



Living Super Annual Report 2013-2014

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¹SuperRatings does not issue, sell, guarantee or underwrite this product. Go to www.superratings.com.au for details of its ratings criteria.

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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 2013-2014, 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 2014. The information in this Annual Report is of a general nature only and doesn't consider your particular investment objectives, circumstances, 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 in deciding whether to acquire, or to continue to hold, the product.



Since launching in 2012, Living Super continues to throw down the gauntlet to the superannuation industry, giving Australians better value and more control of their retirement savings. Over the last financial year we have introduced a number of exciting innovations based on member feedback, and today Living Super offers even more features while staying true to the Fund's aim of providing a straightforward and low cost way to save for retirement.

Among the innovations, we have introduced reversionary nominations for pension and transition to retirement accounts. This lets members nominate dependants to continue receiving their Living Super pensions. In April 2014, we launched online rollovers making it easier for members – both new and existing, to consolidate their super savings and, when members said they would like to hear more from us, we introduced quarterly Living Super e-newsletters delivered direct to each customer's inbox.

By listening to – and acting on, customer feedback, Living Super has achieved strong levels of engagement, and our most recent Customer Research Survey recorded a satisfaction rating of 8.48 out of 10. It's an encouraging result, and one we aim to improve on in the years ahead.

Once again, the year saw Living Super attract notable industry accolades. After winning SuperRatings' Best New Product Award in 2013, Living Super was back on the winner's podium to take out SuperRatings' 2014 Fast Mover Award. It recognises ING DIRECT for achieving the largest natural increase in Funds Under Management (FUM) for

the year across all products tracked by SuperRatings. In bestowing the award, SuperRatings commented, "This early success is a testament to ING DIRECT's unique value proposition and strong engagement with members".

Our commitment to excellence is reflected in outstanding industry ratings including a 'Platinum' rating from SuperRatings for the Fund's Super and Pension products, and a coveted 5-star rating from research group Canstar. Importantly, as a low cost product, Living Super is helping to raise public awareness about the impact of fund fees on retirement nest eggs, and spread the word that low fee alternatives are available.

There's no doubt that we've come a long way in a short time. As at 30 June 2014, Living Super currently manages \$883 million on behalf of 25,000 Australians – and it's a responsibility we don't take lightly. I invite you to take a look through this report to learn more about how we are investing your retirement savings, how the industry is changing and why Living Super continues to challenge the superannuation industry on value, transparency and accessibility.

Kind regards,

A handwritten signature in black ink, appearing to read 'Vaughn Richtor'. The signature is fluid and cursive, written over a light grey horizontal line.

Vaughn Richtor
Chief Executive Officer
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The Trust Company (Superannuation) Limited (the Trustee) helps protect your retirement savings by working with ING DIRECT to ensure your superannuation fund complies with relevant legislation and regulatory requirements. It's our job to keep Living Super operating smoothly and efficiently so that it's the best we can make it. That's why we engage various service providers to assist with the operation of Living Super. We are also responsible for the issue of this Annual Report. We're excited by the continued strong take-up of membership of Living Super. The growth of the Fund shows we are continuing to respond to members' needs and provide a valuable product for members' retirements.

Living Super plays an important role in the futures of our members, and we're very happy to say that Living Super's investment options posted some solid performance and members saw some strong returns for the year. 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.

The ongoing changes to improve the superannuation landscape continue to provide members with greater confidence in how their money is invested. We are constantly striving to deliver a product that is simple to understand while providing you great flexibility.

The Trust Company (Superannuation) Ltd.



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Legislative Changes

Raising the preservation age

The Government has announced that the qualifying age for receiving the age pension will increase to age 70 by 1 July 2035 and has announced that an increase in the preservation age for withdrawing superannuation benefits will be considered as part of the Financial Services Inquiry.

SuperStream standard

SuperStream is a package of reforms to streamline the 'back office' of superannuation. The adoption of data standards has already improved the way rollovers between funds are processed. From 1 July 2014 employers with 20 or more employees began using the SuperStream data standards when making superannuation guarantee contributions for their employees. Small employers will adopt the SuperStream data standards from 1 July 2015.

Fee disclosure changes

As of 1 July 2014, superannuation funds have been required to comply with new fee disclosure rules as a result of the Stronger Super reforms. These changes are designed to make comparing fees in different funds easier.

Contributions Caps

The concessional contributions cap will be temporarily increased to \$35,000:

- From 1 July 2013 if you are aged 59 years or over on 30 June 2013;
- From 1 July 2014 if you are aged 49 years or over on the last day of the previous financial year.

The temporary higher cap is not indexed and will cease when the general concessional contributions cap is indexed to \$35,000.

As of 1 July 2014 the general concessional contributions cap rose to \$30,000 and the non-concessional contribution cap rose to \$180,000.

Co-contributions

If you make a personal after-tax contribution and your total income (conditions apply) is under the co-contributions upper threshold (\$48,516 for 2013/2014 or \$49,488 for 2014/2015), the Government may contribute \$0.50 for each dollar you contribute up to \$500 p.a. The maximum co-contribution payable reduces for every dollar your total income exceeds the lower threshold (\$33,516 for 2013/2014 or \$34,488 for 2014/2015), until your total income reaches the upper threshold.

Changing timeline for increasing the Super Guarantee

As of 2 September 2014, the Superannuation Guarantee contribution rate will be paused at 9.5 per cent until 1 July 2021. After this the Superannuation Guarantee rate will increase 0.5 per cent each year until it reaches 12 per cent from 1 July 2025.

| Financial year | Rate increase as at 2 Sept 2014 |
|----------------|---------------------------------|
| 2013/14 | 9.25% |
| 2014/15 | 9.50% |
| 2015/16 | 9.50% |
| 2016/17 | 9.50% |
| 2017/18 | 9.50% |
| 2018/19 | 9.50% |
| 2019/20 | 9.50% |
| 2020/21 | 9.50% |
| 2021/22 | 10.00% |
| 2022/23 | 10.50% |
| 2023/24 | 11.00% |
| 2024/25 | 11.50% |
| 2025/26 | 12.00% |

Removal of low income super contributions

Currently, the Australian Government contributes up to \$500 into the super accounts of eligible low income earners under the Low Income Super Contribution scheme. As of 2 September 2014, the Low Income Super Contribution will not be payable in respect of concessional contributions made after 1 July 2017.

Removal of super guarantee upper age limit

From 1 July 2013, the upper age limit for making super guarantee contributions for an employee was removed. Removal of the limit is intended to encourage mature workers to stay in the workforce.

Treatment of excess non-concessional contributions

The government has proposed allowing individuals to apply to withdraw excess non-concessional contributions made after 1 July 2013 thereby avoiding excess non-concessional contributions tax.

NDIS and Medicare Levy

With the introduction of the National Disability Insurance Scheme Levy, the Medicare Levy has risen from 1.5% to 2%.

Investment option dashboards and portfolio holdings

The requirement to display dashboards for each investment option for choice products has been delayed until 1 July 2015. 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.

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Summary

The 2013/2014 financial year returned a positive result for stocks, bonds and property thanks to a combination of low market volatility, low interest rates and a strengthening global economy overall. Local and global equity markets dominated returns in the investment markets; in Australia the ASX 200 returned +17.4% in accumulation terms and the price index (+12.4%) hit a post-GFC high in April. The US S&P 500 index (+22.0%) hit a new all-time high in each month of the 2013/2014 financial year. Developed equity markets (MSCI Developed Markets Index +21.4%) outperformed their emerging market counterparts (MSCI Emerging Markets Index +11.3%) for the fourth year in a row. The MSCI World Index (USD) rose in ten months of the year.

US

The Federal Reserve retained the federal funds target rate range at 0-0.25% throughout 2013/14. At its December meeting the Federal Open Market Committee (FOMC), which controls monetary policy in the US, voted to reduce asset purchases from US\$85 billion a month to US\$75 billion starting in January, with the committee subsequently reducing purchases by a further US\$10 billion in each of the following months. The ongoing recovery in the US economy continued at a promising pace during the third quarter of 2013, which returned a 4.1% annualised quarter on quarter growth, followed by a 2.6% increase in the final quarter of the 2013 calendar year. A negative swing in inventories and an exceptionally cold winter proved enough to shrink output by 2.9% in the March quarter of 2014. The US labour market continued to improve over the course of 2013/14, with the unemployment rate standing at 6.1% by June 2014.

US equity market

The S&P500 Index gained 22.0% over the 2013/2014 financial year and hit new closing highs in each month. Low volatility underpinned investor interest in stocks: the VIX Index, a widely used measure of market volatility, averaged just 14.0 over the 2013/2014 financial year compared to an average of 20.1 since the Index began.

China

The Chinese economy continued to expand by more than 7% throughout 2013/14. Although this rate is slightly below levels in recent history, it is consistent with the planned growth of the economy. Reflecting the emergence of potential over-capacity, credit growth, as measured by social financing, slowed somewhat during the year.

Europe and Japan

Both Europe and Japan remain locked in a no/slow growth environment despite aggressive spending policies (especially in Japan) and the continuation of near zero interest rates. Reflecting concerns about deflation risk, the European Central Bank (ECB) cut rates by 0.10% in June taking the refinancing rate to 0.15% and the deposit rate to -0.10%.

Australia

The RBA cut the cash rate by 0.25% to 2.50% in August 2013 and the Board said it was prepared to “adjust policy as needed”. However, a weaker Australian Dollar in the December quarter combined with signs of improvement in the non-mining economy kept the RBA on hold for the rest of the financial year. In more recent policy meetings, the RBA flagged a “period of stability in interest rates”. Employment grew by 100,000 people over the year to June 2014, somewhat lower than the 140,000 increase in the previous year. The financial year ended with

unemployment at 6.0% in June (5.7% June 2013), with a fall in the participation rate cushioning the rise in the unemployment rate. The Australian economy grew by 3.5% in the 2013/14 financial year reflecting ongoing growth in export volumes following the investment phase of the resources boom and stronger growth in housing and construction related sectors.

Australian equity market

The ASX200 price index peaked towards the end of April subsequently settling into a narrow range and delivering an overall 12.4% return (17.4% accumulation) for the financial year 2013/14. Consistent with global equity markets, the volatility of the Australian market was somewhat lower than in recent years.

Bonds

It was a year of two halves for bond yields; major sovereign debt yields ratcheted higher in the December half in anticipation of the Federal Reserve ‘tapering’ but subsequently fell back as central banks including the Federal Reserve, ECB and RBA indicated policy rates will remain low for longer. While longer term bond rates in most developed markets were unchanged, the standout performers were bonds from peripheral Europe which benefited from expectations that the ECB might turn to asset purchases to combat deflationary pressures.

Currencies

The Australian Dollar was marginally stronger over the year as a whole, increasing from around US0.9150 to just below US0.9450 at June 2014. The Australian Dollar has progressively strengthened over the first half of the 2014 calendar year. Reflecting the broad based strength of the Australian Dollar, it moved higher when measured against Australia’s major trading partners.

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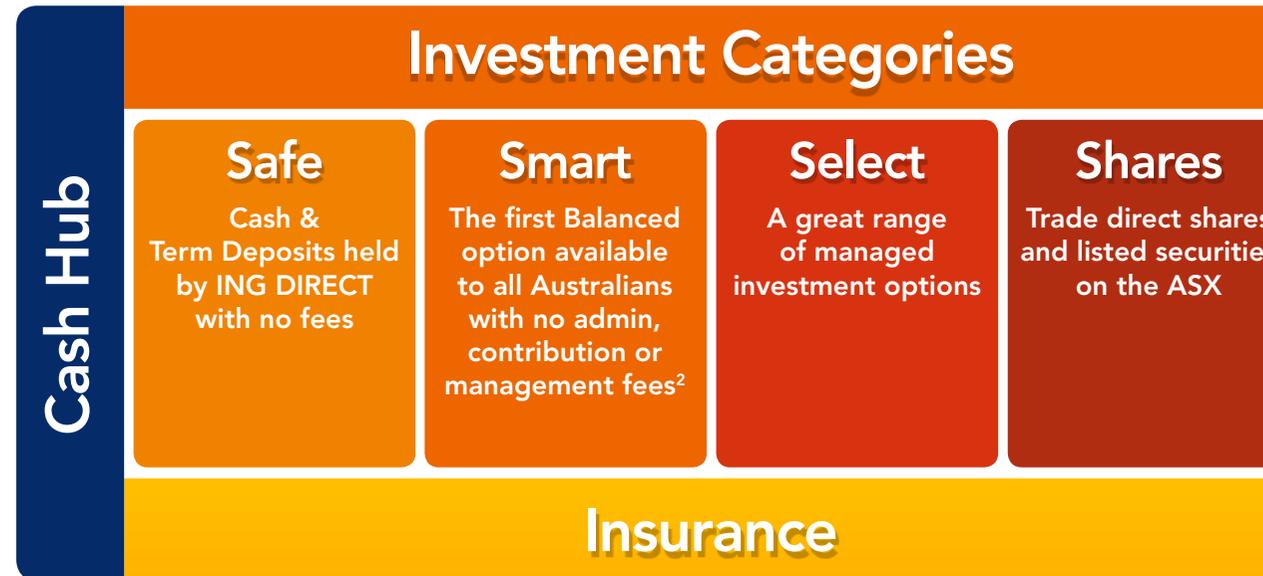
With ING DIRECT Living Super your personal investment strategy can be as simple or as sophisticated as you like.

Investment Strategy

The Trustee has established an investment strategy for 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 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 investment menu is designed to offer a range of investment options that are straightforward, cost effective and flexible.

ING DIRECT Living Super 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.**



²The 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.

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Living Super Investments

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.³

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 Term Deposits 3 months 6 months 1 year 2 years (the 2 year Term Deposit is only available in Super accounts) | Balanced | Growth High Growth Australian Shares International Shares (Hedged) International Shares Australian Fixed Interest International Fixed Interest (Hedged) Australian Listed Property | S&P/ASX 200 Shares Selected ETFs and LICs | The Cash Hub is your transaction account. 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. 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. |

³Living Super rates are available at ingdirect.com.au

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Investment menu

The investment objectives and internal benchmarks for investment options available in 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. Terms available are: <table border="1" data-bbox="464 817 860 1050"> <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 Years</td> <td>730</td> <td>Accrued annually and 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 Years | 730 | Accrued annually and paid on maturity | <p>The strategy for this option is to invest in wholesale term deposits issued by ING DIRECT.</p> <p>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.</p> | 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 Years | 730 | Accrued annually and paid on maturity | | | | | | | | | | | | | | | | | | | | | | | | |
| Smart | Balanced | Aims to provide medium to long term capital growth with income built into the unit price Aims to achieve a 2.5% average annual return above inflation (CPI) over 4 years before fees and taxes. | N/A | 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. | <table border="1" data-bbox="1162 1098 1534 1412"> <thead> <tr> <th>Asset Class</th> <th>Ranges</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>Australian shares</td> <td>15% to 45%</td> <td>30%</td> </tr> <tr> <td>International shares</td> <td>0% to 20%</td> <td>10%</td> </tr> <tr> <td>International shares (Hedged)</td> <td>0% to 20%</td> <td>10%</td> </tr> <tr> <td>Australian Fixed Interest</td> <td>0% to 10%</td> <td>0%</td> </tr> <tr> <td>Cash</td> <td>20% to 60%</td> <td>50%</td> </tr> </tbody> </table> | Asset Class | Ranges | Target | Australian shares | 15% to 45% | 30% | International shares | 0% to 20% | 10% | International shares (Hedged) | 0% to 20% | 10% | Australian Fixed Interest | 0% to 10% | 0% | Cash | 20% to 60% | 50% | Investors who are seeking a potentially higher return than that available from Cash, who are prepared to accept a moderate exposure to growth assets. | Medium to high risk | At least 4 years |
| Asset Class | Ranges | Target | | | | | | | | | | | | | | | | | | | | | | | | |
| Australian shares | 15% to 45% | 30% | | | | | | | | | | | | | | | | | | | | | | | | |
| International shares | 0% to 20% | 10% | | | | | | | | | | | | | | | | | | | | | | | | |
| International shares (Hedged) | 0% to 20% | 10% | | | | | | | | | | | | | | | | | | | | | | | | |
| Australian Fixed Interest | 0% to 10% | 0% | | | | | | | | | | | | | | | | | | | | | | | | |
| Cash | 20% to 60% | 50% | | | | | | | | | | | | | | | | | | | | | | | | |

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| Category | Investment Options | Investment Objectives | Benchmark | Investment strategies | Guidelines, Strategic Asset Allocation and Ranges | Who is this suitable for? | Risk label | Investment Horizon | | | | | | | | | | | | | | | | | | | | | |
|-------------------------------|--------------------|---|--------------------------------|---|---|---------------------------|------------|--------------------|-------------------|-------------|------|----------------------|------------|-----|---|------------|------------------|----------------------------|-----------|----|--|-----------|------------------|------|------------|-----|--|-----------|------------------|
| Select | Growth | 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. | N/A | 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. | <table border="1"> <thead> <tr> <th>Asset Class</th> <th>Ranges</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>Australian shares</td> <td>20% to 50%</td> <td>35%</td> </tr> <tr> <td>International shares</td> <td>10% to 40%</td> <td>15%</td> </tr> <tr> <td>International shares (Hedged)</td> <td>10% to 40%</td> <td>15%</td> </tr> <tr> <td>Australian Listed Property</td> <td>0% to 40%</td> <td>5%</td> </tr> <tr> <td>Australian Fixed Interest</td> <td>0% to 20%</td> <td>10%</td> </tr> <tr> <td>Cash</td> <td>10% to 30%</td> <td>20%</td> </tr> </tbody> </table> | Asset Class | Ranges | Target | Australian shares | 20% to 50% | 35% | International shares | 10% to 40% | 15% | International shares (Hedged) | 10% to 40% | 15% | Australian Listed Property | 0% to 40% | 5% | Australian Fixed Interest | 0% to 20% | 10% | Cash | 10% to 30% | 20% | Investors who are seeking a medium to long term investment and moderate – high returns, who accept the possibility of losses in capital. | High risk | At least 7 years |
| Asset Class | Ranges | Target | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Australian shares | 20% to 50% | 35% | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| International shares | 10% to 40% | 15% | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| International shares (Hedged) | 10% to 40% | 15% | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Australian Listed Property | 0% to 40% | 5% | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Australian Fixed Interest | 0% to 20% | 10% | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cash | 10% to 30% | 20% | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Select | High Growth | 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. | N/A | The option can invest directly or indirectly (via managed investments) in Australian and International shares. Asset allocation is balanced back to the long term target. | <table border="1"> <thead> <tr> <th>Asset Class</th> <th>Ranges</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>Australian shares</td> <td>25% to 75%</td> <td>50%</td> </tr> <tr> <td>International shares</td> <td>0% to 50%</td> <td>25%</td> </tr> <tr> <td>International shares (Hedged)</td> <td>0% to 50%</td> <td>25%</td> </tr> <tr> <td>Cash</td> <td>0% to 5%</td> <td>0%</td> </tr> </tbody> </table> | Asset Class | Ranges | Target | Australian shares | 25% to 75% | 50% | International shares | 0% to 50% | 25% | International shares (Hedged) | 0% to 50% | 25% | Cash | 0% to 5% | 0% | Investors who are seeking a long term investment with high returns, who accept the possibility of losses in capital. | High risk | At least 7 years | | | | | | |
| Asset Class | Ranges | Target | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Australian shares | 25% to 75% | 50% | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| International shares | 0% to 50% | 25% | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| International shares (Hedged) | 0% to 50% | 25% | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cash | 0% to 5% | 0% | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 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. | <table border="1"> <thead> <tr> <th>Asset Class</th> <th>Ranges</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>Australian shares</td> <td>95% to 100%</td> <td>100%</td> </tr> <tr> <td>Cash</td> <td>0% to 5%</td> <td>0%</td> </tr> </tbody> </table> | Asset Class | Ranges | Target | Australian shares | 95% to 100% | 100% | Cash | 0% to 5% | 0% | 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 | | | | | | | | | | | | |
| Asset Class | Ranges | Target | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Australian shares | 95% to 100% | 100% | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cash | 0% to 5% | 0% | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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|-------------------------------|-------------------------------|---|--|--|---|---------------------------|------------|--------------------|-------------------------------|-------------|------|------|----------|----|--|----------------|------------------|
| 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. | <table border="1"> <thead> <tr> <th>Asset Class</th> <th>Ranges</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>International Shares (Hedged)</td> <td>95% to 100%</td> <td>100%</td> </tr> <tr> <td>Cash</td> <td>0% to 5%</td> <td>0%</td> </tr> </tbody> </table> | Asset Class | Ranges | Target | International Shares (Hedged) | 95% to 100% | 100% | Cash | 0% to 5% | 0% | 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 |
| Asset Class | Ranges | Target | | | | | | | | | | | | | | | |
| International Shares (Hedged) | 95% to 100% | 100% | | | | | | | | | | | | | | | |
| Cash | 0% to 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. | <table border="1"> <thead> <tr> <th>Asset Class</th> <th>Ranges</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>International shares</td> <td>95% to 100%</td> <td>100%</td> </tr> <tr> <td>Cash</td> <td>0% to 5%</td> <td>0%</td> </tr> </tbody> </table> | Asset Class | Ranges | Target | International shares | 95% to 100% | 100% | Cash | 0% to 5% | 0% | Investors who are seeking a long term investment in a diversified portfolio of global shares who accept the possibility of losses in capital. | Very high risk | At least 8 years |
| Asset Class | Ranges | Target | | | | | | | | | | | | | | | |
| International shares | 95% to 100% | 100% | | | | | | | | | | | | | | | |
| Cash | 0% to 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. | <table border="1"> <thead> <tr> <th>Asset Class</th> <th>Ranges</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>Australian Listed Property</td> <td>95% to 100%</td> <td>100%</td> </tr> <tr> <td>Cash</td> <td>0% to 5%</td> <td>0%</td> </tr> </tbody> </table> | Asset Class | Ranges | Target | Australian Listed Property | 95% to 100% | 100% | Cash | 0% to 5% | 0% | 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 |
| Asset Class | Ranges | Target | | | | | | | | | | | | | | | |
| Australian Listed Property | 95% to 100% | 100% | | | | | | | | | | | | | | | |
| Cash | 0% to 5% | 0% | | | | | | | | | | | | | | | |
| Select | Australian Fixed Interest | Aims to closely match the return of the Australian fixed interest market as measured by the UBS Australian Composite Bond Index before fees and taxes. ⁴ | UBS Australian Composite Bond Index ⁴ | The option can invest directly or indirectly (via managed investments) in bonds from the UBS Australian Composite Bond Index. ⁴ | <table border="1"> <thead> <tr> <th>Asset Class</th> <th>Ranges</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>Australian Fixed Interest</td> <td>95% to 100%</td> <td>100%</td> </tr> <tr> <td>Cash</td> <td>0% to 5%</td> <td>0%</td> </tr> </tbody> </table> | Asset Class | Ranges | Target | Australian Fixed Interest | 95% to 100% | 100% | Cash | 0% to 5% | 0% | 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 |
| Asset Class | Ranges | Target | | | | | | | | | | | | | | | |
| Australian Fixed Interest | 95% to 100% | 100% | | | | | | | | | | | | | | | |
| Cash | 0% to 5% | 0% | | | | | | | | | | | | | | | |

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|---------------------------------------|--|--|--|---|---|---------------------------|---|------------------------------|---------------------------------------|--|---|------------------|----------|----|---|-------------|------------------|
| 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. | <table border="1"> <thead> <tr> <th>Asset Class</th> <th>Ranges</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>International Fixed Interest (Hedged)</td> <td>95% to 100%</td> <td>100%</td> </tr> <tr> <td>Cash</td> <td>0% to 5%</td> <td>0%</td> </tr> </tbody> </table> | Asset Class | Ranges | Target | International Fixed Interest (Hedged) | 95% to 100% | 100% | Cash | 0% to 5% | 0% | 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 |
| Asset Class | Ranges | Target | | | | | | | | | | | | | | | |
| International Fixed Interest (Hedged) | 95% to 100% | 100% | | | | | | | | | | | | | | | |
| Cash | 0% to 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 Living Super's share broker. | <table border="1"> <thead> <tr> <th>Aggregate Holding Limit</th> <th>Maximum allocation to any single security</th> </tr> </thead> <tbody> <tr> <td>80% of total account balance</td> <td>20% of total account balance</td> </tr> </tbody> </table> | Aggregate Holding Limit | Maximum allocation to any single security | 80% of total account balance | 20% of total account balance | 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 ingdirect.com.au 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 asx.com.au. The risk label for the S&P/ ASX 200 is High risk. | At least 7 years | | | | | |
| Aggregate Holding Limit | Maximum allocation to any single security | | | | | | | | | | | | | | | | |
| 80% of total account balance | 20% of total account balance | | | | | | | | | | | | | | | | |

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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.

Single assets valued above 5% of total funds under Management

At the end of the 2013-2014 financial year, the Fund had:

- 35% invested in cash on deposit with ING DIRECT;
- 48% invested in ING DIRECT Balanced Fund.

Derivative securities

The Trustee does not intend to 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 the Fund as acceptable for the following purposes:

- To protect the assets of the Fund 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 the Fund;
- To obtain prices that may not be available to the Fund 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.

Surcharge Payments

Surcharge payments (if any) are deducted from member accounts.

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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 2014. Just remember, past performance is not a reliable indicator of future performance.⁵

| Super accounts | | | | | | | |
|---------------------|---------------------------------------|-------------|--------------|--------------|------------|-----------------------|----------------|
| Investment category | Investment option | 1 Month (%) | 3 Months (%) | 6 Months (%) | 1 year (%) | Since Inception (%pa) | Inception date |
| Safe | Cash option | 0.25% | 0.69% | 1.38% | 2.83% | 3.38% | 3/9/2012 |
| Smart | Balanced | 0.07% | 1.59% | 2.51% | 10.18% | 11.38% | 13/8/2012 |
| Select | Australian Fixed Interest | 0.67% | 2.54% | 3.72% | 4.62% | 3.74% | 16/8/2012 |
| Select | Australian Listed Property | 3.00% | 7.94% | 10.81% | 9.30% | 13.27% | 16/8/2012 |
| Select | Australian Shares | -0.86% | 1.49% | 3.59% | 16.55% | 16.30% | 29/8/2012 |
| Select | Growth | 0.22% | 2.36% | 3.36% | 12.76% | 14.12% | 30/8/2012 |
| Select | High Growth | -0.01% | 2.48% | 3.34% | 17.43% | 19.62% | 30/8/2012 |
| Select | International Fixed Interest (Hedged) | 0.48% | 1.94% | 4.17% | 5.79% | 4.40% | 16/8/2012 |
| Select | International Shares | 0.36% | 2.63% | 0.53% | 17.50% | 23.29% | 29/8/2012 |
| Select | International Shares (Hedged) | 1.46% | 4.52% | 6.04% | 19.37% | 20.60% | 29/8/2012 |

| Transition to Retirement and Pension accounts | | | | | | | |
|---|---------------------------------------|-------------|--------------|--------------|------------|-----------------------|----------------|
| Investment category | Investment option | 1 Month (%) | 3 Months (%) | 6 Months (%) | 1 year (%) | Since Inception (%pa) | Inception date |
| Safe | Cash option | 0.28% | 0.81% | 1.62% | 3.32% | 3.67% | 2/10/2012 |
| Smart | Balanced | -0.02% | 1.72% | 2.78% | 11.66% | 12.49% | 2/10/2012 |
| Select | Australian Fixed Interest | 0.80% | 2.97% | 4.38% | 5.13% | 3.02% | 2/10/2012 |
| Select | Australian Listed Property | 3.30% | 8.96% | 12.29% | 10.54% | 14.49% | 2/10/2012 |
| Select | Australian Shares | -1.28% | 1.37% | 3.76% | 18.94% | 21.17% | 2/10/2012 |
| Select | Growth | 0.15% | 2.59% | 3.73% | 14.54% | 15.74% | 2/10/2012 |
| Select | High Growth | -0.01% | 2.81% | 3.77% | 19.92% | 21.26% | 2/10/2012 |
| Select | International Fixed Interest (Hedged) | 0.56% | 2.26% | 4.88% | 6.78% | 4.81% | 2/10/2012 |
| Select | International Shares | 0.45% | 3.01% | 0.62% | 19.41% | 27.31% | 26/2/2013 |
| Select | International Shares (Hedged) | 1.69% | 5.12% | 6.83% | 22.01% | 19.07% | 8/3/2013 |

⁵The 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.

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Abridged Financial Statements

The abridged financial statements for ING DIRECT Superannuation Fund are based on audited balances extracted from the financial statements of the Fund for the year ended 30 June 2014. The audited financial statements for the Fund will be available at ingdirect.com.au in November 2014.

| Statement of Financial Position as at 30 June | 2014 \$'000 | 2013 \$'000 | Operating Statement for the year ended 30 June | 2014 \$'000 | 2013 \$'000 |
|--|----------------|----------------|---|----------------|----------------|
| ASSETS | | | | | |
| Investments | | | Investment revenue | | |
| Term deposits | 184,069 | 117,161 | Interest | 8,210 | 2,829 |
| Australian equities | 36,341 | 7,659 | Dividends | 573 | 53 |
| Unlisted unit trusts | 530,270 | 216,200 | Distributions | 52,454 | 8,816 |
| | | | Other investment income | | 18 |
| Other assets | | | Changes in net market values | (17,480) | (2,336) |
| Cash and cash equivalents | 136,625 | 68,508 | Total investment revenue | 43,757 | 9,380 |
| Trade and other receivables | 3,482 | 1,838 | | | |
| Deferred tax assets | 2,462 | 289 | Contribution revenue | | |
| Outstanding investment settlements | 2,485 | 658 | Employer contributions | 58,084 | 17,088 |
| TOTAL ASSETS | 895,734 | 412,313 | Members' contributions | 61,579 | 33,714 |
| | | | Transfers from other funds | 520,839 | 446,269 |
| LIABILITIES | | | Total contribution revenue | 640,502 | 497,071 |
| Benefits payable | 275 | 386 | | | |
| Trade and other payables | 307 | 320 | Group Insurance proceeds | 1,140 | 0 |
| Current tax liabilities | 12,353 | 3,337 | Other revenue | 24 | 3 |
| TOTAL LIABILITIES | 12,935 | 4,043 | Total other revenue | 1,164 | 3 |
| | | | TOTAL REVENUE | 685,423 | 506,454 |
| NET ASSETS AVAILABLE TO PAY BENEFITS | 882,799 | 408,270 | | | |
| | | | Direct investment expenses | (124) | (22) |
| Represented by | | | General administration expenses | | |
| Liabilities for accrued benefits | | | Operating expenses | (397) | (92) |
| Allocated to members' accounts | 876,892 | 405,620 | Group life insurance premiums | (1,738) | (450) |
| Unallocated to members' accounts | 5,907 | 2,650 | Total general administrative expenses | (2,135) | (542) |
| | | | TOTAL EXPENSES | (2,259) | (564) |
| Total liability for accrued benefit | 882,799 | 408,270 | | | |
| | | | Benefits accrued as a result of operations before income tax | 683,164 | 505,890 |
| | | | Income tax (expense)/benefit | (10,141) | (3,048) |
| | | | Benefits accrued as a result of operations | 673,023 | 502,842 |

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Reversionary nominations

As of 1 July 2014, a reversionary nomination is available for Transition to Retirement (TTR) and pension accounts, enabling you to nominate a dependant to continue receiving your pension payments after your death.

What does this change mean for you?

If you have TTR or pension account, you are now able to make a reversionary nomination.

Estate planning if you're under 18

Previously we required you to be 18 or over to nominate a beneficiary to receive your benefit should your die while still a member of ING DIRECT Living Super. From 1 July 2014 members under 18 years of age will also be able to nominate beneficiaries. If you are less than 16 years of age we will require the authority of your parent, guardian or legal personal representative before we can accept your nomination.

What does this change mean for you?

If you are under 18 you can now nominate a beneficiary to receive your death benefit.

Duty of disclosure

When applying for, renewing, varying or reinstating insurance cover through your ING DIRECT Living Super account, you are required to comply with a duty of disclosure. For applications, renewals, variances and reinstatements accepted from 28 June 2014, the duty

of disclosure has changed and provides the Insurer with additional rights. If you don't comply with your duty of disclosure the insurer may avoid the policy and not pay your claim. If the insurer does not avoid the policy but is entitled to, it may elect to reduce the sum for which you have been insured or vary the terms of the insurance cover. The new duty of disclosure is outlined in section 9 of the ING DIRECT Living Super Product Guide issued on 1 July 2014.

What does this change mean for you?

If you apply for, renew, vary or reinstate insurance cover through your ING DIRECT Living Super account on or after 28 June 2014 the new duty of disclosure which provides the insurer with additional rights will apply. For all cover except death cover received by members from 28 June 2014 onwards, the insurer has the following additional rights if you fail to comply with your duty of disclosure or make a misrepresentation:

- Elect to reduce the sum insured according to a formula prescribed by the law at any time;
- If the insurer has not avoided the contract or varied the sum insured, the insurer can vary the contract in a way that places them in the same position they would have been if the non-disclosure or misrepresentation had not occurred.

Total and Permanent Disability (TPD) insurance cover

As part of the Government's package of superannuation reforms known as Stronger Super, it became mandatory

as of 1 July 2014 that insurance benefits offered under insurance structured through superannuation meet a 'condition of release' under the Superannuation law and be released to members who meet the relevant definition. As a result, effective 1 July 2014, the definition of Total and Permanent Disability for insurance held through your ING DIRECT Living Super is changed to align with the permanent incapacity condition of release as defined by the superannuation law. The new definition is contained in section 9 of the ING DIRECT Living Super Product Guide.

What does this change mean for you?

For the insurer to accept a Total and Permanent Disablement claim, you will need to meet the new TPD definition contained in the PDS and Product Guide dated 1 July 2014. The new definition will apply to insurance claims submitted from 1 July 2014 regardless of when you joined Living Super or when your application for insurance was accepted.

Privacy Policy

The ING DIRECT Superannuation Fund – Privacy Policy sets out the ways we gather, use and store your personal information. We have updated the Privacy Statement to align with the Privacy Policy which came into effect on 12 March 2014.

What does this change mean for you?

The changes to the privacy statement make it clearer how we may use and disclose your information.

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KiwiSaver

If you are a former resident of Australia who has emigrated permanently to New Zealand you can transfer your funds to a provider of a KiwiSaver Scheme.

Please note that we do not accept benefits transferred from KiwiSaver Scheme accounts.

What does this change mean for you?

You can transfer your balance to a KiwiSaver by providing us with the required documents and information.

Cut off times for Term Deposits

If you invest in a Term Deposit before 12.00pm (AEST/AEDT) on a business day the Term Deposit will commence that day. If your request is received after 12.00pm (AEST/AEDT) on a business day the Term Deposit will commence the following business day.

What does this change mean for you?

We have updated the Product Guide to include the cut off times. There is no change to the processing times for Term Deposits.

Maturing Term Deposits

Effective from 23 May 2014 if you elect to have Term Deposits in Living Super reinvested at maturity and the amount to be reinvested exceeds the maximum amount allowed, we will only reinvest the maximum amount allowed and credit the remaining amount to your Cash Hub. This is so that you have sufficient funds in the Cash

Hub. Any changes to maturity instructions must be advised at least 2 days prior to maturity.

What does this change mean for you?

If you choose to reinvest your Term Deposit at maturity and the dollar amount exceeds the maximum that you can invest in a term deposit we will only reinvest up to the maximum allowable amount. This means that the total amount reinvested may be less than the total amount of the term deposit at maturity. You need to make any changes to your maturity instructions at least 2 days prior to maturity.

Limitation on Income Protection Benefits Payable

The Insurer will only pay the benefits for one disability or partial disability at a time. Your Disability Benefit, Partial Disability Benefit or Disability by Accident Benefit will be reduced by the amount of any other income you receive whilst disabled or partially disabled. Additionally, the Insurer will reduce the Superannuation Contribution Benefit by the amount of any benefits payable designed to replace (in whole or part) the compulsory employer superannuation entitlements that you would have benefited from had you not been disabled.

What does this change mean for you?

There is no change to the limitation on Income Protection Benefits Payable under the insurance policies issued by the Insurer but we have updated the Product Guide to include further clarity about these limitations.

U.S. Persons

If at any time, you have any U.S. details we may close your ING DIRECT Living Super account. If you have U.S. details you are not eligible to open a Living Super account.

What does this change mean for you?

If you have U.S. details (U.S. residential, postal or fiscal address, phone number, citizenship, Green Card or any U.S. related proxy) we may write to you and give you 30 days to nominate an alternative fund to which to transfer the balance of your Living Super account.

Zero balance accounts

From 1 July 2014, we may close your ING DIRECT Living Super account if it has had a zero balance for 1 year.

What does this change mean for you?

If your account has a zero balance for a year we may close it.



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Online annual report

ING DIRECT makes this annual report available online at ingdirect.com.au.

You can request a printed copy by calling 133 464.

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. 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.

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;

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- 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;
- 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.

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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'.

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;
- 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 www.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 2468
Kent Town SA 5071.

If you would like further information on AUSfund, please contact a representative on 1300 361 798 or email admin@ausfund.net.au.

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.



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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:

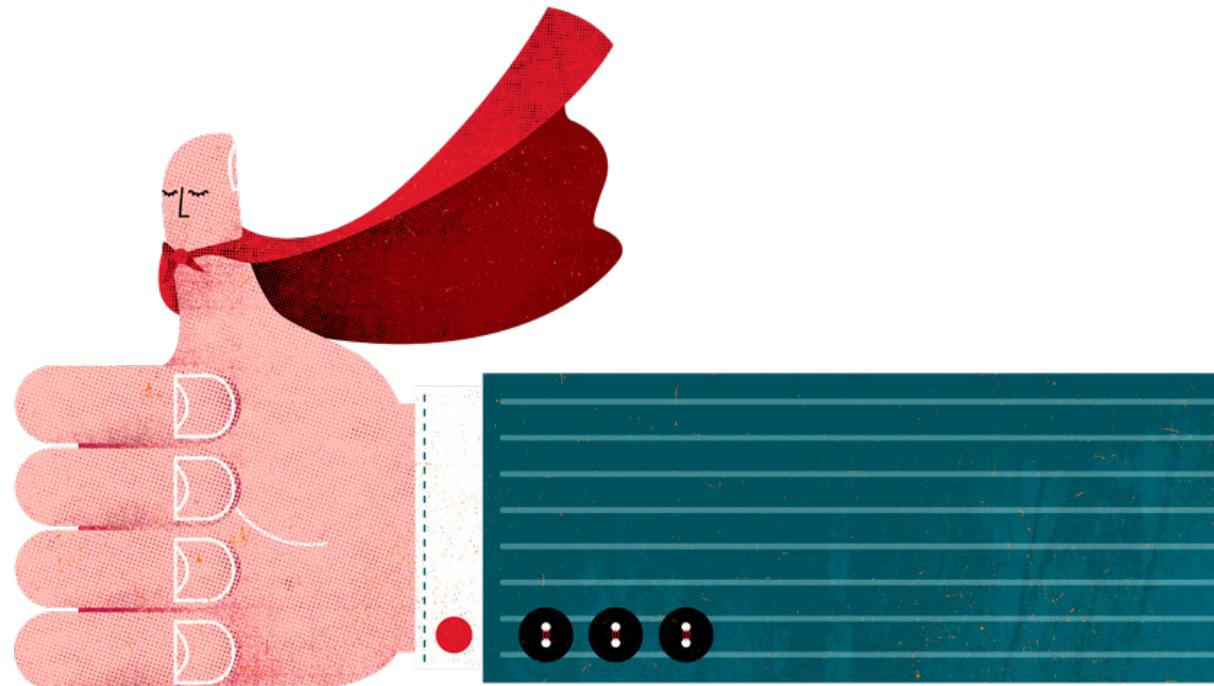
ING DIRECT
GPO Box 4307
Sydney NSW 2001

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



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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.

Advice provider

The personal advice services offered by ING DIRECT Living Super are provided by Money Solutions Pty Ltd ABN 36 105 811 836, AFSL 258145.

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.

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