



Unit pricing



How your First State Super account works

Your account is unit-based, which means that for every contribution made to your account, you will be allocated units in one or more of the Fund's investment options. An amount added to your account will 'buy' you a number of units, and an amount deducted means that you 'sell' a number of your units.

The value of your account depends on the number of units you hold and the unit price of the investment option, which is based on the value of the assets in the option (less investment expenses).

Generally speaking, the unit price for each investment option is calculated daily. However, in certain circumstances, such as a closure of investment markets, the Trustee may suspend unit pricing because it may not be possible to calculate a fair unit price.

The unit price applied to contributions, withdrawals and switches is the unit price on the day of processing.

Amounts added to your account

The following transactions increase the number of units that you hold in your investment option or options:

- all of your superannuation contributions
- super transferred into your account from another super fund
- any insurance benefit payment (other than income protection benefits)
- Federal Government co-contributions made to your account.

These transactions increase the number of units you hold in your investment option(s).

Amounts deducted from your account

The following transactions decrease the number of units that you hold in your investment option or options:

- a provision for tax of 15% deducted from all before-tax contributions made to your account
- insurance premiums (if applicable) deducted each month
- fees
- amounts payable for additional tax if you have not provided your tax file number
- amounts payable to the Australian Taxation Office (ATO) relating to excess contributions tax (if you exceed the contribution caps and we are instructed to pay this tax by you or the ATO)
- any benefits paid or amounts transferred out of the Fund, including payments arising from contribution splitting with your spouse or payments subject to a Family Law arrangement
- amounts payable to the ATO relating to superannuation surcharge.

If your super is invested in more than one investment option, amounts deducted from your account are applied in proportion across your investment options.



Calculation of unit prices

The unit price for an investment option is calculated by dividing the net assets of the investment option by the total number of units issued in that option. For example, if you chose an option with a total of \$1,000,000 of net assets and there were 1,000,000 units issued in that option, then the unit price for that day would be \$1. If we received a \$100 contribution from you on that day and no fees or taxes are applied to that contribution, you would be allocated 100 units in that investment option. This example assumes no change in asset values.

If the investment option earns positive returns, both the unit price and the value of your investment will rise. Conversely, if the investment option earns negative returns, the unit price and the value of your investment will both fall.

Value of each investment option

The unit price of each investment option is based on the net value of the assets in that option.

The net value is equal to the market value of the individual assets less taxes, investment expenses, fees charged by external investment managers, amounts payable to the custodian, transaction costs and internal investment management costs.

Generally speaking, the unit price for each investment option is calculated daily. However, in certain circumstances, such as a closure of investment markets, the Trustee may suspend unit pricing because it may not be possible to calculate a fair unit price.

Unit pricing and transaction processing is usually suspended for up to five working days at the start of each financial year. Transactions received during a period of suspension will be processed following the resumption of unit pricing at the unit price applicable on the date of processing the transaction.

Valuation of the Fund's assets

Assets are valued, and reported on, by the Fund custodian. Some assets are valued daily, others less frequently. Daily valuations (which apply to all listed securities) are based on the close-of-day price from the relevant market or exchange.

- Australian equities are valued at the last trade quotes at close-of-day as listed on the ASX.
- International equities are valued at the last trade quotes at close-of-day as listed on the relevant exchanges. Exchange rates are the last trade quote at 4:00 pm London time.
- Australian fixed interest securities are valued at market average prices from independent sources.
- International fixed interest securities are valued at the market average prices from independent sources in relevant markets.
- Cash securities are valued at yield average prices from independent sources.

Assets valued less frequently than daily include unlisted investments such as unlisted property trusts, private equity or infrastructure investments, or unlisted hedge/absolute return funds. The timing of the valuations for these assets will vary but will typically be monthly or quarterly. All properties held in unlisted property trusts, for example, will usually be valued (at least) annually, and some will be on a rolling quarterly valuation cycle. Valuations of these assets are carried out by registered valuers or under pre-set valuation methods.



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