

On 30 September 2017, government legislation came into effect which changed the way fees and costs of superannuation products must be disclosed.

What has changed?

Transactional and Operational Costs

Superannuation funds are now required to include in the fees and costs disclosed to you, any Transactional and Operational Costs associated with its investments that are incurred by the fund or its service providers (such as investment managers). These costs may include things such as stamp duty, buy sell spreads and settlement costs. These costs are included in the Indirect Cost Ratio (ICR) and will appear on your annual statements as 'indirect costs of your investment'. Other costs of investing are included in the Investment Fee and will appear on your annual statements as 'other fees of your investment'.

Property Operating Costs and Borrowing Costs

Superannuation Funds are now also required to disclose to you any Property Operating Costs and Borrowing Costs associated with investments that are incurred by the fund or its service providers. These costs are not included in the Investment Fee or ICR, but appear in the Additional Information About fees and costs that accompanies your annual statements.

How will this change impact me?

It is important to note that these are not new costs. They have always been incurred in investment transactions and reflected in net returns. The way we calculate net returns will not change.

This means, the fees and costs you pay won't change, only the way we disclose them to you will change.

Where can I get more information?

Current fees and costs information is available in the product disclosure statement at hesta.com.au/pds

contact us

hesta@hesta.com.au | 1800 813 327 | Locked Bag 5136, Parramatta NSW 2124 | hesta.com.au