

# Living Super Annual Report 2014-15



<sup>1</sup> SuperRatings does not issue, sell, guarantee or underwrite this product. Go to [superratings.com.au](http://superratings.com.au) for details of its rating criteria.

# Contents

|                                     |   |                                  |    |
|-------------------------------------|---|----------------------------------|----|
| CEO report                          | 3 | Abridged financial statements    | 16 |
| Trustee report                      | 4 | Product update                   | 17 |
| Legislative changes                 | 5 | Finally                          | 19 |
| Market update                       | 6 | Contact us                       | 22 |
| ING DIRECT Living Super investments | 8 | ING DIRECT Living Super partners | 23 |

**For the curious:** The Trust Company (Superannuation) Limited ABN 49 006 421 638, AFSL 235153, RSE L0000635 is the Trustee of the ING DIRECT Superannuation Fund ABN 13 355 603 448 (Fund) and the issuer of interests in the Fund. ING DIRECT Living Super is a product issued out of the Fund. ING DIRECT, a division of ING Bank (Australia) Limited ABN 24 000 893 292, AFSL 229823, is the Promoter of the Fund. The Trustee is required to provide you with information that reasonably allows you to understand your benefit entitlements. This Annual Report to members 2014-2015, which provides general information about the performance, management and financial condition of the Fund, should be read in conjunction with your Annual Statement as at 30 June 2015. The information in this Annual Report is of a general nature only and doesn't consider your particular investment objectives, financial situation or needs and you should consider whether it is appropriate for you. You should consider the Product Disclosure Statement and Financial Services Guide available at [ingdirect.com.au](http://ingdirect.com.au) in deciding whether to acquire, or to continue to hold, the product.

# CEO report

## CEO summary –ING DIRECT Living Super

It's remarkable to think that ING DIRECT Living Super was launched just three years ago. In that short space of time, 36,000 Australians have chosen to grow their retirement savings through ING DIRECT Living Super, taking advantage of cost effective and flexible investment options. Following inception in 2012, ING DIRECT Living Super now has \$1.4 billion in funds under management.

This stellar growth reflects our continued commitment to innovation while always putting the customer at the heart of everything we do. This customer-centric approach has not gone unnoticed. ING DIRECT Living Super enjoys a customer satisfaction rating of 7.66 out of 10 (based on our most recent ING DIRECT Customer Research Survey results completed in November 2014).

Moreover, key industry accolades continue to acknowledge the core value proposition underpinning ING DIRECT Living Super. We enjoy a 'Platinum' rating from SuperRatings, indicating outstanding value for ING DIRECT Living Super's superannuation and pension products. Consumer research house CANSTAR has awarded ING DIRECT Living Super Pension its highest possible 5-star rating for 2015.

## Valuable new benefits for our customers

As ING DIRECT Living Super continues to mature, we have introduced several innovations that directly benefit our customers.

From 28 March 2015 new customers may now be eligible to receive automatic death and total and permanent (TPD) insurance cover (see PDS and Product Guide for details around eligibility) when they open their ING DIRECT Living Super account. From 1 December 2015 existing customers who do not have insurance cover may be eligible for automatic cover with the option to opt out.

We have also made it easier for ING DIRECT Living Super customers to keep track of any changes they make to their account. Personal account screens now provide access to a correspondence library containing communications sent to individual customers regarding their ING DIRECT Living Super account.

In March 2015, ING DIRECT Living Super became available through licensed financial advisers. This allows more advisers the ability to offer and provide advice to their clients on ING DIRECT Living Super.

## A commitment to challenging the status quo

As a challenger brand, the continued growth of ING DIRECT Living Super has been accompanied by a commitment to question the status quo. In early 2015 our media campaign encouraged Australians to take a moment to check the fees they are paying on their current superannuation fund and consider the long term impact on their retirement nest egg.

The growth of ING DIRECT Living Super has been rewarding and exciting. This report is designed to keep our customers and other stakeholders abreast with how we approach this responsibility with a product that combines value, transparency and accessibility to help Australians achieve a healthy pool of retirement savings.



Kind regards,

**Vaughn Richtor**

Chief Executive Officer ING DIRECT

# Trustee report

The Trust Company (Superannuation) Limited (the Trustee) is proud to remain in partnership with ING DIRECT to continue to help refine and grow ING DIRECT Living Super. Together, we aim to provide the highest quality of service to our members, whilst protecting their retirement savings by ensuring ING DIRECT Living Super complies with all relevant legislation and regulatory requirements.

It is the Trustee's job to keep ING DIRECT Living Super operating smoothly, efficiently and in accordance with the relevant laws. We are excited by ING DIRECT Living Super's sustained strong growth as this growth shows we are continuing to respond to members' wants and needs and we are providing a valuable product for members' retirement.

We are very happy to advise ING DIRECT Living Super's investment options have again posted some solid performance returns for the year ending 30 June 2015, which are detailed on page 15 of this Annual Report. How your individual account has been affected will depend on which investment option you're invested in and the timing of cash flows in your account.

We look forward to further working with ING DIRECT to continue to grow ING DIRECT Living Super, whilst making it simple to understand and providing you with greater flexibility.



Kind regards,

A handwritten signature in black ink, appearing to read 'Mark Cerché', written in a cursive style.

**Mark Cerché**

Chairman The Trust Company (Superannuation) Limited

# Legislative changes

## Contributions Caps for 2015/16

- The general concessional contribution cap is \$30,000
- If you are aged 49 years or over at 30 June 2015 the concessional cap is \$35,000
- The non-concessional contribution cap is \$180,000 (note that if you trigger the bring forward rule prior to 1 July 2014 this cap may be lower)

## Government Co-Contributions and Low Income Super Contributions

If you make a personal after tax contribution and your total income (conditions apply) is under the co-contributions upper threshold (\$50,454 for 2015/2016) the Government may contribute up to \$500 p.a. The maximum co-contribution payable reduces for every dollar your total income exceeds the lower threshold for (\$35,454 for 2015/2016), until your total income reaches the upper threshold. If you earn less than \$37,000 a year (conditions apply), and your employer makes concessional (before-tax) superannuation contributions on your behalf, then you may be eligible for a refund of the contributions tax deducted from your superannuation account, paid directly to your superannuation account by the Government. The Government calls this refund of super tax the Low Income Super Contribution (LISC). The LISC will not be payable in respect of concessional contributions made on or after 1 July 2017.

## Treatment of excess non-concessional contributions

Instead of paying excess non-concessional contributions tax you can choose to release your excess non-concessional contributions and 85% of the associated earnings from your super fund. The full amount of the associated earnings will be included in your assessable income and taxed at your marginal tax rate. A 15% tax offset will be applied to recognise that the associated earnings have already been taxed in your super fund.

If you choose not to release your non-concessional contributions from your super fund you will receive an assessment where the excess will be taxed at the highest marginal tax rate.

## Government's temporary budget repair levy

A number of taxes which are linked to the highest marginal rate will be temporarily increased effective from 1 July 2014 to 30 June 2017 from 47 - 49% (this includes the 2% Medicare levy). This includes the excess non-concessional contributions tax, tax on excess untaxed rollover amounts and no TFN tax.

## Fees disclosure changes

Legislation about the disclosure of indirect fees in Product Disclosure Statements and in annual and exit statements has been delayed. These amendments seek to further improve the enhanced fee disclosures which were introduced in 2005 to make comparing fees in different funds easier.

## Dashboards

The requirement to display dashboards for each investment option for choice products has been further delayed until 1 July 2016. Choice products are superannuation products or investment options that you need to choose, they are not MySuper products that your employer may have chosen for you. It is hoped that this change will promote greater consistency in disclosure and enable customers to easily compare between products.

## Early release of superannuation due to terminal illness

The government has amended the regulations governing early access to superannuation benefits for people suffering from a terminal medical condition.

Under the previous regulations, a person would only qualify for early access on the grounds of suffering a 'terminal medical condition' if they obtain certifications from two separate medical specialists (one of whom must be a specialist practicing in an area related to the illness or injury) that they have less than 12 months to live. The government has now extended this life expectancy period to 24 months, with effect from 1 July 2015.

It should be noted that this amendment of the time period does not apply to the definition of terminal illness contained within an insurance policy which may be attached to a persons' superannuation account.

# Market update



The major surprise at the start of the 2014-15 financial year was the considerable strength in European equity markets, as fears of deflation eased and economic data points started to slowly repair. Ructions from the Ukraine subsided as Russia lowered its belligerent stance a little, probably as the impact of lower oil prices continued to affect government revenues as well as a large drop in economic output. Global equity returns in US dollar terms were in the region of 2%, but from an unhedged Australian investor's perspective, the falling Australian dollar and continuing strengthening of the US dollar added an additional 20% to the return. Australian equities over the same period returned 5.6%, which all things considered was a respectable outcome given the slowdown in China and the muddling economic outlook for Australia. The outlook for the Australian equity market continues to remain challenging. However, Australia's ranking improved versus its peer group. Commodity prices, while stabilising, still lack any catalyst for a significant turnaround. China's focus continues to be on monetary rather than fiscal stimulus with another welcomed rate cut in June against a weakening property and share market.

The Reserve Bank of Australia (RBA) surprised some by lowering the cash rate to 2% in May following an earlier rate cut in February. This reflected the corrosive environment for aggregate demand in the commodity slowdown and its resulting negative multiplier effect on the rest of the economy. The ongoing search for yield continues as seen by the Australian Real Estate Investment Trusts return of just over 20% and global Real Estate Investment Trusts returns of just under 24%. Unlike Australia, global Real Estate Investment Trusts are experiencing a post-GFC rebound with many regions of the world seeing improving rents and fundamentals. Australia's Real Estate Investment Trusts are considered overvalued on most metrics except for one, the level of Australian interest rates. The RBA's loosening stance will continue to be supportive of Real Estate Investment Trusts, but the asset class is approaching its last legs. Australian Fixed Income continued to perform well following the RBA's rate policy.

What was surprising was the positive return from Global Fixed Income in Australian dollars of approximately 5.6%, given the fears of the Federal Reserve starting to raise rates. The fear of deflation and the gradual realisation that the Federal Reserve's tightening stance was now likely to be lower for longer and so the first date for any interest rate rise was pushed out beyond June to September or beyond. In addition the interest rate market had a much lower view of the rate and size of interest rate rises than the official Federal Reserve estimates. Australian bonds had a strong return of 6% in line with the RBA rate cuts.

# Market update

(Continued)

Europe was also affected by the perceived risk of deflation, Draghi pushing for quantitative easing and the formal announcement which started quantitative easing in January with an expanded asset purchase program which exceeded market expectations. This was the start of a major move upwards for European equities and downwards for the Euro. 2014 was very tough for European risk assets and it took substantial stimulus to drive them to be up nearly 20% in April and up about 10% for the year.

The election calendar in Europe provided lots of surprises firstly with the ascent of Syriza in Greece plus the shock outright victory of the Tories in the United Kingdom. A full dance card of elections hung Europe with Turkey also being a pleasant surprise seeing the lunge towards a more fundamental regime by President Erdogan's incumbent government thwarted by the descendants of the Ataturk who voted to stay the more moderate secular route.

Japan continued to push its quantitative easing program as well as roll out the reform program called Abenomics. Targeting corporate governance and some small pickup in wage negotiations saw Japan rise 33% in Australian dollars, moving up gradually reflecting the scepticism investors have held towards the government's efforts.

The Ukraine started the year as a major global source of risk but gradually stabilised after a series of massive fighting in January. Greece also remained a source of market risk as the negotiations between the Syriza party and the European authorities deteriorated. This saw European equities soften into year-end as the relationship between Europe and Greece deteriorated.

The Chinese equity market measured by the Shanghai A shares had a robust period of volatility due to increased regulation and de-regulation. The Chinese real economy continued to slow but the reform agenda continued unabated. The Debt for bond program, reserve requirement ratio cuts, state owned enterprise defaults, Asian Investment Bank, Silk Road infrastructure agreements plus many other plans formed part of a whirlwind of policy changes and events that continued all year. The biggest market event remains the spectacular rise and dramatic fall of the Chinese share market.

*The material in the Market update section is provided by State Street Global Advisors and ING DIRECT*

# Living Super investments



With ING DIRECT Living Super your personal investment strategy can be as simple or as sophisticated as you like.

## Investment strategy

The Trustee has established an investment strategy for ING DIRECT Living Super that outlines the specific risk and return objectives of each investment option. This strategy has been formulated with regard to the whole of the circumstances of ING DIRECT Living Super including investment risk, diversification, liquidity, the ability of the Trustee to discharge existing and future liabilities, whether reliable valuation information is available, the expected tax consequences and costs. In giving effect to this strategy the Trustee may place limits on particular investment options to ensure that appropriate levels of diversification and liquidity are maintained. The Living Super investment menu is designed to offer a range of investment options that are straightforward, cost effective and flexible.

## Investment menu

With ING DIRECT Living Super you choose how your money is invested. There is one investment menu, split into four investment categories that you can mix and match. There is also a Cash Hub (transaction account) that allows you to transfer your super between the various investment menu options. The investment menu is designed to offer you a range of investment options that are straightforward, cost effective and provide flexibility throughout your life. The four investment categories are called: **Safe, Smart, Select and Shares**.

| Investment categories |  |   |   |  | Insurance         |
|-----------------------|--|---|---|--|-------------------|
| Cash Hub              | <b>Safe</b>  | <b>Select</b>                               | <b>Smart</b>  | <b>Shares</b>  | Automatic cover   |
|                       | Cash & term deposits held by ING DIRECT with no fees | A great range of managed investment options | The first balanced option, available to all Australians with no admin, contribution or management fees <sup>2</sup> | Trade direct shares and listed securities on the ASX | Tailored cover    |
|                       |  |   |   |  | Income protection |

**For the curious:** <sup>2</sup>The source for the statement 'The first Balanced option available to all Australians with no administration, contribution or management fees' is SuperRatings Fee Research April 2012. This research included information about the default options of 372 currently available and closed superannuation funds. The accuracy of the information relied on by SuperRatings was the responsibility of the Trustees of the relevant superannuation funds. 'Management fees' are now referred to as 'Investment fees' as required by law. Buy-sell spreads and other incidental transaction costs apply to all managed investment options, including the Balanced fund. Buy-sell spreads and other transaction costs are retained within the managed investment and are not fees paid to ING DIRECT or the Trustee. The Trustee may replace one or more of the underlying investment managers which may affect the fee structure for the investment options. The Trustee may vary the fees for ING DIRECT Living Super without your consent by giving 30 days' notice. Living Super is not available to U.S. Persons.

# Living Super investments

(Continued)

## Take greater control of your superannuation

ING DIRECT Living Super makes it easy to diversify and mix and match investments across any or all of these categories.

### Safe

The investment options in the Safe investment category are designed for members who want to minimise risk. You have the choice of a unitised Cash option and a range of fixed rate Term Deposits.<sup>3</sup>

### Smart

The Balanced option in the Smart investment category is a pre-mixed investment solution with a strategic allocation of 50% invested in shares and 50% invested in cash.

### Select

The investment options in the Select investment category enable you to choose from a variety of diversified and single sector managed investments.

### Shares

The investment options in the Shares investment category give you the freedom and control to invest in shares included in the S&P/ASX 200 and a range of exchange traded funds (ETFs) and listed investment companies (LICs).

## Things you should know

When you are choosing your investment options, you should consider the likely investment return, risk and how long you will be investing your super as well as your particular investment objectives, financial situation and needs.

## Investment categories and investment options

| Safe  | Smart    | Select                                | Shares                 | Cash Hub (Transaction account)   |
|---|----------|---------------------------------------|------------------------|--|
| Cash option   | Balanced | Growth                                | S&P/ASX 200            | The Cash Hub is your transaction account. Depending on which account you're in, the Cash Hub is the transaction account into which all contributions, rollovers and distributions are paid, and out of which all fees, pension payments, withdrawals and insurance premiums are paid.<br><br>All Term Deposits and Shares must be purchased from the Cash Hub and all proceeds from Term Deposits and Shares must be paid into the Cash Hub. |
| Term Deposits   |          | High Growth                           | Shares                 |  |
| 3 months  |          | Australian Shares                     | Selected ETFs and LICs |  |
| 6 months  |          | International Shares (Hedged)         |                        |  |
| 1 year  |          | International Shares                  |                        |  |
| 2 years (the 2 year Term Deposit is only available in Super accounts) |          | Australian Fixed Interest             |                        |  |
|   |          | International Fixed Interest (Hedged) |                        |  |
|   |          | Australian Listed Property            |                        |  |

**For the curious:** <sup>3</sup> Living Super rates are available at [ingdirect.com.au](http://ingdirect.com.au)

# Living Super investments

(Continued)

## Investment menu

The investment objectives, internal benchmarks and underlying investment managers for ING DIRECT Living Super are as follows:

| Category | Investment options | Investment objectives   | Benchmark                                     | Investment strategies  | Guidelines, strategic asset allocation and ranges | Who is this suitable for?   | Risk label    | Investment horizon |          |     |             |        |     |             |        |     |                                     |   |           |   |               |  |
|----------|--------------------|---|---|--|---|---|---------------|--------------------|----------|-----|-------------|--------|-----|-------------|--------|-----|-------------------------------------|---|-----------|---|---------------|--|
| N/A      | Cash Hub           | Aims to provide security of capital and regular income.   | RBA Cash less 0.75% pa before fees and taxes. | The strategy for the Cash Hub is to substantially invest the assets on deposit with ING DIRECT.  | Cash 100%   | Your ING DIRECT Living Super cash transaction account.  | Very low risk | Any period         |          |     |             |        |     |             |        |     |                                     |   |           |   |               |  |
| Safe     | Cash option        | Aims to provide security of capital and income built into the unit price.   | RBA Cash Rate before fees and taxes.          | The strategy for the Cash option is to substantially invest the assets on deposit with ING DIRECT either directly or indirectly (via managed investments). | Cash 100%   | Conservative or cautious investors seeking security of capital and positive income returns over time. | Very low risk | Any period         |          |     |             |        |     |             |        |     |                                     |   |           |   |               |  |
| Safe     | Term Deposits      | To provide stable returns with low risk of capital loss by investing in Term Deposits.<br>Terms available are: <table border="1" data-bbox="360 1118 857 1366"> <thead> <tr> <th>Option</th> <th>No. of days</th> <th>Interest crediting</th> </tr> </thead> <tbody> <tr> <td>3 Months</td> <td>90</td> <td>On maturity</td> </tr> <tr> <td>6 Months</td> <td>180</td> <td>On maturity</td> </tr> <tr> <td>1 Year</td> <td>365</td> <td>On maturity</td> </tr> <tr> <td>2 Year</td> <td>730</td> <td>Accrued annually &amp; paid on maturity</td> </tr> </tbody> </table> | Option  | No. of days  | Interest crediting                                | 3 Months  | 90            | On maturity        | 6 Months | 180 | On maturity | 1 Year | 365 | On maturity | 2 Year | 730 | Accrued annually & paid on maturity | The strategy for this option is to invest in wholesale term deposits issued by ING DIRECT. Investments will be for the term as selected and will be transferred to the Cash Hub on maturity unless you elect to automatically reinvest in a new Term Deposit option of the same term. | Cash 100% | Conservative or cautious investors seeking security of capital and guaranteed returns for fixed investment periods. | Very low risk | 90 days – 2 years depending on the term selected |
| Option   | No. of days        | Interest crediting  |   |  |   |   |               |                    |          |     |             |        |     |             |        |     |                                     |   |           |   |               |  |
| 3 Months | 90                 | On maturity   |   |  |   |   |               |                    |          |     |             |        |     |             |        |     |                                     |   |           |   |               |  |
| 6 Months | 180                | On maturity   |   |  |   |   |               |                    |          |     |             |        |     |             |        |     |                                     |   |           |   |               |  |
| 1 Year   | 365                | On maturity   |   |  |   |   |               |                    |          |     |             |        |     |             |        |     |                                     |   |           |   |               |  |
| 2 Year   | 730                | Accrued annually & paid on maturity   |   |  |   |   |               |                    |          |     |             |        |     |             |        |     |                                     |   |           |   |               |  |

# Living Super investments

(Continued)

| Category                      | Investment options | Investment objectives  | Benchmark | Investment strategies  | Guidelines, strategic asset allocation and ranges |             |   | Who is this suitable for?  | Risk label          | Investment horizon |
|-------------------------------|--------------------|--|-----------|--|---|-------------|---|--|---------------------|--------------------|
|                               |                    |  |           |  | Asset class                                       | Ranges      | Target  |  |                     |                    |
| Smart                         | Balanced           | <p>Aims to provide medium to long term capital growth with income built into the unit price.</p> <p>Aims to achieve a 2.5% average annual return above inflation (CPI) over 4 years before fees and taxes.</p> | N/A       | <p>The long term asset allocation is 50% growth assets and 50% income assets. This option invests in Cash, Australian shares, International shares (Hedged), International Shares. The option can invest directly or indirectly (via managed investments). Asset allocation is balanced back to the long term target.</p>                            | Asset class                                       | Ranges      | Target  | <p>Investors who are seeking a potentially higher return than that available from Cash, who are prepared to accept a moderate exposure to growth assets.</p> | Medium to high risk | At least 4 years   |
|                               |                    |  |           |  | Australian Shares                                 | 15 - 45%    | 30%   |  |                     |                    |
|                               |                    |  |           |  | International Shares                              | 0 - 20%     | 10%   |  |                     |                    |
|                               |                    |  |           |  | International Shares (Hedged)                     | 0 - 20%     | 10%   |  |                     |                    |
|                               |                    |  |           |  | Australian Fixed Interest                         | 0 - 10%     | 0%  |  |                     |                    |
|                               |                    |  |           |  | Cash  | 20 - 60%    | 50%   |  |                     |                    |
| Select                        | Growth             | <p>Aims to provide long term capital growth with income built into the unit price. Aims to achieve a 3.0% average annual return above inflation (CPI) over 6 years before fees and taxes.</p>                  | N/A       | <p>The long term asset allocation is 70% growth assets and 30% income assets. This option invests in Cash, Australian Fixed Interest, Australian Shares, International Shares and Australian Listed Property. The option can invest directly or indirectly (via managed investments). Asset allocation is balanced back to the long term target.</p> | Asset class                                       | Ranges      | Target  | <p>Investors who are seeking a medium to long term investment and moderate - high returns, who accept the possibility of losses in capital.</p>              | High risk           | At least 7 years   |
|                               |                    |  |           |  | Australian Shares                                 | 20 - 50%    | 35%   |  |                     |                    |
|                               |                    |  |           |  | International Shares                              | 10 - 40%    | 15%   |  |                     |                    |
|                               |                    |  |           |  | International Shares (Hedged)                     | 10 - 40%    | 15%   |  |                     |                    |
|                               |                    |  |           |  | Australian Listed Property                        | 0 - 40%     | 5%  |  |                     |                    |
|                               |                    |  |           |  | Australian Fixed Interest                         | 0 - 20%     | 10%   |  |                     |                    |
|                               |                    |  |           |  | Cash  | 10 - 30%    | 20%   |  |                     |                    |
|                               |                    |  |           |  | Select  | High Growth | <p>Aims to provide long term capital growth with income built into the unit price. Aims to achieve a 3.5% average annual return above inflation (CPI) over 7 years before fees and taxes.</p> |  |                     |                    |
| Australian Shares             | 25 - 75%           | 50%  |           |  |   |             |   |  |                     |                    |
| International Shares          | 0 - 50%            | 25%  |           |  |   |             |   |  |                     |                    |
| International Shares (Hedged) | 0 - 50%            | 25%  |           |  |   |             |   |  |                     |                    |
| Cash                          | 0 - 5%             | 0%   |           |  |   |             |   |  |                     |                    |

# Living Super investments

(Continued)

| Category | Investment options            | Investment objectives   | Benchmark   | Investment strategies  | Guidelines, strategic asset allocation and ranges |           |        | Who is this suitable for?  | Risk label | Investment horizon |
|----------|-------------------------------|---|---|--|---|-----------|--------|--|------------|--------------------|
| Select   | Australian Shares             | Aims to closely match the return of the Australian shares market (income and capital growth) before fees, as measured by the S&P/ASX 200 All Australian Accumulation Index before fees and taxes.   | S&P/ASX 200 Accumulation Index  | The option can invest directly or indirectly (via managed investments) in shares and securities listed or to be listed on ASX.   | Asset Class                                       | Ranges    | Target | Investors who are seeking a long term investment in a diversified portfolio of Australian shares who accept the possibility of losses in capital.  | High risk  | At least 7 years   |
|          |                               |   |   |  | Australian Shares                                 | 95 - 100% | 100%   |  |            |                    |
|          |                               |   |   |  | Cash  | 0 - 5%    | 0%     |  |            |                    |
| Select   | International Shares (Hedged) | Aims to closely match the return of the international share market as measured by the MSCI World ex Australia Index (net Dividends reinvested), hedged in Australian Dollars before fees and taxes. | MSCI World ex-Australia Index (net Dividends reinvested), 100% hedged in \$A. | The option can invest directly or indirectly (via managed investments) in shares and securities listed or to be listed on exchanges outside Australia. Currency exposures are hedged (using derivatives) up to 100% of the value of the portfolio. | Asset Class                                       | Ranges    | Target | Investors who are seeking a long term investment in a diversified portfolio of global shares that is protected against the movements in currency exchange rates and who accept the possibility of losses in capital. | High risk  | At least 7 years   |
|          |                               |   |   |  | International Shares (Hedged)                     | 95 - 100% | 100%   |  |            |                    |
|          |                               |   |   |  | Cash  | 0 - 5%    | 0%     |  |            |                    |
| Select   | International Shares          | Aims to closely match the return of the international share market as measured by the MSCI World ex Australia Index (net Dividends reinvested), before fees and taxes.                              | MSCI World ex-Australia Index (net Dividends reinvested).                     | The option can invest directly or indirectly (via managed investments) in shares and securities listed or to be listed on exchanges outside Australia.   | Asset Class                                       | Ranges    | Target | Investors who are seeking a long term investment in a diversified portfolio of global shares who accept the possibility of losses in capital.  | High risk  | At least 8 years   |
|          |                               |   |   |  | International Shares                              | 95 - 100% | 100%   |  |            |                    |
|          |                               |   |   |  | Cash  | 0 - 5%    | 0%     |  |            |                    |
| Select   | Australian Listed Property    | Aims to closely match the return of the listed property securities market, as measured by the S&P/ASX 200 A-REIT Index before fees and taxes.   | S&P/ASX 200 A-REIT Index  | The option can invest directly or indirectly (via managed investments) in property securities listed or to be listed on the ASX.   | Asset Class                                       | Ranges    | Target | Investors who are seeking a long term investment in a diversified portfolio of listed property securities and the possibility of losses in capital.  | High risk  | At least 7 years   |
|          |                               |   |   |  | Australian Listed Property                        | 95 - 100% | 100%   |  |            |                    |
|          |                               |   |   |  | Cash  | 0 - 5%    | 0%     |  |            |                    |

# Living Super investments

(Continued)

| Category | Investment options                    | Investment objectives  | Benchmark  | Investment strategies   | Guidelines, strategic asset allocation and ranges |   |        | Who is this suitable for?   | Risk label   | Investment horizon |
|----------|---------------------------------------|--|--|---|---|---|--------|---|--|--------------------|
| Select   | Australian Fixed Interest             | Aims to closely match the return of the Australian fixed interest market as measured by the Bloomberg AusBond Composite Bond Index before fees and taxes.  | Bloomberg AusBond Composite Bond Index   | The option can invest directly or indirectly (via managed investments) in bonds from the Bloomberg AusBond Composite Bond Index.  | Asset class                                       | Ranges                                    | Target | Investors seeking a return higher than that available from Cash, Capital losses may occur over the short term and the level of income may vary from time to time.   | Medium risk  | At least 3 years   |
|          |                                       |  |  |   | Australian Fixed Interest                         | 95 - 100%                                 | 100%   |   |  |                    |
|          |                                       |  |  |   | Cash  | 0 - 5%                                    | 0%     |   |  |                    |
| Select   | International Fixed Interest (Hedged) | Aims to match the return of the international fixed interest market - hedged (income and capital growth) as measured by the Citigroup World Government Bond Index ex Australia, 100% hedged to Australian dollars before fees and taxes. | Citigroup World Government Bond Index ex Australia, 100% hedged to Australian dollars. | The option can invest directly or indirectly (via managed investments) in bonds from the Citigroup World Government Bond Index ex Australia, 100% hedged to Australian dollars. | Asset class                                       | Ranges                                    | Target | Investors seeking a return higher than that available from cash from global fixed interest securities that are protected from movements in currency exchange, as well as an income stream. Capital losses may occur over the short term and the level of income may vary from time to time. | Medium risk  | At least 3 years   |
|          |                                       |  |  |   | International Fixed Interest (Hedged)             | 95 - 100%                                 | 100%   |   |  |                    |
|          |                                       |  |  |   | Cash  | 0 - 5%                                    | 0%     |   |  |                    |
| Shares   | Shares                                | To provide direct access shares in the S&P/ASX 200 and selected ETFs and LICs listed on the ASX.   | N/A  | Access to the shares in the S&P/ASX 200 and selected ETFs and LICs listed on the ASX is provided through ING DIRECT Living Super's share broker.                                | Aggregate holding limit                           | Maximum allocation to any single security |        | Investors who are looking for an investment in one or more single listed securities who accept the possibility of a loss of capital.  | See the shares, ETFs and LICs fact sheet on <a href="http://ingdirect.com.au">ingdirect.com.au</a> for a full list of the ETFs and LICs available and their risk labels. For the list of shares on the S&P/ ASX 200 see <a href="http://asx.com.au">asx.com.au</a> . The risk label for the S&P/ ASX 200 is High risk. | At least 7 years   |
|          |                                       |  |  |   | 80% of total account balance                      | 20% of total account balance              |        |   |  |                    |

# Living Super investments

(Continued)

## Investment managers

ING Bank (Australia) Limited ABN 24 000 893 292 AFSL 229823, ACL 229823 is the investment manager of the managed investment options, Cash Hub and Term Deposits. State Street Global Advisors Australia Limited ABN 42 003 914 225, AFSL 238276 has been appointed by the investment manager as the sub-investment manager of the assets of the managed investments other than the cash assets. ING Bank N.V. (Sydney Branch) ABN 32 080 178 196, AFSL 234557 may also be appointed by the investment manager as a sub-investment manager of a portion of the cash assets of the managed investments, Cash Hub and Term Deposits.

## Single assets valued above 5% of total funds under Management

At the end of the 2014-2015 financial year, ING DIRECT Living Super had:

- 48% invested in the ING DIRECT Balanced Fund;
- 14% invested in the Cash Hub with ING DIRECT;
- 15% invested in Term Deposits with ING DIRECT; and
- 6% invested in Shares (through the S&P/ASX 200 and selected ETF's and LIC's)

In total, 94% of ING DIRECT Living Super is invested with the investment manager ING Bank (Australia) Limited, of which 39% is invested with the sub-investment manager State Street Global Advisors Australia Limited.

## Derivative securities

The Trustee does not invest directly in any futures, options or other derivative instruments. However, external managers may use derivatives in managed investment schemes in which the Trustee invests. The Trustee views the use of Derivatives within the investment options available through ING DIRECT Living Super as acceptable for the following purposes:

- To protect the assets of the ING DIRECT Living Super against, or minimise liability from, a fluctuation in market values;
- To reduce the transaction cost of achieving the desired asset allocation or investment profile for ING DIRECT Living Super;
- To obtain prices that may not be available to the ING DIRECT Living Super in other markets;
- To reduce volatility and the impact on portfolio valuations of market movements; and
- To achieve adjustment of asset exposures within parameters fixed in the investment strategy.

## Treatment of net earnings

Net earnings are allocated to member accounts in accordance with changes in the value of their investments (e.g. unit prices) or by the crediting of returns to member accounts (e.g. interest).

### The Trustee uses four different methods and timings to value the investment options within the menu:

1. Managed investment unit pricing is updated daily;
2. The Cash Hub is valued based on relevant interest rates accrued daily and credited monthly;
3. The 3 months, 6 months and 1 year Term Deposits are valued based on relevant interest rates with interest paid on maturity. The 2 year Term Deposit interest is accrued on anniversary and paid on maturity. An Interest Rate Reduction applies if a Term Deposit is closed before the maturity date;
4. ASX listed securities prices are updated via the share broker at the most recent market price.

# Living Super investments

(Continued)

## Managed Investment Options performance

The tables below detail the historical performance of the investment options for the Super, Transition to Retirement and Pension accounts effective 30 June 2015. Just remember, past performance is not a reliable indicator of future performance.<sup>4</sup>

### Super accounts

| Investment category | Investment option                     | 1 Month (%) | 3 Months (%) | 6 Months (%) | 1 year (%) | 2 years (%pa) | Since inception (%pa) | Inception date |
|---------------------|---------------------------------------|-------------|--------------|--------------|------------|---------------|-----------------------|----------------|
| Safe                | Cash option                           | 0.22%       | 0.63%        | 1.29%        | 2.71%      | 2.77%         | 3.14%                 | 3/9/2012       |
| Smart               | Balanced                              | -1.35%      | -0.88%       | 3.60%        | 7.25%      | 8.71%         | 9.93%                 | 13/8/2012      |
| Select              | Australian Fixed Interest             | -0.83%      | -1.72%       | 0.46%        | 4.50%      | 4.56%         | 4.00%                 | 16/8/2012      |
| Select              | Australian Listed Property            | -2.84%      | -1.34%       | 6.50%        | 17.69%     | 13.42%        | 14.79%                | 16/8/2012      |
| Select              | Australian Shares                     | -3.91%      | -4.71%       | 3.98%        | 7.07%      | 11.71%        | 12.96%                | 29/8/2012      |
| Select              | Growth                                | -2.03%      | -1.51%       | 4.35%        | 9.51%      | 11.12%        | 12.47%                | 30/8/2012      |
| Select              | High Growth                           | -2.74%      | -1.94%       | 5.66%        | 11.90%     | 14.63%        | 16.84%                | 30/8/2012      |
| Select              | International Fixed Interest (Hedged) | -0.93%      | -1.83%       | 0.24%        | 4.72%      | 5.25%         | 4.51%                 | 16/8/2012      |
| Select              | International Shares                  | -1.85%      | 0.48%        | 8.88%        | 22.62%     | 20.03%        | 23.05%                | 29/8/2012      |
| Select              | International Shares (Hedged)         | -1.56%      | 0.89%        | 5.37%        | 10.63%     | 14.92%        | 16.99%                | 29/8/2012      |

### Transition to Retirement and Pension accounts

| Investment category | Investment option                     | 1 Month (%) | 3 Months (%) | 6 Months (%) | 1 year (%) | 2 years (%pa) | Since inception (%pa) | Inception date |
|---------------------|---------------------------------------|-------------|--------------|--------------|------------|---------------|-----------------------|----------------|
| Safe                | Cash option                           | 0.26%       | 0.72%        | 1.51%        | 3.18%      | 3.25%         | 3.49%                 | 2/10/2012      |
| Smart               | Balanced                              | -1.93%      | -1.39%       | 3.72%        | 7.90%      | 9.76%         | 10.79%                | 2/10/2012      |
| Select              | Australian Fixed Interest             | -0.88%      | -1.94%       | 0.61%        | 5.33%      | 5.23%         | 3.86%                 | 2/10/2012      |
| Select              | Australian Listed Property            | -3.73%      | -2.05%       | 6.76%        | 19.56%     | 14.96%        | 16.32%                | 2/10/2012      |
| Select              | Australian Shares                     | -4.82%      | -5.70%       | 4.11%        | 7.68%      | 13.17%        | 16.07%                | 2/10/2012      |
| Select              | Growth                                | -2.72%      | -2.13%       | 4.49%        | 10.35%     | 12.42%        | 13.75%                | 2/10/2012      |
| Select              | High Growth                           | -3.65%      | -2.76%       | 5.75%        | 12.82%     | 16.32%        | 18.12%                | 2/10/2012      |
| Select              | International Fixed Interest (Hedged) | -1.09%      | 2.15%        | 0.25%        | 5.49%      | 6.14%         | 5.06%                 | 2/10/2012      |
| Select              | International Shares                  | -2.47%      | 0.08%        | 9.40%        | 24.78%     | 22.06%        | 26.22%                | 26/2/2013      |
| Select              | International Shares (Hedged)         | -2.45%      | 0.24%        | 5.18%        | 11.07%     | 16.41%        | 15.89%                | 8/3/2013       |

**For the curious:** <sup>4</sup> The information in the tables above represents the historical performance of the managed investment options available within ING DIRECT Living Super. The performance is calculated by measuring the change in the sell price for each managed investment option over the relevant time period. The performance calculation is net of all fees and taxes that are accrued in the calculation of the unit prices, but does not include any fees and taxes that are charged directly to your account. Past performance is not a reliable indicator of future performance.

# Abridged financial statements

The abridged financial statements for ING DIRECT Living Super are based on audited balances extracted from the financial statements ING DIRECT Living Super for the year ended 30 June 2015. The full audited financial statements and auditor's report for ING DIRECT Living Super will be available at [ingdirect.com.au](http://ingdirect.com.au) by the end of December 2015.

| Statement of Financial Position as at 30 June          | 2015<br>\$'000   | 2014<br>\$'000 |
|--|------------------|----------------|
| <b>Investment assets</b>                               |                  |                |
| Term deposits  | 209,960          | 184,069        |
| Australian equities                                    | 82,536           | 36,341         |
| Unlisted unit trusts                                   | 896,933          | 530,270        |
| <b>Other assets</b>                                    |                  |                |
| Cash and cash equivalents                              | 203,625          | 136,625        |
| Trade and other receivables                            | 3,982            | 3,482          |
| Deferred tax assets                                    | 3,817            | 2,462          |
| Outstanding investment settlements                     | -                | 2,485          |
| <b>Total assets</b>                                    | <b>1,400,853</b> | <b>895,734</b> |
| <b>Liabilities</b>                                     |                  |                |
| Benefits payable                                       | -                | 275            |
| Trade and other payables                               | 512              | 307            |
| Current tax liabilities                                | 7,397            | 12,353         |
| <b>Total liabilities</b>                               | <b>7,909</b>     | <b>12,935</b>  |
| <b>Net assets available to pay benefits</b>            | <b>1,392,944</b> | <b>882,799</b> |
| <b>Represented by liabilities for accrued benefits</b> |                  |                |
| Allocated to members' accounts                         | 1,387,234        | 876,892        |
| Unallocated to members' accounts                       | 5,710            | 5,907          |
| <b>Total liability for accrued benefit</b>             | <b>1,392,944</b> | <b>882,799</b> |

| Operating Statement for the year ended 30 June                      | 2015<br>\$'000 | 2014<br>\$'000 |
|---|----------------|----------------|
| <b>Investment revenue</b>   |                |                |
| Interest  | 11,608         | 8,210          |
| Dividends   | 1,709          | 573            |
| Distributions   | 60,206         | 52,454         |
| Changes in net market value of investments                          | 14,925         | 17,480         |
| <b>Total investment revenue</b>                                     | <b>58,598</b>  | <b>43,757</b>  |
| <b>Contribution revenue</b>   |                |                |
| Employer contributions  | 97,000         | 58,084         |
| Members' contributions  | 79,805         | 61,579         |
| Transfers from other funds  | 378,650        | 465,695        |
| <b>Total contribution revenue</b>                                   | <b>555,455</b> | <b>585,358</b> |
| <b>Other revenue</b>  |                |                |
| Group Life Insurance Proceeds                                       | 967            | 1,140          |
| Other   | 327            | 24             |
| <b>Total other revenue</b>  | <b>1,294</b>   | <b>1,164</b>   |
| <b>TOTAL REVENUE</b>  | <b>615,347</b> | <b>630,279</b> |
| <b>Direct investment expenses</b>                                   | <b>287</b>     | <b>124</b>     |
| <b>General administration expenses</b>                              |                |                |
| Operating expenses  | 893            | 397            |
| Group life insurance premiums                                       | 3,147          | 1,738          |
| <b>Total general administrative expenses</b>                        | <b>4,040</b>   | <b>2,135</b>   |
| <b>TOTAL EXPENSES</b>   | <b>4,327</b>   | <b>2,259</b>   |
| <b>Benefits accrued as a result of operations before income tax</b> | <b>611,020</b> | <b>628,020</b> |
| Income tax (expense)/benefit  | 13,379         | 10,141         |
| <b>Benefits accrued as a result of operations</b>                   | <b>597,640</b> | <b>617,879</b> |

# Product update

## Changes to Death & TPD insurance premiums

A premium review was conducted by MetLife, our insurer, which took into consideration factors including the cost of providing cover and the level of risk required to continue insuring particular occupations for Death and Total Permanent Disablement (TPD) cover. As a result of this review, Death and TPD cover premium rates have changed. There was no change to premium rates for income protection cover. These premium changes came in to effect from 27 March 2015 and letters have been sent to customers communicating the change to their premiums.

### What does this change mean for you?

If you have Death or TPD cover, your premiums have changed. A letter was sent to you confirming any relevant changes in your premium. If you have income protection, your premiums have not changed as a result of this review.

## Introduction of Automatic Insurance

Our insurer, MetLife, has worked with us to introduce a new insurance cover called Automatic cover that provides a pre-approved level of Death and TPD cover. Customers who open a new super account may be eligible for this cover. Customers may also choose to change their cover by increasing or decreasing the level of cover, called Tailored Cover. You can also continue to apply for income protection in addition to Automatic Cover or Tailored Cover.

### What does this change mean for you?

Automatic Cover is available to eligible customers who open a new super account from 28 March 2015.

## Continuation of insurance option

The option to continue insurance cover directly with the insurer will no longer be available to those that leave ING DIRECT Living Super on or after 27 March 2015. Before this date you were able to choose to continue your Death or Death and Total Permanent Disablement cover directly with the insurer through their insurance product.

### What does this change mean for you?

Continuation of insurance is no longer available on or after 27 March 2015 if you leave ING DIRECT Living Super.

## Change to definition of Total and Permanent Disablement

Part B of the TPD definition has been updated to provide clarity that the domestic duty is within the covered person's own residence. It will now be defined as "unemployed, but are not engaged in full time unpaid domestic duties in their own residence."

### What does this change mean for you?

For the insurer to accept a TPD claim, you will need to meet the new TPD definition contained in the Product Disclosure Statement (PDS) and Product Guide dated 27 March 2015.

The new definition will apply to insurance claims submitted from 27 March 2015 regardless of when you joined ING DIRECT Living Super or when your application for insurance was accepted.

## Update to eligibility in Product Disclosure Statement

We've updated the eligibility section of the PDS so that it directly aligns to the wording in the Product Guide.

### What does this change mean for you?

There are no changes to the definition of eligibility, we have merely updated the PDS to align with the Product Guide for clarity.

## Update to the glossary in the Product Guide

The following changes have being made to the glossary in section 12 of the Product Guide:

- Insurance terms are now included in the glossary  
The insurance terms previously listed in the Insurance section of the Product Guide are now included in the section 12 glossary.
- Update to definition of a Super account  
The definition for Super account has been added to section 12 of the Product Guide to make it clear that this refers to the account in which you accumulate funds in preparation for your retirement.
- Update to definition of Active Service  
The definition for Active Service has been added to section 12 of the Product Guide. Active Service refers a person's occupation as part of a military force (including without limitation the Defence Force, the army, the Armed Forces Reserve, the navy, the air force or like). However, a member of the Australian Armed Forces Reserve will be in Active service if they are participating in a training period, military service, "call out" service, natural disaster relief effort or any other related service.

### What does this change mean for you?

There are no changes to the definitions under the insurance policies issued by the insurer but we have updated the Product Guide to provide further clarity.

# Product update

(Continued)

## Update to the Section 8. Risks in super

We have listed the following risks in section 8 of the Product Guide:

- No insurance cover risk  
Changing your superannuation fund may impact your insurance cover.
- Taxation risk  
This is the risk where any changes to the taxation of superannuation could affect the amount of your superannuation.

## What does this change mean for you?

The risks listed have been included in the Product Guide to provide you with a balanced view of the risks associated with superannuation.

## Deeming to include account-based income streams from 1 January 2015

Australia's social security system uses deeming to assess income from financial investments. From 1 January 2015, the deeming rules were extended to include account-based income streams. This applies to the ING DIRECT Living Super Transition to Retirement (TTR) and Pension accounts as they are account-based income streams. Deeming is where it is assumed that financial investments earn a certain rate of income.

## What does this change mean for you?

If you commenced a TTR or Pension account on or after 1 January 2015, a deeming rate will apply to determine the income received for Centrelink purposes.

If you were receiving income support payments on 31 December 2014 and already had a TTR or pension account, this income stream will be grandfathered and continue to be assessed under the previous rules. If you cease to be

paid an income support payment on or after 1 January 2015 the grandfathering provision will cease to apply and any TTR or pension accounts that you hold will be assessed under the deeming rules if you later receive an income support payment.

However if you choose to change an existing TTR or pension (that was commenced on or before 31 December 2014) to a new product, the new product will be assessed under the deeming rules. Changing your pension payment amount or changing your investment mix is not considered to be a change to a new product.

## Change to the Low Income Super Contribution from 1 July 2017

Currently if you earn less than \$37,000 a year and your employer makes concessional contributions to your account, you could be eligible for a refund of the contributions tax deducted from your Super account. The Government calls this refund of super tax the Low Income Super Contribution (LISC). The LISC will not be payable in respect of concessional contributions made on or after 1 July 2017.

## What does this change mean for you?

If you are currently eligible and receiving the LISC, or become eligible in the future, the refund will cease for any concessional contributions made on or after 1 July 2017.

## Change to the way dividends are paid on shares for clients who have closed their accounts

From 8 December 2014, if you exit ING DIRECT Living Super before dividends and distributions paid on shares are received you will not receive the value of those dividends and distributions if the total value is under \$20. If the value is \$20 or above, we will pay the dividend as per your last instruction and contact you. Forfeited dividends and distributions will be retained by ING DIRECT Living Super.

## What does this change mean for you?

Any dividends or distributions paid on shares after you have exited ING DIRECT Living Super where the total value is under \$20 will be retained by ING DIRECT Living Super.

## Change of Benchmark name for the ING DIRECT Living Super Australian Fixed Interest investment option

As a result of the acquisition of the UBS Australia Bond Indexes by Bloomberg, the name of the benchmark for the ING DIRECT Living Super Australian Fixed Interest investment option has changed from the UBS Australian Composite Bond Index option to the Bloomberg AusBond Composite Bond Index.

This change took effect from 29 September 2014.

## What does this change mean for you?

The Bloomberg Ausbond Composite Bond Index option will continue to use the same calculation methodology following the transition. There are no changes to the investment strategy or management of the ING DIRECT Living Super Australian Fixed Interest investment option.

# Finally

## Online annual report

This annual report has been prepared to enable you to understand the management and financial condition of ING DIRECT Living Super and its investment performance for the period 1 July 2014 to 30 June 2015. The Trustee makes this annual report available online at [ingdirect.com.au](http://ingdirect.com.au).

You can request a printed copy free of charge by calling us on 133 464. If you prefer to receive the Annual Report this way we will do so for subsequent years unless you notify us otherwise.

## Indemnity insurance

The Trustee has taken out indemnity insurance.

## Temporary residents

The Australian Government requires temporary residents' unclaimed super be paid to the ATO after at least 6 months have passed since the later of:

- The date a temporary resident's visa ceased to be in effect; and
- The date a temporary resident permanently left Australia.

Once your benefit has been transferred to the ATO you need to claim it directly from the ATO. We will not notify you or provide you with an exit statement if your benefit has been transferred to the ATO. We will rely on relief provided by the Australian Securities & Investments Commission (ASIC) Class Order [CO 09/437] which says, in effect, that superannuation trustees are 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. If your benefit has not yet been transferred to the ATO you may be able to claim it as a Departing Australia

Superannuation Payment (DASP) regime. Full information regarding DASP procedures and current taxation rates can be found at [ato.gov.au](http://ato.gov.au).

## Surcharge payments

Surcharge tax was abolished from 1 July 2005, however the ATO may issue surcharge assessments in respect of prior years. If the Fund received and paid a surcharge assessment in respect of a member during the reporting period, the surcharge tax will have been deducted from the member's account and paid to the ATO.

## Privacy statement

The ING DIRECT Superannuation Fund Privacy Policy details how we treat your personal information. The following provides an overview of the key aspects of the ING DIRECT Superannuation Fund Privacy Policy. For the purposes of the ING DIRECT Superannuation Fund Privacy Policy the terms 'we', 'us' or 'our' refer to the ING DIRECT Superannuation Fund (Fund) and/or ING DIRECT in its capacity as promoter of the Fund (ING DIRECT).

## Collection of your personal information

Ordinarily, we'll collect most personal information about you directly from you. For instance, your personal information will be collected when you complete an application form or provide other forms of instructions relating to your account in the Fund, when you apply for insurance or submit an insurance claim or in response to a request for additional information. Occasionally we may need to obtain personal information about you from a third party, but only if you've consented to us collecting the information in this way or you would reasonably expect us to collect the information about you in this way.

## Use and disclosure of your personal information

We'll collect personal information to provide you with information about a financial product or service; to assess your application and eligibility for financial products or services including in relation to the Fund; to establish and manage your account in the Fund; to administer our relationship with you; and to communicate with you about us and the products and services we offer, and then only when it's necessary for, or related to, these purposes. We'll also need to collect personal information necessary to comply with our legal and regulatory obligations. If you don't provide the personal information that we request, we will generally not be able to provide you with products or services in relation to the Fund. It may be necessary for us to disclose your personal information to certain ING Group entities or third parties in order to assist us in providing, managing and administering your account in the Fund or for other related purposes. These include:

- the administrator of the Fund undertaking the administration and day-to-day operation of the Fund; including establishing and maintaining member records, processing contributions, rollovers and benefits, and providing regular statements;
- the custodian of the Fund providing custody services;
- the insurer responsible for providing insurance cover and assessing insurance claims to members of the Fund;
- the broker or share trader responsible for buying and selling of listed securities;
- the provider of financial tools and calculators on the designated Fund website;
- the ATO as required by law, to administer your account in the Fund, to conduct searches on the ATO's Lost Member Register and to facilitate the consolidation of your superannuation with your consent;

# Finally

(Continued)

- Government authorities as required or desirable in administering and conducting the business of the Fund, including in complying with relevant regulatory or legal requirements;
- the trustee of another fund where you request that your superannuation be transferred from another superannuation fund into your interest in the Fund or where you request that your superannuation be transferred into another superannuation fund;
- organisations providing financial planning services with which we have entered into an agreement for them to provide financial planning advice services to members of the Fund;
- your financial adviser, your power of attorney, or your appointed representative;
- entities in the ING Group or Trust Company Group in order to service the Fund or other products you may have within these Groups;
- ING Group entities located overseas for administration and security purposes;
- any third party product and service supplier that we have an arrangement with (so that either us or they may provide you with the product or service you have requested or in which you have expressed an interest);
- organisations who perform services or functions on our behalf;
- organisations undertaking reviews of the accuracy and completeness of our information;
- organisations undertaking identity verification services to verify information about you including your identity; and
- doctors, medical services or other organisations providing services in the collection, collation or assessment of personal information (including health information) for the purpose of assessing your claim.

Any example used above to indicate when we might disclose personal information may not be limited to those examples (or examples of a similar kind). Personal 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.

We may have to send personal information overseas for example, if required to complete a transaction or where we outsource a function to an overseas contractor. Your personal information may be accessed by staff in ING Group entities in Singapore and the Netherlands if necessary to administer our relationship with you, for transactional reasons or to comply with regulatory requirements applying to us or the ING Group.

## Marketing

We, or other ING Group entities, may provide you with further information about ING Group products and services unless you tell us not to. If you have provided an email address to us, we may contact you using that email address, including to provide you with information about us and the products and services that we and the ING Group offer. You may elect not to receive further information about us or our products and services by contacting us online, calling or writing to us.

## Access to your personal information

You may request access to limited amounts of personal information that we hold about you that are readily available – such as your account balance or personal details – by calling us on 133 464. For a more detailed request for access to information that we hold about you, you will need to write to the ING DIRECT Privacy Officer at GPO Box 4307, Sydney NSW 2001. Please note that requests for access to your personal information may only be made by you or by another person

who you have authorised to make a request on your behalf, such as a legal guardian or an authorised agent. We will require you to verify your identity, or the identity of your representative, to our reasonable satisfaction. Depending on the nature and/or volume of the information that you request, an access charge may apply, but not to your request for access itself.

## Updating your personal information

We take reasonable steps to ensure that your personal information is accurate, up-to-date, complete, relevant and not misleading. For instance, we may ask you to confirm some of your details when you contact us. However, please contact us if you learn that any your personal information that we hold is incorrect, has changed or requires updating.

## Complaints

We are committed to resolving your privacy complaint as quickly as possible and have procedures in place to help resolve any problems or complaints efficiently. For more information on how to make a complaint, see the complete ING DIRECT Superannuation Fund Privacy Policy under 'What to do if you have a privacy complaint'.

# Finally

(Continued)

## How to contact us

If you have any further questions about privacy in relation to the ING DIRECT Superannuation Fund please contact us by:

- calling 133 464;
- emailing [customer.service@ingdirect.com.au](mailto:customer.service@ingdirect.com.au);
- writing to:

ING DIRECT Privacy Officer  
GPO Box 4307  
Sydney NSW 2001

Our privacy statement may be updated from time to time as we strive to improve the standard of service we provide to you.

## Further information

A copy of the Privacy Policy is available at [ingdirect.com.au](http://ingdirect.com.au). The Privacy Policy contains further details about our handling of personal information, including how you may access and update your personal information and how we deal with your concerns.

## Eligible Rollover Fund

We may transfer your Super account or benefit to an Eligible Rollover Fund (ERF) where:

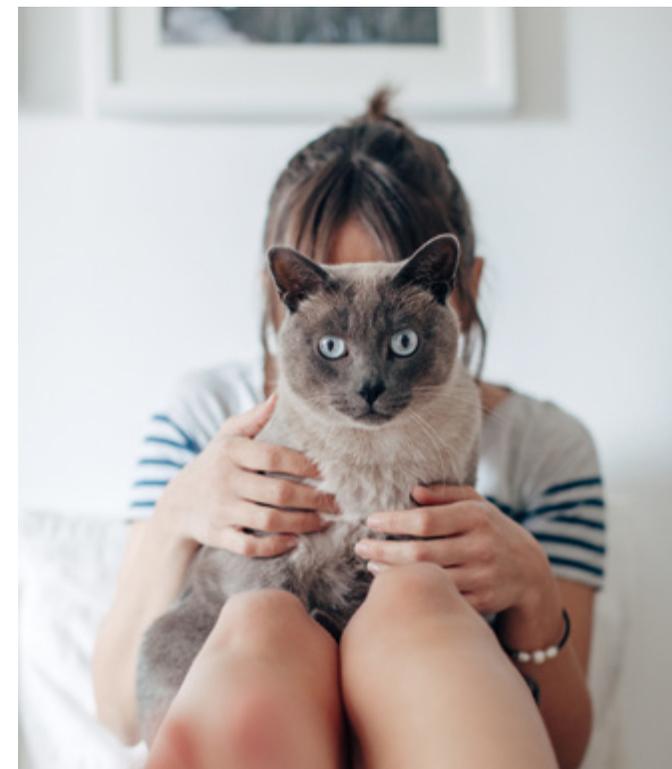
- we cannot get in touch with you; or
- you do not respond to our requests to transfer your Super account or benefit to another super fund; or
- you have an account balance that's less than \$1,000; or
- you have not met the minimum requirements of the Balanced option; or
- any other reason determined by the Trustee.

The ERF that we have selected is the Australia's Unclaimed Super Fund (AUSfund). Its postal address is:

PO Box 543  
Carlton South VIC 3053.

If you would like further information on AUSfund, please visit their website at [unclaimedsuper.com.au](http://unclaimedsuper.com.au) or phone them on 1300 361 798 to speak to a service consultant. Transferring your Super account to an ERF will have the following effect on your benefit:

- you will no longer have an account in ING DIRECT Living Super;
- you will become a member of the ERF and your benefits will be invested according to the investment strategy of the ERF;
- you will have no insurance cover in ING DIRECT Living Super and the ERF does not provide any insurance cover; and
- the ERF will charge you different fees and charges to that of ING DIRECT Living Super.



# Contact us



At ING DIRECT Living Super we will try our best to answer your enquiries over the phone in a prompt manner.

**Please call a Customer Care Specialist on:**

133 464 between 8am – 8pm, Monday to Friday and 9am – 5pm Saturday (AEST/AEDT).

If it cannot be dealt with over the phone, you can send us a message via Online Banking by selecting My Messages or write to:

ING DIRECT  
GPO Box 4307  
Sydney NSW 2001

**Making a complaint**

At ING DIRECT Living Super we will try our best to resolve your issues over the phone in a prompt manner.

**Please call:**

133 464 between 8am – 8pm, Monday to Friday and 9am – 5pm Saturday (AEST/AEDT) and let us know if you have an issue.

If it cannot be dealt with over the phone, you can send us a message via Online Banking and selecting My Messages or write to:

Complaints Officer  
ING DIRECT  
GPO Box 4307  
Sydney NSW 2001

# Living Super partners



## Trustee

The Trust Company (Superannuation) Limited ABN 49 006 421 638, AFSL 235153, RSE L0000635, is the Trustee of the ING DIRECT Superannuation Fund ABN 13 355 603 448 (Fund). ING DIRECT Living Super is a product issued out of the Fund.

## Promoter

ING DIRECT is a division of ING Bank (Australia) Limited ABN 24 000 893 292, AFSL 229823, ING DIRECT is the Promoter of ING DIRECT Living Super.

## Insurer

The insurance cover offered by ING DIRECT Living Super is provided by MetLife Insurance Limited ABN 75 004 274 882, AFSL No. 238096.

## Investment managers

ING Bank (Australia) Limited ABN 24 000 893 292 AFSL 229823, ACL 229823 is the investment manager of the managed investment options, Cash Hub and Term Deposits. State Street Global Advisors, Australia, Limited ABN 42 003 914 225, AFSL 238276 has been appointed by the investment manager as the sub-investment manager of the assets of the managed investments other than the cash assets. ING Bank N.V. (Sydney branch) ABN 32 080 178 196, AFSL 234557 may be appointed by the investment manager as the sub-investment manager of a portion of the cash assets of the managed investments, Cash Hub and Term Deposits.

## Share broker

The share broker for ING DIRECT Living Super is Australian Investment Exchange Limited ABN 71 076 515 930, AFSL 241400 a Participant of the ASX Group and Chi-X Australia, trading as CommSec Adviser Services.

## Custodian

The custody of the managed investment assets within ING DIRECT Living Super and unit pricing are provided by State Street Australia Limited ABN 21 002 965 200, AFSL 241419.

## Administrator

The administration of the accounts within ING DIRECT Living Super is provided by Financial Synergy Pty Ltd ABN 27 005 484 391.