

Resolution Life

Investment option fees and costs



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Investment option fees and costs

This section details the fees and costs that are included in the unit price or crediting rate of the relevant investment option for each product.

Fees and costs that are directly deducted from your account, including any additional **management costs**, are not included in this document. A **management fee rebate** may also apply which will have the effect of reducing the investment option **management fee**. You should refer to your annual statement for details of any direct rebates and fees.

Costs are variable and may be more or less than the estimated amounts shown which are based on the known actual or estimated costs incurred for the last financial year. Where an investment option is new, or was first made available during this or last financial year, we have estimated the costs that currently apply. Past costs are not a reliable indicator of future costs.

Fees and costs applicable to each investment option are shown in the table below and are based on the balance held in the investment option.

Product/Investment option	Management costs ⁽ⁱ⁾			Transaction cost allowance ⁽ⁱⁱⁱ⁾	Buy/Sell margin ^(iv)
	Management fee ⁽ⁱⁱ⁾	Indirect costs	Total management costs		
	% pa	% pa	% pa		
Accelerator Savings Plan					
Balanced	0.67	0.05	0.72	n/a	0.06 / 0.08
Capital Guaranteed	1.68	0.00	1.68	n/a	0.04 / 0.05
Cash	0.61	0.01	0.62	n/a	n/a
Equity	0.64	0.03	0.67	n/a	0.05 / 0.05
Fully Guaranteed	1.68	0.00	1.68	n/a	0.04 / 0.05
Managed	0.69	0.07	0.76	n/a	0.06 / 0.07
Property	0.64	0.31	0.95	n/a	0.05 / 0.05
Capital Secure Deferred Annuity (FSD & FSDN)					
Investment Account	0.93	0.01	0.94	n/a	n/a
Children's Investment Linked Insurance Bond (ULNSP) Investment Linked Insurance Bond (ULAN and ULASP)					
Australian Share	1.22	0.03	1.25	n/a	0.05 / 0.05
Balanced Growth	1.15	0.05	1.20	n/a	0.06 / 0.07
Capital Guaranteed Fixed Interest	1.08	0.01	1.09	n/a	n/a
Cash Based	1.08	0.01	1.09	n/a	n/a
Diversified Share	1.15	0.06	1.21	n/a	0.07 / 0.06
International Share	1.22	0.00	1.22	n/a	0.06 / 0.06
Moderate Growth	1.15	0.05	1.20	n/a	0.06 / 0.08
Children's Investment Plan (ULEN) Personal Investment Plan (ULEJ)					
Australian Property	1.15	0.08	1.23	n/a	0.19 / 0.19
Australian Share	1.22	0.03	1.25	n/a	0.05 / 0.05
Balanced Growth	1.15	0.05	1.20	n/a	0.06 / 0.07
Capital Guaranteed Fixed Interest	1.08	0.01	1.09	n/a	n/a
Cash Based	1.08	0.01	1.09	n/a	n/a
Diversified Share	1.15	0.06	1.21	n/a	0.07 / 0.06
International Share	1.22	0.00	1.22	n/a	0.06 / 0.06
Moderate Growth	1.15	0.05	1.20	n/a	0.06 / 0.08

Product/Investment option	Management costs ⁽ⁱ⁾			Transaction cost allowance ⁽ⁱⁱⁱ⁾	Buy/Sell margin ^(iv)
	Management fee ⁽ⁱⁱ⁾	Indirect costs	Total management costs		
	% pa	% pa	% pa		
Children's Portfolio Plan (ULC) Portfolio Plan (UL)					
Portfolio Plan	0.51	0.05	0.56	n/a	0.06 / 0.07
Corporate Super Bond – Series 1					
Australian Equities	1.48	0.03	1.51	n/a	0.05 / 0.05
Cash	0.70	0.01	0.71	n/a	n/a
Diversified Fixed Interest	1.49	0.01	1.50	n/a	0.06 / 0.13
Guaranteed Plus	1.65	0.00	1.65	n/a	0.06 / 0.06
Managed	1.50	0.05	1.55	n/a	0.06 / 0.07
Property Biased	1.48	0.10	1.58	n/a	0.05 / 0.07
Corporate Super Bond – Series 2					
Australian Equities	1.68	0.03	1.71	n/a	0.05 / 0.05
Guaranteed Plus	1.85	0.00	1.85	n/a	0.06 / 0.06
Managed	1.70	0.05	1.75	n/a	0.06 / 0.07
Flexible Annuity Plan (entry fee option and exit fee option - mature)					
Australian Equities	1.25	0.03	1.28	n/a	0.05 / 0.05
Cash	0.65	0.02	0.67	n/a	n/a
Diversified Balanced	1.25	0.04	1.29	n/a	0.06 / 0.07
Diversified Conservative	1.25	0.14	1.39	n/a	0.05 / 0.08
Listed Property	1.25	0.01	1.26	n/a	0.15 / 0.15
Managed	1.25	0.03	1.28	n/a	0.06 / 0.07
Matched	1.25	0.03	1.28	n/a	0.06 / 0.08
Property Biased	1.25	0.03	1.28	n/a	0.05 / 0.07
Secure	1.25	0.02	1.27	n/a	0.05 / 0.08
Specialist International Share	1.25	0.02	1.27	n/a	0.06 / 0.06
Flexible Annuity Plan (exit fee option)					
Cash	0.65	0.02	0.67	n/a	n/a
Diversified Balanced	1.25	0.04	1.29	n/a	0.06 / 0.07
Diversified Conservative	1.25	0.14	1.39	n/a	0.05 / 0.08
Listed Property	1.25	0.01	1.26	n/a	0.15 / 0.15
Managed	1.25	0.03	1.28	n/a	0.06 / 0.07
Matched	1.25	0.03	1.28	n/a	0.06 / 0.08
Property Biased	1.25	0.03	1.28	n/a	0.05 / 0.07
Secure	1.25	0.02	1.27	n/a	0.05 / 0.08
Specialist International Share	1.25	0.02	1.27	n/a	0.06 / 0.06

Product/Investment option	Management costs ⁽ⁱ⁾			Transaction cost allowance ⁽ⁱⁱⁱ⁾	Buy/Sell margin ^(iv)
	Management fee ⁽ⁱⁱ⁾	Indirect costs	Total management costs		
	% pa	% pa	% pa		
Flexible Security Plan					
Cash	1.61	0.01	1.62	n/a	n/a
Guaranteed	2.31	0.00	2.31	n/a	0.04 / 0.05
Managed	1.99	0.07	2.06	n/a	0.06 / 0.07
Flexipol Investment					
Guaranteed	1.46	0.00	1.46	n/a	0.04 / 0.05
FutureGuard (entry fee option and exit fee option - mature)					
Australian Equities	1.62	0.03	1.65	n/a	0.05 / 0.05
Cash	0.70	0.01	0.71	n/a	n/a
Diversified Balanced	1.51	0.04	1.55	n/a	0.06 / 0.07
Diversified Conservative	1.33	0.15	1.48	n/a	0.05 / 0.08
Diversified Fixed Interest	1.45	0.01	1.46	n/a	0.06 / 0.13
Managed	1.51	0.05	1.56	n/a	0.06 / 0.07
Matched	1.48	0.03	1.51	n/a	0.06 / 0.08
Property Biased	1.53	0.10	1.63	n/a	0.05 / 0.07
Secure	1.33	0.03	1.36	n/a	0.05 / 0.08
FutureGuard (exit fee option)					
Australian Equities	1.62	0.03	1.65	n/a	0.05 / 0.05
Cash	0.70	0.01	0.71	n/a	n/a
Diversified Balanced	1.51	0.04	1.55	n/a	0.06 / 0.07
Diversified Conservative	1.33	0.15	1.48	n/a	0.05 / 0.08
Diversified Fixed Interest	1.45	0.01	1.46	n/a	0.06 / 0.13
Managed	1.51	0.05	1.56	n/a	0.06 / 0.07
Matched	1.48	0.03	1.51	n/a	0.06 / 0.08
Property Biased	1.53	0.10	1.63	n/a	0.05 / 0.07
Secure	1.33	0.03	1.36	n/a	0.05 / 0.08
Goldline Savings and Protection Plan					
Balanced	0.67	0.05	0.72	n/a	0.06 / 0.08
Capital Guaranteed	1.51	0.00	1.51	n/a	0.04 / 0.05
Cash	0.61	0.01	0.62	n/a	n/a
Equity	0.64	0.03	0.67	n/a	0.05 / 0.05
Fully Guaranteed	1.51	0.00	1.51	n/a	0.04 / 0.05
Managed	0.69	0.07	0.76	n/a	0.06 / 0.07
Property	0.64	0.31	0.95	n/a	0.05 / 0.05
Guaranteed Investment Bond					
Guaranteed	1.78	0.00	1.78	n/a	0.04 / 0.05

Product/Investment option	Management costs ⁽ⁱ⁾			Transaction cost allowance ⁽ⁱⁱⁱ⁾	Buy/Sell margin ^(iv)
	Management fee ⁽ⁱⁱ⁾	Indirect costs	Total management costs		
	% pa	% pa	% pa		
Guaranteed Savings Account					
Pension	0.30	0.01	0.31	n/a	n/a
Superannuation	0.30	0.01	0.31	n/a	n/a
Investment Account Insurance Bond (FSB and FSNB)					
Investment Account	0.76	0.01	0.77	n/a	n/a
Investment Account Regular Premium Plan (IAA & IAF)					
Investment Account	0.76	0.01	0.77	n/a	n/a
Investment Linked Children's Plan (ULN) Investment Linked Plan (ULA and ULJ)					
Balanced Growth	1.15	0.05	1.20	n/a	0.06 / 0.07
Cash Based	1.08	0.01	1.09	n/a	n/a
Diversified Share	1.15	0.06	1.21	n/a	0.07 / 0.06
Moderate Growth	1.15	0.05	1.20	n/a	0.06 / 0.08
Investment Linked Deferred Annuity (ULK and ULKN)					
All Growth	0.80	0.14	0.94	n/a	0.06 / 0.06
Australian Share	0.88	0.03	0.91	n/a	0.05 / 0.05
Balanced Growth	0.81	0.22	1.03	n/a	0.06 / 0.07
Capital Guaranteed Fixed Interest	0.71	0.01	0.72	n/a	n/a
Cash Based	0.71	0.01	0.72	n/a	n/a
Conservative	0.80	0.12	0.92	n/a	0.05 / 0.08
Direct Property	0.81	0.04	0.85	n/a	n/a
International Share	0.88	0.15	1.03	n/a	0.06 / 0.06
Managed Investment Plan					
Australian Equities	1.32	0.03	1.35	n/a	0.05 / 0.05
Cash	1.19	0.01	1.20	n/a	n/a
Diversified Conservative	1.26	0.13	1.39	n/a	0.05 / 0.08
Guaranteed	1.78	0.00	1.78	n/a	0.04 / 0.05
International Equities	1.33	0.00	1.33	n/a	0.07 / 0.07
Managed	1.26	0.07	1.33	n/a	0.06 / 0.07
MultiFund Flexible Income Plan (ULMA and ULMAN)					
All Growth	1.19	0.07	1.26	+/- 0-0.12	n/a
Australian Bond	1.09	0.02	1.11	+/- 0-0.17	n/a
Australian Share	1.29	0.03	1.32	+/- 0-0.10	n/a
Australian Share 2	1.29	0.00	1.29	+/- 0-0.10	n/a
Australian Share 3	1.29	0.00	1.29	+/- 0-0.10	n/a
Australian Share 4	1.29	0.00	1.29	+/- 0-0.10	n/a
Australian Share 5	1.20	0.00	1.20	+/- 0-0.10	n/a

Product/Investment option	Management costs ⁽ⁱ⁾			Transaction cost allowance ⁽ⁱⁱⁱ⁾	Buy/Sell margin ^(iv)
	Management fee ⁽ⁱⁱ⁾	Indirect costs	Total management costs		
	% pa	% pa	% pa		
Balanced Growth	1.19	0.11	1.30	+/- 0–0.13	n/a
Cash	1.09	0.01	1.10	n/a	n/a
Conservative	1.19	0.06	1.25	+/- 0–0.13	n/a
Future Directions Australian Bond	1.09	0.05	1.14	+/- 0–0.15	n/a
Future Directions International Bond	1.09	0.00	1.09	+/- 0–0.22	n/a
Hedged International Share	1.29	0.00	1.29	+/- 0–0.12	n/a
High Growth	1.19	0.10	1.29	+/- 0–0.13	n/a
International Bond	1.09	0.01	1.10	+/- 0–0.22	n/a
International Bond 2	1.09	0.00	1.09	+/- 0–0.22	n/a
International Share	1.29	0.14	1.43	+/- 0–0.12	n/a
International Share 2	1.29	0.00	1.29	+/- 0–0.12	n/a
International Share 3	1.29	0.00	1.29	+/- 0–0.12	n/a
Listed Property Trusts	1.19	0.00	1.19	+/- 0–0.50	n/a
Managed Income	1.09	0.02	1.11	+/- 0–0.03	n/a
Moderate Growth	1.19	0.07	1.26	+/- 0–0.14	n/a
Secure Growth	1.29	0.01	1.30	n/a	n/a
Specialist Australian Share	1.29	0.13	1.42	+/- 0–0.10	n/a
Specialist International Share	1.29	0.15	1.44	+/- 0–0.12	n/a
Specialist Property and Infrastructure	1.19	0.01	1.20	+/- 0–0.30	n/a
MultiFund Rollover Deferred Annuity (ULMD and ULMDN)					
All Growth	0.98	0.14	1.12	+/- 0–0.12	n/a
Australian Bond	0.89	0.02	0.91	+/- 0–0.17	n/a
Australian Share	1.06	0.03	1.09	+/- 0–0.10	n/a
Australian Share 5	1.06	0.00	1.06	+/- 0–0.10	n/a
Balanced Growth	0.99	0.22	1.21	+/- 0–0.13	n/a
Capital Guaranteed Fixed Interest	0.89	0.01	0.90	n/a	n/a
Conservative	0.98	0.09	1.07	+/- 0–0.13	n/a
International Share	1.06	0.15	1.21	+/- 0–0.12	n/a
Listed Property Trusts	0.98	0.00	0.98	+/- 0–0.50	n/a
Moderate Growth	0.98	0.08	1.06	+/- 0–0.14	n/a

Product/Investment option	Management costs ⁽ⁱ⁾			Transaction cost allowance ⁽ⁱⁱⁱ⁾	Buy/Sell margin ^(iv)
	Management fee ⁽ⁱⁱ⁾	Indirect costs	Total management costs		
	% pa	% pa	% pa		
MultiFund Trustee Bond (ULMT)					
All Growth	0.98	0.14	1.12	+/- 0–0.12	n/a
Australian Bond	0.89	0.02	0.91	+/- 0–0.17	n/a
Australian Property	1.60	0.08	1.68	+/- 0–0.50	n/a
Australian Share	1.06	0.03	1.09	+/- 0–0.10	n/a
Australian Share 5	1.06	0.00	1.06	+/- 0–0.10	n/a
Balanced Growth	0.99	0.22	1.21	+/- 0–0.13	n/a
Capital Guaranteed Fixed Interest	0.89	0.01	0.90	n/a	n/a
Conservative	0.98	0.09	1.07	+/- 0–0.13	n/a
High Growth	1.20	0.22	1.42	+/- 0–0.08	n/a
International Share	1.06	0.15	1.21	+/- 0–0.12	n/a
Listed Property Trusts	0.98	0.00	0.98	+/- 0–0.50	n/a
Moderate Growth	0.98	0.08	1.06	+/- 0–0.14	n/a
Personal Achiever (ULTJ)					
Australian Share	1.22	0.03	1.25	n/a	0.05 / 0.05
Balanced Growth	1.15	0.05	1.20	n/a	0.06 / 0.07
Cash Based	1.08	0.01	1.09	n/a	n/a
Diversified Share	1.15	0.06	1.21	n/a	0.07 / 0.06
International Share	1.22	0.00	1.22	n/a	0.06 / 0.06
Moderate Growth	1.15	0.05	1.20	n/a	0.06 / 0.08
Personal Investment Bond					
Australian Equities	1.32	0.03	1.35	n/a	0.05 / 0.05
Cash	1.19	0.01	1.20	n/a	n/a
Diversified Balanced	1.26	0.04	1.30	n/a	0.06 / 0.07
Guaranteed	1.78	0.00	1.78	n/a	0.04 / 0.05
Guaranteed - OLD	1.65	0.00	1.65	n/a	0.04 / 0.05
International Equities	1.33	0.00	1.33	n/a	0.07 / 0.07
Managed	1.26	0.07	1.33	n/a	0.06 / 0.07
Property Biased	1.25	0.17	1.42	n/a	0.05 / 0.06
Prosperity Bond (entry fee option and exit fee option – mature)					
Australian Equities	1.32	0.03	1.35	n/a	0.05 / 0.05
Cash	0.99	0.01	1.00	n/a	n/a
Diversified Balanced	1.26	0.04	1.30	n/a	0.06 / 0.07
Diversified Conservative	1.15	0.13	1.28	n/a	0.05 / 0.08
Diversified Fixed Interest	1.16	0.01	1.17	n/a	0.06 / 0.13
Managed	1.26	0.07	1.33	n/a	0.06 / 0.07

Product/Investment option	Management costs ⁽ⁱ⁾			Transaction cost allowance ⁽ⁱⁱⁱ⁾	Buy/Sell margin ^(iv)
	Management fee ⁽ⁱⁱ⁾	Indirect costs	Total management costs		
	% pa	% pa	% pa		
Matched	1.20	0.05	1.25	n/a	0.06 / 0.08
Property Biased	1.25	0.17	1.42	n/a	0.05 / 0.06
Secure	1.15	0.04	1.19	n/a	0.05 / 0.08
Prosperity Bond (exit fee option)					
Australian Equities	1.32	0.03	1.35	n/a	0.05 / 0.05
Cash	0.99	0.01	1.00	n/a	n/a
Diversified Balanced	1.26	0.04	1.30	n/a	0.06 / 0.07
Diversified Conservative	1.15	0.13	1.28	n/a	0.05 / 0.08
Diversified Fixed Interest	1.16	0.01	1.17	n/a	0.06 / 0.13
Managed	1.26	0.07	1.33	n/a	0.06 / 0.07
Matched	1.20	0.05	1.25	n/a	0.06 / 0.08
Property Biased	1.25	0.17	1.42	n/a	0.05 / 0.06
Secure	1.15	0.04	1.19	n/a	0.05 / 0.08
Protected Growth Deferred Annuity (SGD and SGDN)					
Investment Account	0.93	0.01	0.94	n/a	n/a
Provider Protection and Savings Plan					
Cash	0.91	0.01	0.92	n/a	n/a
Managed	0.99	0.07	1.06	n/a	0.06 / 0.07
Matched	0.97	0.05	1.02	n/a	0.06 / 0.08
Diversified Balanced	0.99	0.04	1.03	n/a	0.06 / 0.07
Secure	0.98	0.04	1.02	n/a	0.05 / 0.08
Provider Special Purpose Plan					
Cash	0.91	0.01	0.92	n/a	n/a
Managed	0.99	0.07	1.06	n/a	0.06 / 0.07
Matched	0.97	0.05	1.02	n/a	0.06 / 0.08
Diversified Balanced	0.99	0.04	1.03	n/a	0.06 / 0.07
Secure	0.98	0.04	1.02	n/a	0.05 / 0.08
Resolution Life Growth Bond					
All Growth	1.03	0.06	1.09	+/- 0-0.13	n/a
Australian Bond	1.00	0.02	1.02	+/- 0-0.17	n/a
Balanced Growth	1.04	0.05	1.09	+/- 0-0.13	n/a
Cash Plus	1.00	0.01	1.01	n/a	n/a
Moderate Growth	1.04	0.05	1.09	+/- 0-0.14	n/a
Specialist Australian Share	1.09	0.13	1.22	+/- 0-0.10	n/a
Specialist Property and Infrastructure	1.00	0.01	1.01	+/- 0-0.30	n/a

Product/Investment option	Management costs ⁽ⁱ⁾			Transaction cost allowance ⁽ⁱⁱⁱ⁾	Buy/Sell margin ^(iv)
	Management fee ⁽ⁱⁱ⁾	Indirect costs	Total management costs		
	% pa	% pa	% pa		
Secure Investment Bond					
Guaranteed	1.78	0.00	1.78	n/a	0.04 / 0.05
Managed	1.99	0.07	2.06	n/a	0.06 / 0.07
Property Biased	1.79	0.17	1.96	n/a	0.05 / 0.06
Super Rollover Plan Investment Linked Deferred Annuity (ULKR)					
Short Dated Fixed Interest	1.29	0.01	1.30	n/a	n/a
SuperGuard					
Guaranteed	1.88	0.00	1.88	n/a	0.06 / 0.06
SuperGuard II					
Capital Guaranteed	2.04	0.01	2.05	n/a	0.08 / 0.08
Capital Guaranteed (mature portfolio)	2.04	0.01	2.05	n/a	0.08 / 0.08
Managed	1.88	0.05	1.93	n/a	0.06 / 0.07
Managed (mature portfolio)	1.88	0.05	1.93	n/a	0.06 / 0.07
Property Biased	2.04	0.10	2.14	n/a	0.05 / 0.07
Property Biased (mature portfolio)	2.04	0.10	2.14	n/a	0.05 / 0.07
SuperGuard Managed					
Managed	1.88	0.05	1.93	n/a	0.06 / 0.07
SuperGuard Plus					
Guaranteed	2.04	0.01	2.05	n/a	0.08 / 0.08
Managed	1.88	0.05	1.93	n/a	0.06 / 0.07
Property Biased	2.04	0.10	2.14	n/a	0.05 / 0.07

- (i) **Management costs** are shown after the benefit of any tax deductions passed on to you in relation to the fees charged by us. **Management costs** will be shown in your annual statement as an estimated amount under “**Fees and costs deducted from your investment**”.
- (ii) **Management fees** are shown after the benefit of any tax deductions passed on to you in relation to the fees charged by us. They include administration, asset management, and investment management fees as applicable depending on the product. They also include any estimates of management fees charged by investment managers appointed by us to manage underlying investments. These estimated amounts may vary and as a result the **management fees** may be more or less than the amounts shown.
- (iii) The **transaction cost allowance** is based on the latest information available to us at the date of this document. It can change at any time without notice to you and may exceed the highest amount shown. Refer to the **Explanation of costs** section below for more information.
- (iv) **Buy and sell margins** are based on the latest information available to us at the date of this document. They can change at any time without notice to you and may exceed the amounts shown. Refer to the **Explanation of costs** section below for more information.

Explanation of costs

Indirect costs

Indirect costs are incorporated into the investment option's unit price (or crediting rate, if applicable). They are not fixed, will vary from time to time and will depend on the actual mix and type of assets of the underlying investments, the trading of those assets, and the actual costs incurred.

They may comprise of:

- **performance based fees;**
- investment related costs, such as audit and legal fees, tax and accounting services, custody, regulatory compliance and registry services and securities lending costs; and
- costs of investing in over-the-counter (OTC) derivatives used to gain economic exposure to assets.

Indirect costs are estimated based on the actual costs incurred for the last financial year. Where the actual costs are not known, we have estimated these costs based on the latest information available to us. Where an investment option is new, or was first made available during this or the last financial year, we have estimated the costs that currently apply. Past costs are not a reliable indicator of future costs.

Performance based fees

We do not directly charge a performance fee, however **performance based fees (PBFs)** are paid to certain investment managers. A **PBF** is a reward an investment manager receives if they exceed specific performance targets, normally up to 25% of the outperformance over the relevant benchmark index. Any **PBFs** charged are deducted from the underlying assets of the investment option and reflected in the unit price or crediting rate declared and are in addition to any **investment** or **administration fees**.

Each **PBF** is calculated slightly differently but they all have the following common elements:

- A **PBF** is only payable to a manager if they achieve a target level of return.
- Each time a **PBF** is paid the portfolio must reach the previous highest value plus the appropriate performance hurdle before a new **PBF** is payable.
- **PBFs** are calculated and accrued regularly (at least monthly) and incorporated into the calculation of unit prices. The accrued **PBF** can rise or fall in line with delivered performance.
- **PBFs** are only payable at the end of each financial year and in certain circumstance payments may be delayed.

Multi-sector and multi-manager investment options may have a number of investment managers with **PBFs**, and each will be determined on each investment manager's performance. This means an individual manager can earn its **PBF** irrespective of the investment option's overall investment returns.

PBFs for each investment option are based on the actual costs incurred for the last financial year. Where the actual costs are not known we have estimated these costs based on the latest information available to us. Where an investment option is new, or was first made available during this or the last financial year, or where a **PBF** has been introduced to an existing investment option, we have estimated the **PBFs** that apply. Past **PBFs** are not an indication of future performance and should not be relied on as such. If the investment performance of a particular asset class is better than the set benchmark the **PBF** paid could be much higher.

Transactional and operational costs

Transactional and operational costs are generally incurred when dealing with the assets of the relevant investment option, including any assets of any investment vehicles in which the investment option invests. They include brokerage, settlement and clearing costs, stamp duty, the buy/sell spread of any underlying investments and certain property operating costs in relation to the management of real assets including rates, utilities, repairs and maintenance costs that have not been recovered from tenants.

Transactional and operational costs incurred by an investment option are reduced by the charging of a **transaction cost allowance** or **buy and sell margins** as applicable.

Transactional and operational costs are not quantified and are not included in **indirect costs**.

Buy and sell margins

For some investment options there is a difference between the unit price used to value contributions and rollovers made into the investment option (buy unit price) and the unit price used to value withdrawals and rollovers made out of the investment option (sell unit price). This difference is due to the **buy and sell margins**.

- The **buy margin** is added to the unit price of the underlying investment to arrive at the buy unit price.
- The **sell margin** is deducted from the unit price of the underlying investments to arrive at the sell unit price.

Buy and sell margins ensure customers who transact bear the costs generated by those transactions. An investment option's **buy and sell margins** are set to reflect the estimated transaction costs the investment option will incur as a result of new investments or withdrawals and are retained by the investment option. They aren't paid to us or any investment manager.

Buy and sell margins represent an additional cost to you of transacting and are not charged separately. They can change at any time without notice to you. They do not apply to investment portfolios that declare a crediting rate.

Transaction cost allowance

For some investment options the unit price includes a **transaction cost allowance** which is based on an estimate of the anticipated transaction costs each investment option will incur. The **transaction cost allowance** aims to offset the actual transaction costs incurred and isn't paid to us or any investment manager.

The anticipated transaction costs are based on forecast new investments and withdrawals for each investment option. For example:

- If new investments are expected to exceed withdrawals from an investment option, then asset values may be adjusted by adding an allowance for the costs of buying assets which will increase the unit price.
- Similarly, if new investments are expected to be less than withdrawals then asset values may be adjusted by subtracting an allowance for the costs of selling assets which will decrease the unit price.

The **transaction cost allowance** may change on a regular basis and can change without notice to you. Depending on the change, the value of your investment in the investment option will either increase (a benefit to you) or decrease (a cost to you).

The **transaction cost allowance** does not apply to investment options that declare a crediting rate.

Changes to investment option fees and costs

Changes to fees

Depending on the policy you hold, Resolution Life may change fees or introduce new fees, however we will notify you at least 30 days before any increase in the fees we charge, except for any fee increases in line with the Consumer Price Index (CPI) where no notice is given.

For all other material changes in fees charged by us we will notify you as soon as practical and update this document accordingly.

Changes to costs

We expect to update estimates of costs for each investment option at least annually based on the costs incurred for the last financial year to 30 June, including any management fees charged by any underlying investment managers.

These annual updates will be made as soon as reasonably practical after 30 June. We may also update costs if we become aware of any material changes during the current financial year.

We will notify you of any material changes to costs within 12 months of the change, unless the change is materially adverse, in which case we will notify you within 3 months of the change.

Changes to investment options

We regularly monitor our investment options and investment managers to ensure our range continues to suit the needs of our customers. We may add, close or terminate investment options, add new investment managers, as well as change the aim and strategy and asset range or benchmark of an investment option at any time. If you have money in an investment option that is terminated, we will switch your monies to an investment option with similar risk/return profile.

These changes may impact the fees and costs that apply and we will notify you about any material changes as appropriate, which may be after the change occurs.



Contact Us

If you would like to know more about how Resolution Life can help you, please contact your adviser or Resolution Life:

phone 133 731
web resolutionlife.com.au
email askus@resolutionlife.com.au
mail Resolution Life Customer Service
GPO Box 5441
SYDNEY
NSW 2001

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