

Investment unitisation

Smartsave Super is a unitised Fund. Contributions and rollovers are paid into your Member account and you are allocated a number of units in each Pooled investment option you have selected. This means that each contribution or rollover buys a certain number of units in your chosen Pooled investment option depending on the price at the time of investment. As investments held within each Pooled investment option can move either up or down in value, so does the Pooled investment option unit price.

Smartsave Super calculates its unit prices daily.

The value of the investment options, and therefore the unit prices, are adjusted to allow for any taxes on investment earnings, (realised and unrealised) capital gains, management costs, as well as reflecting any tax credits or rebates.

Unit pricing utilises investment best practice and provides the most accurate and up to date method to value balances in your Member account.

Advantages of unitisation

- Greater fairness to all members - more accurate and in real time, compared to a monthly interim crediting rate method; and
- Unitisation provides members with up-to-date information about their accrued member account balances.

What is unitisation?

Unitisation is a process used to calculate and apply net assets to individual member's accounts. When you invest in any of Smartsave Super investment options, your money is placed in a pool of investment, with every other member who has chosen the same investment option.

The total value of each investment option is then broken into units, and your ownership of that investment pool is represented by the number of units you own, similar to holding company shares, except your investment is pooled with others.

UNIT PRICE

$$\frac{\text{Total value of asset in the investment option pool}}{\text{Total number of units}}$$

$$\text{Member's investment value} = \text{unit price} \times \text{number of units}$$

Your total investment equals the number of units allocated multiplied by the most recent unit price. The unit price is calculated for each option by taking the total market value of all of the option's assets, adjusting for any liabilities (Fees, insurance premiums, taxes, etc.), and then dividing the net value by the total number of units held by all members on that day.

When is the buy and sell unit price used?

Buy unit price: Is utilised when investment is made to the Member's Investment Option in the Fund once the contribution or rollover has been allocated to the Member's account.

Sell unit price: Is utilised when redemptions from the investment option or a withdrawal from the Members Account in the Fund is made.

Note: Please refer to the Smartsave Additional Information Guide for the specific buy / sell spread that applies to each Pooled Investment Option

Although your number of units in the investment option held will stay constant, if there is a transaction (contribution or withdrawal) on your account, the unit price will change depending on movement in the net market value of the underlying investment fund manager portfolio or the total number of extra units issued for the investment option. Therefore, the unit price moves up and down as the value of the investment option changes.

The value of the unit prices on the investment options of your Member account will be determined as at the last daily unit price valuation.

Case study - how unitisation works in practice

On 31 May 2018 John Smith has an accumulation superannuation account with an account balance of \$20,000 with \$15,000 (15,000 units) invested in the Smartsave Super MySuper Investment Option and \$5,000 (5000 units) in Smartsave Super Australian Shares Investment Option.

John makes a contribution of \$550 to the Smartsave Super MySuper Investment Option on 27 June 2018.

- The daily MySuper Investment Option buy/sell price is \$1.10 per unit; and
- The number of units John will be allocated is $\$550/\$1.10 = 500$

On the 7 July 2018 John requests a withdrawal of \$550 from the Smartsave Super Australian Shares Investment Option.

- The daily Australian Shares Investment Option buy/sell price is \$1.09 per unit; and
- The number of units redeemed is $\$550/\$1.09 = 504.6$

How can I check the value of my account?

You can check the number of units you hold in your Smartsave Super investment options via Member Online. Go to smartsavesuper.com.au and click on member login. Once you have logged in, you can view your member statement, transactions or run a performance or valuation report.

Not sure what your login details are, or want to know more?

Call Smartsave Super Investor Services to set up your login for information on your Member account, investment options, or investment strategies in general.

Contact us

P: 1300 654 720 | E: smartsave@diversa.com.au | W: smartsavesuper.com.au

Smartsave Employer Super and Smartsave Personal Choice & Smart Pensions are part of the Smartsave Member's Choice Superannuation Master Plan ABN 43 905 581 638 RSE R1001341 (Fund). Diversa Trustees Limited ABN 49 006421 638, AFSL 235153. RSE Licence L0000635 (Trustee) is the Trustee of the Fund and the product issuer. The information in this document has been prepared by Diversa Superannuation Services Pty Ltd ABN 77 107 165 962, AFSL 273321 as the Fund Administrator. It is intended to provide you with general information only and does not take into account your personal objectives, financial situation or needs. Before making any financial decisions about Smartsave Employer Super and Smartsave Personal Choice & Smart Pensions, it is important that you read the current product disclosure statement (PDS) relevant to your membership and consider your particular circumstances and whether the particular financial product is right for you. The current PDS for each product is available on smartsavesuper.com.au. You should consult a financial adviser if you require personal advice.