

Fees and other costs

Important information

30 September 2011

This information should be read in conjunction with the First Super Product Disclosure Statement (PDS) dated 30 September 2011. You should consider this information and the information in the 2011 First Super PDS before making a decision to invest in First Super.

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 fund balance rather than 1% could reduce your total return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the Fund or your financial adviser.

To find out more

If you would like to find out more, or see the impact of fees based on your circumstances, the **Australian Securities and Investments Commission (ASIC)** website www.moneySMART.gov.au has a superannuation fee calculator to help you compare different fee options.

The fees and costs you may be charged are set out on the following pages. These fees and costs may be deducted from your account, from the returns on your investment or from the fund assets as a whole. Taxes and insurance costs are detailed separately in Insurance and Taxation of super available at www.firstsuper.com.au

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

Fees and charges

Fees	Amount	How and when paid										
Fees when your money moves in or out of the Fund												
Establishment fee The fee to open your investment.	Nil	Not Applicable										
Contribution fee (entry fee) The fee on each amount contributed to your investment – either by you or your employer.	Nil	Not Applicable										
Withdrawal fee The fee on each amount you take out of your investment.	Nil for retirement benefits, death and disablement benefits, financial hardship and compassionate payments, and transfers to Eligible Rollover Funds. \$75 for other full or partial withdrawals.	Is deducted from your account at the time of withdrawal.										
Termination fee The fee to close your investment.	Nil	Not Applicable										
Management costs												
The fees and costs for managing members' investments.	A Member Fee of \$1.35 per week (\$70.20 p.a.) is charged, together with a percentage of members' account balances which depends on the investment option chosen as shown below: Investment option ICR* The amount you pay for specific investment options. <table border="0"> <tr> <td>Shares Plus</td> <td>0.71%</td> </tr> <tr> <td>Growth</td> <td>0.70%</td> </tr> <tr> <td>Balanced</td> <td>0.68%</td> </tr> <tr> <td>Conservative Balanced</td> <td>0.60%</td> </tr> <tr> <td>Cash</td> <td>0.19%</td> </tr> </table>	Shares Plus	0.71%	Growth	0.70%	Balanced	0.68%	Conservative Balanced	0.60%	Cash	0.19%	The Member Fee is deducted on the last working day of the month, except if the member is leaving the Fund, in which case it is applied immediately. Indirect Cost Ratio (ICR) is not deducted from member accounts. It is deducted from investment earnings before investment returns are declared.
Shares Plus	0.71%											
Growth	0.70%											
Balanced	0.68%											
Conservative Balanced	0.60%											
Cash	0.19%											
Service fees												
Investment switching fee The fee for changing investment options.	Nil for the first two switches in any year, \$30 for any subsequent switch in the year.	Deducted from the member's account balance at the time the switch is processed.										

* Indirect Cost Ratio, see explanation in next section.

Additional explanation of fees and costs

Family Law fees

The following fees apply for actions under the *Family Law Act 1975 (Cth)*:

Request for Information: \$55.00, charged to the First Super Account if the member makes the request, charged to the person making the request if requested by another party.

Process a Payment Split: \$55.00, charged to the spouse account if established in the Fund, or paid by the spouse if established elsewhere.

Process a Flagging Agreement: Nil

Government tax and charges

Applicable government taxes and charges will be deducted from your First Super Account.

These deductions will be shown on your annual Member Statement and Benefit Payment Statement. Please see Taxation of super at www.firstsuper.com.au for more information.

Fees are shown with GST included but before receipt of reduced input tax credits, which lower the effective rate of GST. Where it is possible to do so, the benefits of any tax deduction are applied to the benefit of members of the Fund in the form of lower costs or higher net earnings.

What is paid to your advisor?

Commissions are not paid to advisors.

Indirect Cost Ratio

Indirect Cost Ratio (ICR) is the ratio of management costs that are not deducted directly from member accounts to the Fund's total average net assets. ICRs for the investment options offered are shown in the table on page 2. ICR includes:

- (i) The costs of investment management. For example, Management Expense Ratios and performance bonuses are sometimes paid to some investment managers; and
- (ii) Other expenses that are not met from fees deducted from members.

This means ICR can change from year to year depending upon fund size, investment manager performance and other variables. ICR figures provided for all investment options except the Growth option are actual ICR figures calculated as at 30 June 2011.

ICR figures include performance fees that may become payable to some investment managers from time to time. The table below summarises performance fee arrangements included in ICR. These are not additional costs to you.

Investment	Performance Fee
Orbis International Equities	For out performance of 12% + over the benchmark the manager receives up to an Annualised Rate of 1% of net assets per annum. Plus, for performance of 28% + over the benchmark the manager receives up to an Annualised Rate of 1% of net assets per annum. The benchmark is the MSCI World Index. No performance fee was paid in the financial year before this document was issued.
FIRE II International Property	A performance fee of 10% of distributable proceeds, plus GST, is payable after the return of total aggregate Capital Contributions and Hurdle Return. The Hurdle Return is investment returns over 10% per annum. No performance fee was paid in the financial year before this document was issued.
Fortius Australian Property	While the deed provides for a performance fee, no performance fee will be payable over the remaining life of the fund.
ING Private Equity (Now called Pomona Capital)	There is no performance fee payable to the Trustee of the Fund, however underlying managers may from time to time be entitled to performance fees. This can change over time. Where they exist, performance fees are unlikely to exceed 10% of investment earnings over an agreed benchmark. No performance fee was paid in the financial year before this document was issued.
Westbourne	12.50% of any Cumulative Realised Return above the Cumulative Return Hurdle, which is 4% performance (before fees and expenses) above the UBS Australian Bank Bill Index. No performance fee was paid in the financial year before this document was issued.
Macquarie MAIT III	10% of realised returns on co-investments on a deal by deal basis. No performance fee was paid in the financial year before this document was issued.

Important Note: the performance fees shown above are not additional costs, they are included in the ICR figures. Basically, ICR represents the cost of making and holding investments. The ICR is not charged to your Member Account.

Fee increases or changes

First Super reserves the right to change the fees charged at any time. Should fees increase, we will ensure you are notified in writing at least 30 days before any increase takes effect.

Member protection

The benefits of members with account balances less than \$1,000 are protected. In years of positive investment returns, fees for small account holders may not exceed the amount of earnings credited to your account. In times of a negative investment return, direct fees charged are rebated entirely to small account holders. This ensures that your investment is not eroded by fees and charges. Tax and insurance premiums continue to be deducted from your account, regardless of your balance.

ENVI Carbon Neutral paper is made by First Super members



Contacting First Super is easy

Our friendly administration staff are ready to help you.



Call: 1300 360 988

Fax: 1300 362 899



Email: mail@firstsuper.com.au



Write to: First Super, PO Box 666 Carlton South VIC 3053



Website: www.firstsuper.com.au

Keep in touch

It's important that you tell us if you change address so that you continue to get all the information issued by First Super. You can do this via online access or you can contact us using any of the ways set out above.

