Important notice from the QSuper Board of Trustees

QSuper Lifetime

A lot can happen in a lifetime

Inside you'll find the information you need to understand changes to QSuper Lifetime, the default investment option for our Accumulation account.

QSuper® GROWING YOUR SUPER TOGETHER

A lot can happen in a lifetime. Your retirement outlook will probably change from your first job to your last, and along the way you'll aspire to different goals and focus on different priorities.

Considering how much change you'll see in your lifetime, doesn't it make sense for your super to change too?

Regardless of whether you want to live simply, travel more or sustain the lifestyle you're used to, Lifetime will help you on your journey towards creating the retirement of your dreams.

Onwards and upwards – a better lifetime

Lifetime is the default investment option for Accumulation accounts and uses a lifecycle investment approach to manage your super.

The groups of Lifetime

How Lifetime groups work

As a lifecycle option, Lifetime is made up of different groups. Lifetime groups are based on your age and Lifetime balance, and they're designed to meet a range of investment needs throughout different stages of life. To achieve this, groups have different investment objectives, asset allocation ranges and levels of risk, which allows us to provide you a more tailored super solution.

Changes to Lifetime group reviews

We review the Lifetime groups every six months. Starting in 2014, these reviews will happen in May and November each year. On the date of the group review, we'll look at your current age and Lifetime balance. Changes to your age and Lifetime balance may mean that at the time of the group review, we automatically move you from your existing group to a group that reflects your current situation. In this way, your super can move and grow with you.

> "We're all different, at different stages of life and with different amounts of money invested in super – so why should we all have the same super strategy?"

Put simply, lifecycle investing recognises the investment strategy you need may change as you move through life.

Lifetime uses your age and Lifetime balance to place you into a group. The investment objective and strategy for each group is different, designed to meet a range of investment needs through changing stages of life.

When you're in Lifetime, we do the hard work for you. We place you into different groups throughout your life, so your investment strategy changes with your age and Lifetime balance, leaving you free to focus on other priorities.

A Lifetime group review is coming…

On 26 May 2014 we'll be conducting a Lifetime group review, so if you're invested in Lifetime, you should be aware that your group may change. It's important to note that if your group changes, the level of risk, your asset allocation, investment objective and the fees for your group may also change.

Current

Lifetime Sustain 1

To achieve a return of at least CPI + 1.5% p.a., after fees and tax, measured over rolling ten-year periods.

Lifetime Sustain 2

To achieve a return of at least CPI + 1% p.a., after fees and tax, measured over rolling ten-year periods.

From 26 May 2014

Lifetime Sustain 1

To achieve a return of CPI + 2.5% p.a., after fees and tax, measured over rolling ten-year periods.

Lifetime Sustain 2

To achieve a return of CPI + 2% p.a., after fees and tax, measured over rolling ten-year periods.

Your Lifetime group and asset allocation

Your age	Under 40 Outlook	40 – 49 Aspire		50 – 57 Focus			Over 58 Sustain	
Your Lifetime balance	any money invested in Lifetime	less than $50,000	$50,000 or more	less than $100,000	from $100,000 to less than $250,000	$250,000 or more	less than $300,000	$300,000 or more
Group	Outlook	Aspire 1	Aspire 2	Focus 1	Focus 2	Focus 3	Sustain 1	Sustain 2
Asset allocation (%)	Range	Range	Range	Range	Range	Range	Range	Range
Cash	0 – 15	0 – 15	0 – 15	0 – 15	0 – 15	0 – 15	0 – 75	0 – 90
Fixed interest	0 – 35	0 – 35	10 – 60	10 – 60	20 – 70	30 – 75	0 – 35	0 – 35
Property	0 – 25	0 – 25	0 – 25	0 – 25	0 – 20	0 – 20	0 – 20	0 – 20
Australian shares	5 – 30	5 – 30	5 – 30	5 – 30	5 – 25	0 – 20	0 – 30	0 – 30
International shares	5 – 45	5 – 45	5 – 45	5 – 45	5 – 40	5 – 35	0 – 45	0 – 45
Alternative assets	0 – 30	0 – 30	0 – 30	0 – 30	0 – 25	0 – 25	0 – 25	0 – 25
Infrastructure	0 – 25	0 – 25	0 – 25	0 – 25	0 – 20	0 – 20	0 – 20	0 – 20

— It can take a Lifetime to grow your super —

Changes to Lifetime

Our aim is to provide members with every opportunity to achieve their retirement goals, and this means we're always on the lookout for ways to improve our investment options and products. As a result, there will be some changes to the Lifetime groups from 26 May 2014.

Changes to Lifetime groups

While there are currently three groups in Lifetime, from 26 May 2014 this option will be made up of eight groups. Currently all members under 58 are invested in one group, however from 26 May 2014 this group will be split into six new groups.

We've expanded the number of groups in order to further tailor your Lifetime journey. This brochure includes information about the levels of risk, asset allocation ranges, investment objectives and fees for each group.

New Lifetime objectives

If you're 58 or over and invested in Sustain 1 or 2, you may notice a change to the way we talk about the investment objectives for these groups.

We've made these changes to be consistent with the way we talk about investment objectives in other groups across Lifetime, however the underlying investment strategies for these groups will remain the same.

How do I know if I'm invested in Lifetime?

You can log into Member Online at any time to check how your super is invested, or call us and we'll let you know.

Changes to investment fees for Lifetime

In Lifetime, the investment fees charged depend on which group you're placed in. While members within the same age bracket are charged the same investment fee, fees may differ between groups to reflect the nature and cost of managing the asset allocation of each group. The introduction of new groups means that investment fees will change for most members invested in Lifetime.

Investment fees for the new Lifetime groups are calculated using the same methodology as our other investment options. QSuper deducts an investment fee (including investment base and investment performance fees) on a daily basis from the Lifetime unit price, before the unit price is declared. You can find more information on fees on our website or in the *Accumulation Account Guide*.

Estimated investment fees for 2014/2015

Lifetime has eight groups split across four different age brackets, and investment fees are the same within each age bracket. The table below shows the estimated investment fees[1] for each group as at 26 May 2014.

Age	Under 40	40 – 49	50 – 57	58 +
Group	Outlook	Aspire 1 Aspire 2	Focus 1 Focus 2 Focus 3	Sustain 1 Sustain 2
Estimated investment base fee (%)	0.33	0.29	0.27	0.18
Estimated investment performance fee (%)	0.13	0.11	0.09	0.06
Total estimated investment fee (%)	0.46	0.40	0.36	0.24

1 These are the estimated investment fees for the 2014/2015 financial year, and actual fees may differ.

Super for a lifetime.

You're under 40

Outlook

When you're starting out in life, retirement may seem too far away to worry about. But with time on your side to build your super, an investment strategy that focuses on seeking higher returns is a great way to work towards a positive retirement outlook.

About you:

- You have money invested in Lifetime
- Suitable for long term investors who want exposure to assets with potentially higher returns.

Minimum recommended investment timeframe: 10 years

Objective:

To achieve an annual return of CPI + 4.5% p.a., after fees and tax, measured over rolling 10-year periods.

Risk:

It's important to note that a negative annual return is expected between 3 and 4 times in every 20 years.

Very low | Low | Low to medium | Medium | **Medium to high** | High | Very high

You're 40 – 49

Aspire

In this phase of life, it's likely you're still juggling many priorities. Although you're probably still focused on today (building your career, managing a family or mortgage), now is a great time to check you're on track to meet your retirement aspirations.

Aspire 1

About you:

- You have less than $50,000 invested in Lifetime
- Suitable for medium to long-term investors with lower account balances who want exposure to assets with potentially higher returns.

Minimum recommended investment timeframe: 10 years

Objective:

To achieve an annual return of CPI + 4.5% p.a., after fees and tax, measured over rolling 10-year periods.

Risk:

It's important to note that a negative annual return is expected between 3 and 4 times in every 20 years.

Very low | Low | Low to medium | Medium | **Medium to high** | High | Very high

Aspire 2

About you:

- You have $50,000 or more invested in Lifetime
- Suitable for medium to long-term investors with higher account balances who want exposure to assets with potentially higher returns.

Minimum recommended investment timeframe: 10 years

Objective:

To achieve an annual return of CPI + 4.0% p.a., after fees and tax, measured over rolling 10-year periods.

Risk:

It's important to note that a negative annual return is expected between 3 and 4 times in every 20 years.

Very low | Low | Low to medium | Medium | **Medium to high** | High | Very high

You're 50 – 57

Focus

With retirement approaching, it makes sense to focus on an investment strategy that aims to provide more stability, while continuing to include some growth assets.

Focus 1

About you:

- You have less than $100,000 invested in Lifetime
- Suitable for medium term investors with low balances who want exposure to assets with potentially higher returns.

Minimum recommended investment timeframe: 5 years

Objective:

To achieve an annual return of CPI + 4.0% p.a., after fees and tax, measured over rolling 10-year periods.

Risk:

It's important to note that a negative annual return is expected between 3 and 4 times in every 20 years.

Very low | Low | Low to medium | Medium | **Medium to high** | High | Very high

Focus 2

About you:

- You have $100,000 to less than $250, 000 invested in Lifetime
- Suitable for medium term investors with moderate balances who want exposure to assets with potentially higher returns.

Minimum recommended investment timeframe: 5 years

Objective:

To achieve an annual return of CPI + 3.75% p.a., after fees and tax, measured over rolling 10-year periods.

Risk:

It's important to note that a negative annual return is expected between 2 and 3 times in every 20 years.

Very low | Low | Low to medium | **Medium** | Medium to high | High | Very high

Focus 3

About you:

- You have $250,000 or more invested in Lifetime
- Suitable for medium term investors with high balances who want exposure to assets with potentially higher returns.

Minimum recommended investment timeframe: 5 years

Objective:

To achieve an annual return of CPI + 3.5% p.a., after fees and tax, measured over rolling 10-year periods.

Risk:

It's important to note that a negative annual return is expected between 2 and 3 times in every 20 years.

Very low | Low | Low to medium | **Medium** | Medium to high | High | Very high

You're 58 or over

Sustain

Regardless of whether you're preparing to retire or already retired, it's important to consider the part super plays in your long-term plans. To help make the most of this exciting time in your life, your Lifetime investment strategy aims to sustain your hard earned super as long as possible

Sustain 1

About you:

- You have less than $300,000 invested in Lifetime
- Suitable for investors who are close to or in retirement.

Minimum recommended investment timeframe: 2 years

Objective:

To achieve an annual return of CPI + 2.5% p.a., after fees and tax, measured over rolling 10-year periods.

Risk:

It's important to note that a negative annual return is expected less than 0.5 times in every 20 years.

Very low | Low | Low to medium | Medium | Medium to high | High | Very high

Sustain 2

About you:

- You have $300,000 or more invested in Lifetime
- Suitable for investors who are close to or in retirement.

Minimum recommended investment timeframe: 2 years

Objective:

To achieve an annual return of CPI + 2.0% p.a., after fees and tax, measured over rolling 10-year periods.

Risk:

You should be aware that a negative annual return is expected less than 0.5 times in every 20 years.

Very low | Low | Low to medium | Medium | Medium to high | High | Very high

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