returns are high in order to supplement returns in poor investment years. In order to protect this reserve (and members invested in this option), if you move monies out of the Smoothed Option, you cannot transfer it back to the Smoothed Option at a later time. The FES Super Board may decide in any financial year not to set aside earnings from, or use the investment fluctuation reserve for the Smoothed Option.

CHANGES TO INVESTMENT OPTIONS

The FES Super Board reserves the right to close an investment option(s) (either to refuse to accept new money or enforce reduction of assets) or change underlying products at any time. The FES Super Board will inform you as soon as practicable if such a change affects your nominated option.

SMOOTHED OPTION (AS AT 30 JUNE 2021)

Aim	To provide a competitive growth investment with smoothed investment returns on a year-to-year basis.	
Objective	To earn at least the Consumer Price Index (CPI) plus 3% per annum over a rolling 10-year period net of tax and fees.	
Strategy	Invest approximately 80% in shares/target return assets and 20% in cash/fixed interest.	
Strategic Asset Allocation	Australian shares 20% International shares 30% Target return assets 30% Fixed interest 17% Cash 3%	Asset allocation at 30 June 2021  <ul style="list-style-type: none"> Australian shares 28% International shares 31% Target return assets 20% Fixed interest 18% Cash 3%
Suitable for members who:	<ul style="list-style-type: none"> expect to have their super or pension assets invested for more than five years; would like exposure to growth assets; and want less volatility in their year-to-year investment returns. 	
Minimum investment timeframe	Medium to long-term: if you choose this option, be prepared to stay invested in it for more than 5 years before it meets its objectives.	
Expected frequency of negative annual return	No more than three negative annual returns (after smoothing) in any 20-year period (on average).	

You should read the important information about our investment options before making a decision. Go to www.fessuper.com.au. The website contains information about all our investment options, past returns and how returns are calculated and applied to your account. The material relating to how we invest your money and our investment options may change between the time you read this PDS and the day the FES Super Board receives your completed form.

6. Fees and costs

CONSUMER ADVISORY WARNING - 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.

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.

The Consumer Advisory Warning above is prescribed by legislation. Administration fees are not negotiable at FES Super.

FEES AND OTHER COSTS

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

Other fees such as activity fees, may also be charged, but these will depend on the nature of the activity. Entry fees and exit fees cannot be charged.

Tax information is set out under section 7 of this PDS.

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

Type of fee	Amount	How and when paid
Investment fee ^{1,3}	Different for each investment option and range from 0.03% to 0.67% per annum for the 2021/2022 financial year.	The investment fee is an estimate of investment costs which are not charged as a fee to your account but is deducted from FES Super's investment returns before the crediting rate is allocated to your account.
Administration fee ^{1,3}	An asset-based fee of 0.10% per annum, or \$1.00 per year for every \$1,000 in your account applies for the 2021/2022 financial year.	Deducted from FES Super's investment returns each month before the crediting rate is allocated to your account.
Buy/sell spread	Nil	Absorbed as part of the asset cost at the time of the transaction. All buy/sell spreads incurred by FES Super in managing your investment are included in the Indirect Cost Ratio below.
Switching fee	Nil for the first four switches in a financial year, \$50 per switch thereafter.	Deducted from your account at the time of the transaction.
Exit fee	Nil	Not applicable
Adviser service fee for Intra-fund advice.	Nil	Not applicable
Indirect cost ratio ^{1,2,3}	Different for each investment option and range from 0% to 0.45% per annum.	Deducted from FES Super's investment returns before the crediting rate is allocated to your account.
Other fees and costs ^{2,3}		See below.

¹ If your pension balance is less than \$6,000 at the end of the financial 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.

² Refer to the Reference Material document available at www.fessuper.com.au for information about these fees and costs. Refer to section 7 of this PDS for tax details.

³ These fees are calculated looking back as at 30 June each year and may change from year to year.

No commissions are paid by FES Super to any person.

EXAMPLE OF ANNUAL FEES AND COSTS FOR THE SMOOTHED INVESTMENT OPTION

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

Investment fee	0.43%	For every \$50,000 you have in the Smoothed Option you will be charged \$215 each year.
PLUS Administration fee	0.10% per annum of your account balance	AND you will be charged \$50
PLUS indirect costs for the superannuation product	0.06% per annum	AND indirect costs of \$30 each year will be deducted from your investment
EQUALS Cost of product		If your balance was \$50,000 then for that year you will be charged fees of \$295.00 for the Smoothed Option.

Note: Additional fees may apply.

ADDITIONAL ACTIVITY BASED FEES

Type of fee/cost	Amount	How and when paid
Family Law information request	Member No fee is payable. Non-member spouse \$165.	Payable to FES Super on application.

CHANGES IN FEES AND COSTS

All fees and charges are current and may be adjusted by the FES Super Board from time-to-time without members' consent. The asset-based fees that apply to pension accounts are reviewed each July and are based on the actual costs incurred during the previous financial year. The fee may change depending on the actual running costs of FES Super. FES Super will notify you at least 30 days in advance if other fees and costs are to be increased.

You should read the important information about fees and costs, before making a decision. Go to www.fessuper.com.au. The material relating to fees and costs may change between the time you read this PDS and the day FES Super receives your completed form.

7. How superannuation is taxed

Super can be a tax-effective way to save for, and during, your retirement.

ON YOUR INVESTMENT EARNINGS

Investment earnings are tax-free for the assets backing FES Super Account Based Pensions. Tax of up to 15% is deducted from investment earnings before the crediting rate is determined for FES Super Transition to Retirement Pensions.

TAX ON PENSION PAYMENTS

The table below gives a general outline of the tax treatment of income payments received before age 60.

Component	Tax if you're under 60
Tax-free	No tax payable
Taxable-taxed element	Preservation age to 60: Taxable at marginal rate plus Medicare levy, less 15% pension offset. Under preservation age: Taxable at marginal rate plus Medicare levy and no offset.

TAX ON LUMP SUM WITHDRAWALS (ONLY APPLICABLE TO ACCOUNT BASED PENSIONS)

If you're under 60 and are eligible to withdraw a lump sum, tax on withdrawals is deducted before you receive your payment. Generally all withdrawals from FES Super are tax-free if you are aged 60 or over.

Component	Tax if you're under 60 years
Tax free	No tax payable
Taxable Taxed element	If under 55, taxed at 22% ¹ . If between 55–59 years, the first \$225,000 is tax-free and the balance is taxed at your marginal tax rate or 17% ¹ , whichever is lower.

¹including the Medicare levy

You should also read the important information about how super is taxed before making a decision. Go to www.fessuper.com.au. The material relating to how super is taxed may change between the time you read this PDS and the day FES Super receives your completed form.

8. How to open a Pension Account

To invest in a FES Super pension account, you need to complete the Pension Application Form and the Terms and Conditions Form and return them to us. This is in addition to any forms you may need to complete to transfer or rollover your benefit from another FES Super account.

Once a FES Super pension commences, legislation prevents FES Super from accepting further deposits into that pension account.

If you would like to add personal after-tax contributions to your FES Super pension account, personal contributions must be paid into an Accumulation Account first. These funds can then be transferred into a new pension account.

9. Other information

COMPLAINTS

If you wish to make a complaint please contact FES Super in writing, by phone, online or email. FES Super will respond to your enquiry promptly.

If you wish to make a written complaint, it should be sent to:

Complaints Officer

FES Super
PO Box 513
SUBIACO WA 6904

If you do not receive a response from FES Super within 90 days or you are not satisfied with the FES Super Board's decision, you may wish to contact the Australian Financial Complaints Authority (AFCA). AFCA is an external dispute resolution scheme established to deal with complaints from consumers in the financial system.

You may contact AFCA on 1800 931 678, visit afca.org.au or email info@afca.org.au

YOU CAN GIVE FEEDBACK

To make a comment or seek more information about a pension account, please write to the:

Fund Secretary

Fire and Emergency Services Superannuation Fund
PO Box 513
SUBIACO WA 6904