

ANNUAL REPORT 2016/2017



**"IT'S OUR
INDUSTRY
SUPER
FUND"**

**RANIERA PAENGA,
BUSSQ MEMBER**



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This Annual Report covers
BUSSQ MySuper
BUSSQ Premium Choice
BUSSQ Pension Choice
Child Income Account and
Term Allocated Pension

Fund:
BUSSQ ABN 85 571 332 201
RSE L0002158
Registration number R1055870
SFN 268 338 948
Trustee:
BUSS(Queensland) Pty Ltd
ABN 15 065 081 281
AFSL 237860



A WORD FROM THE CHAIRMAN



It's been another great year for BUSSQ Super.

This year our Chief Executive Officer (CEO) and Chief Investment Officer (CIO) David O'Sullivan, stepped down from his position as CEO to concentrate solely on his role as CIO. Linda Vickers, who was the existing Chief Operating Officer (COO) and part of the BUSSQ team for the last 19 years was appointed CEO of the fund.

By separating the role of CEO and CIO members have the dual benefit of having David as a dedicated Chief Investment Officer, with Linda taking the helm as CEO to drive the growth of the fund and deliver the best outcomes for our members.

I look forward to working with Linda and know that having her at the helm will be a great asset to BUSSQ.

This year the fund received acknowledgment from not only the industry but our members as well, as we were awarded with the Rainmaker

Selecting Super Consumer Choice Award 2016. We were also awarded *Money* magazine Best of the Best 2017 Best Growth Super Fund award, for our Premium Choice High Growth investment option.

BUSSQ once again achieved *SuperRatings* Platinum Ratings for all three of our products – MySuper, Premium Choice and Pension Choice as well as the 7 Year Platinum Performance for Premium Choice and Pension Choice.

The fund continues to deliver solid returns for BUSSQ members, with our Balanced Growth investment option returning 9.76% in Super and 9.40% in Pension. Our annual average return since inception for the Balanced Growth investment option is 9.88% (based on the performance since inception in 1985 and calculated at 30 June 2017).

BUSSQ is always looking at ways to evolve so we can continue to deliver value and be relevant for our members. So this year the fund has spent a great deal of time researching, planning and developing a new financial services company to bring to market. Skylight Financial Solutions launched on 1 August 2017. It's called Skylight because sometimes help is needed to light the way, while other times the sky's the limit.

It was built by BUSSQ because we saw a need to provide families in and around building, construction and civil with better financial solutions to make their hard work, work even harder for them.

We are excited to see how Skylight will be able to deliver more for our members in the coming years, as it will allow us to provide them with a wide range of affordable products and services, from simple budgeting tools to advice about complex financial strategies.












I'd like to thank the BUSSQ team for their hard work and dedication over the last financial year and I look forward to what the next year will bring for the Fund.

A handwritten signature in black ink that reads "Bob Lette". The signature is fluid and cursive.

Bob Lette
Chairman

ABOUT BUSSQ

- ✓ **BUSSQ IS A NATION WIDE INDUSTRY SUPER FUND FOR THE BUILDING, CONSTRUCTION AND CIVIL INDUSTRIES**
- ✓ **BUSSQ \$4.3 BILLION STRONG**
- ✓ **OVER 85,000 MEMBERS**
- ✓ **OVER 14,000 PARTICIPATING EMPLOYERS**
- ✓ **COMPETITIVE FEES**
- ✓ **PROFIT FOR MEMBERS**
- ✓ **STRONG INVESTMENT RETURNS**

BUSSQ'S 2016/17 RETURNS IN BRIEF	Super	Pension
PREMIXED		
 Balanced Growth	9.76%	9.40%
 Defensive	5.85%	6.05%
 High Growth	11.16%	11.56%
SINGLE ASSET CLASS		
 Cash	1.75%	2.08%
 Diversified Fixed Interest	2.17%	2.56%
 Australian Shares	13.15%	15.02%
 Australian (Larger Companies) Shares	13.13%	15.00%
 Australian (Small Companies) Shares	12.55%	14.27%
 All Shares	14.99%	17.01%
 International Shares	16.47%	18.49%
 International Shares (Emerging Markets)	15.67%	17.86%

Past performance is not an indication of future performance.

BUSSQ FEATURES AND BENEFITS



Profits are returned to members

Unlike many other super funds that pay profits to shareholders or commissions to agents before distributing a reduced profit to members, BUSSQ is an industry fund that returns profits to members.



Low fees

BUSSQ keeps its fees low to ensure more money goes to members. There are NO establishment or contribution fees and our direct administration fee is only \$1.50 per week.



Industry-leading arrears process

BUSSQ is committed to making sure you receive the super you're entitled to. Our highly skilled Arrears Department works closely with unions, employers and major contractors to help you get the super you've worked hard for. If you have questions or concerns about your super payments, give us a call.



Strong investment returns

BUSSQ provides strong investment returns that manage risk over the long term. Industry body *SuperRatings* has awarded BUSSQ's Premium Choice and Pension Choice products the highest possible rating, Platinum, for seven years in a row (2010-2017).

This rating is awarded to funds that offer strong investment returns, good customer service, low fees and additional benefits to members.



Financial planning advice

BUSSQ offers financial advice that ranges from simple, straightforward advice at no extra cost* to members, to more complex advice that is competitively priced on a fee for service basis.



Insurance flexibility

Our insurance products are designed to provide you with a simple, low-cost alternative when it comes to purchasing insurance protection. Cover includes:

- Death only
- Death and Total and Permanent Disablement, and
- Income Protection.

Cover is specifically for the building, construction and civil industries and the insurance premium you pay depends on the work you do, the amount of cover you choose, your age and whether you are male or female.

CALL US 1800 MY BUSSQ

WWW.BUSSQ.COM.AU

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*BUSSQ offers members personal limited financial advice about their super including: choosing insurance, choosing investments and contributions, at no extra cost as it is included in the fund's administration fees. BUSSQ also offers members and non-members more complex financial advice on a fee for service basis. This advice is delivered by Skylight Financial Solutions ABN: 46 076 835 848 AFSL 450 139 and can be done in person or over the phone. Non BUSSQ members who receive advice will need to be billed for the advice separately. BUSS(Queensland) Pty Ltd ABN: 15 065 081 281 AFS Licence: 237 860 BUSSQ ABN: 85 571 332 201.

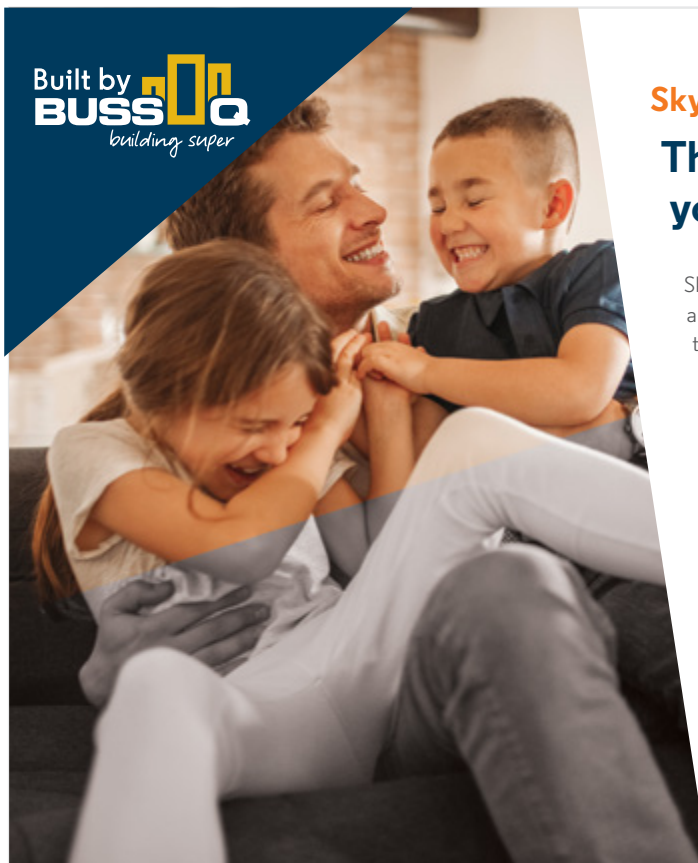
FINANCIAL PLANNING

BUSSQ launched Skylight Financial Solutions on 1 August 2017 after spending time in 2016/17 researching, planning and developing how we could deliver members' financial solutions, including super, no matter where they are in life and whatever their financial needs.

Our members told us they wanted a one stop shop to sort their finances, delivered by someone like BUSSQ that they trust. So Skylight Financial Solutions was developed to deliver members and their families with a broader range of financial solutions.

Based on our strong track record, we knew we could build a successful end to end financial services business to deliver for members and employers, and Skylight's AFSL licence allows us to offer financial advice beyond super.

With this in mind we created Skylight. Let Skylight shine a light on what's possible for you.



Built by
BUSSQ
building super

Skylight Financial Solutions

Throwing light on your financial future.

Skylight was built by BUSSQ because we care about workers and their families in building and construction. We saw a need to provide you with better financial solutions – to make your hard work, work even harder for you.

We call it Skylight because when it comes to your finances sometimes you need help to light the way forward, while other times the sky's the limit.

From simple budgeting tools to advice about complex financial strategies, we can work with you to provide affordable solutions or offer you a second opinion, for wherever you are in life.

Let Skylight shine a light on what's possible at
skylight.com.au or call us on 1800 SKYLIGHT • 1800 759 544

SKYLIGHT
FINANCIAL SOLUTIONS

Skylight is owned by the BUSSQ Pooled Superannuation Trust. A copy of Skylight's Financial Services Guide can be downloaded from skylight.com.au or you can request a copy by calling 1800 SKYLIGHT (1800 759 544). Skylight Financial Solutions ABN 46 076 835 848 AFSL 450139.

MANAGING BUSSQ

The Trustee of the Building Unions Superannuation Scheme (Queensland) (BUSSQ) is BUSS(Queensland) Pty Ltd (ABN 15 065 081 281) and it is responsible for managing the Fund on behalf of its members. BUSSQ's ABN is 85 571 332 201.

The Board of the Trustee company has six directors comprising an equal number of directors nominated by employers and members. BUSSQ is a regulated Fund which is operated to comply with the Superannuation Industry (Supervision) Act 1993 (SIS). BUSSQ is an employer sponsored, public offer fund.

The Trustee holds an Australian Financial Services Licence (AFSL) and is licenced to provide personal financial advice on superannuation products. The Trustee's AFSL number is 237860 and its RSE licence number is L0002158. BUSSQ's Super Fund Number (SFN) is 268 338 948 and its RSE registration number is R1055870. Australian Administration Services (AAS) is the Fund's administrator.

HOW ARE MEMBER DIRECTORS APPOINTED TO THE BOARD?

The Queensland branch of the Construction, Forestry, Mining and Energy Union nominates **three directors** to represent the members.

HOW ARE EMPLOYER DIRECTORS APPOINTED TO THE BOARD?

The Master Builders Queensland nominates **three directors** to represent employers to the Fund.

HOW ARE DIRECTORS REMOVED FROM THE BOARD?

Representatives on the board can be removed if they become disqualified (under the SIS), suspended or if there is a court order to remove them. Replacement representatives are appointed from the same sponsor to ensure there is always equal representation of members and employers.

HOW OFTEN DOES THE BOARD MEET?

The board meets every second month and has the responsibility of ensuring that the Fund is run in the best interests of all members. The directors also ensure that the Fund is operated and managed in accordance with the Trust Deed and superannuation legislation.

MEMBER DIRECTORS	EMPLOYER DIRECTORS
WALLACE TROHEAR (SINCE 1993)	BOB LETTE - CHAIRMAN (SINCE 1985)
PAULA MASTERS (SINCE 2015)	PAUL BIDWELL (SINCE 2014)
RON MONAGHAN (SINCE 2015)	GRANT GALVIN (SINCE 2014)

MANAGING BUSSQ AND SERVICE PROVIDERS

TRUSTEE COMMITTEES

Certain Trustee responsibilities are delegated to committees consisting of Trustee Directors and other nominees of the Trustee. These include a committee for audit, compliance and risk management review; a committee to make recommendations to the Board regarding investments; a committee to review director and executive appointments and remunerations; and a committee to review claims for death and disablement benefits.

The committees are appointed by the BUSSQ Board of Directors.

The committees report to the Trustee Board at the following Board meeting to have their decisions ratified. The Trustee also appoints ad hoc committees for special projects, eg. tenders.

The following representatives sat on these committees throughout the 2016/2017 financial year:

Audit, Compliance and Risk Management Committee

- Wallace Trohear (Chairman)
- Bob Lette
- Leonie Taylor (Bentleys) – Attendee
- Paul Bidwell
- Paula Masters
- Adrian O’Grady – Attendee

Investment Committee

- Bob Lette (Chairman)
- David O’Sullivan
- Wallace Trohear
- Grant Galvin
- Ron Monaghan

Remuneration and Nominations Committee

- Wallace Trohear (Chairman)
- Bob Lette
- Paul Richards
- Grant Galvin

Insurance Committee

- Paul Richards (Chairman)
- Paul Bidwell
- Paula Masters
- Grant Galvin
- Arturo Menon
- Andrew Sutherland

PROFESSIONAL ADVISERS AND SERVICE PROVIDERS

As at 30 June 2017 the following companies provided professional services to the BUSSQ Trustee to assist in efficient and proper management of the Fund.

Custodian

- BNP Paribas Securities Services

Administrator

- Australian Administration Services Pty Ltd

External Auditor

- Crowe Horwath

Internal Auditor

- Bentleys

Tax agent

- Ernst and Young

Insurer – group life

- OnePath

Insurer – professional indemnity

- Zurich
- Liberty

Investment advice

- Frontier Advisors

Legal advice

- Corrs Chambers Westgarth

INDEMNITY INSURANCE

The Trustee holds indemnity insurance to protect the Fund, the directors and officers from losses arising out of legal action taken against the Trustee.

No penalties were imposed against the Trustee in the 2016/2017 financial year.

RELATED PARTY TRANSACTIONS

Master Builders Queensland Insurance Services, which is owned by the Master Builders Queensland, arrange certain insurances on behalf of the Fund.

SALARY REVIEWS

The Board is committed to providing an environment for BUSSQ staff that is equitable, transparent and engaging, with equal opportunities for advancement. This year the Board employed McGuirk Management Consultants to evaluate every position within the BUSSQ Trustee Office. McGuirk Management Consultants also provided market-based salary bands for each position ranking.

The objective of the exercise was to provide staff with a transparent compensation process that is in line with BUSSQ's commitment to equal opportunities for all staff.

The Board also provides staff with performance based bonuses. These bonuses are discretionary and dependent on the achievement of predetermined compliance and service standards and business objectives.

BUSSQ

INVESTMENTS

INVESTMENT OBJECTIVE

The broad investment objective of the Trustee is to maximise investment returns without taking unacceptable risks. In addition, the Trustee has set an objective for each investment option. In other words, the Trustee has set a specific target performance for each option and these are set out in the tables on the following pages. In order to achieve its investment objectives, the Trustee has established a strategy for each option. The Trustee aims to invest in various asset classes for each investment choice at certain levels, called the 'target asset allocation' and these are also set out in the tables on the following pages.

Note that these allocations will be the normal mix of asset classes for each option, but the actual investment allocations may differ slightly from the target allocation, as the Trustee needs the flexibility to respond to conditions in the market. The Trustee will not, however, invest outside certain asset class ranges, which have been established with the help of a professional investment consultant. The Fund's Trustee constantly monitors investments and may vary the asset mix during the year in accordance with market conditions to help achieve a steady and consistent return.

In addition, professional investment managers are appointed to manage the funds within those asset class ranges. They are required to report to the Trustee regularly and are continuously monitored. Investing in a range of asset classes with a range of specialist investment managers offers diversification and in turn reduces investment risk.

2016/2017 INVESTMENT REPORT

The 16/17 financial year turned out to be another terrific year for investors driven by strong returns from both the Australian (13.8%) and Global (14.7%) stock markets.

Surprisingly, markets rallied strongly following the election of Donald Trump as US President. Other markets such as commercial real estate, infrastructure and agriculture were also strong. However, government bond returns were weak as the US Federal Government started the cycle of increasing interest rates.

As a result of strong market conditions, the BUSSQ Super Balanced Growth investment option returned 9.76% for the financial year. All investment options other than cash and fixed interest also delivered strong returns.

The main market drivers were:

- Economic growth across nearly all world economies although still at a slow rate.
- Continued low interest rates and inflation
- Abating concerns regarding a recession in China
- Trump's election in the US. Markets viewed his policies as pro-growth and pro-business.

The pre-tax performance of our asset class portfolios was mixed as shown below:

- Australian shares returned 13.4% in line with market returns
- International shares returned 18.6% which was well above the market return
- Infrastructure returned 5.4% which was a little disappointing
- Property returned 11.8% which was a strong result
- Fixed Interest returned 2.8% which was low but much better than the market return
- Agriculture returned 13.5% which was another strong result
- Cash returned 2.3% which was well above the official cash rate.

Since 30 June 2017, investment markets have delivered modest returns with the BUSSQ Balanced Growth option up around 1.5% for the three months to 30 September 2017. Most of this return has come from international shares holdings.

Financial markets now look quite fully priced and BUSSQ is taking a cautious approach going forward. We are actively taking profits and finding it difficult to uncover attractive new investments. At this stage in the cycle, members should avoid taking too much risk.

PENSION PRE-MIXED INVESTMENT OPTIONS

PRE-MIXED OPTIONS



BALANCED GROWTH

Overview

Designed for medium to long term investors. Balanced Growth is the most diversified pre-mixed option and provides a mix of growth and defensive assets such as shares, property and fixed interest securities. The frequency of a negative return is expected to be once in eight years.

Investment objective

For the annual rate credited to members to exceed the change in the Consumer Price Index by +4% per annum.

Target asset allocation

Australian Shares	29%
International Shares	17%
Infrastructure	12%
Property	12%
Fixed Interest	13%
Opportunistic Debt	7%
Agriculture	2%
Global Private Equity	4%
Cash	4%

Suggested minimum time horizon

At least five years

Risk factor



DEFENSIVE

Overview

Designed for short to medium term investors looking for stable returns with minimal capital growth. The Defensive option provides investment mainly in fixed interest securities, with moderate exposure to growth assets, such as shares and property. The frequency of a negative return is expected to be once in 30 years.

Investment objective

For the annual rate credited to members to have a reasonable probability of exceeding the change in the Consumer Price Index by +2.0% per annum.

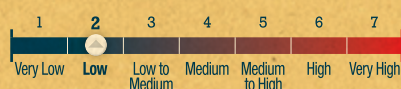
Target asset allocation

Fixed Interest	26.5%
Cash	20%
Infrastructure	12%
Property	12%
Australian Shares	10%
International Shares	7%
Opportunistic Debt	8.5%
Agriculture	2%
Global Private Equity	2%

Suggested minimum time horizon

At least three years

Risk factor



HIGH GROWTH

Overview

This option may suit long term investors looking for an attractive return and capital growth who can tolerate a higher level of risk and volatility. High Growth provides a high allocation of investments to growth assets, such as shares. The frequency of a negative return is expected to be once in five years.

Investment objective

For the annual rate credited to members to exceed the change in the Consumer Price Index by +4.5% per annum.

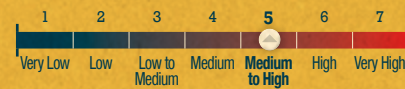
Target asset allocation

Australian Shares	39%
International Shares	26%
Infrastructure	12%
Property	12%
Opportunistic Debt	5%
Agriculture	2%
Global Private Equity	4%

Suggested minimum time horizon

At least 10 years

Risk factor



SUPER PRE-MIXED INVESTMENT OPTIONS

PRE-MIXED OPTIONS



PREMIUM BALANCED GROWTH

Overview

Designed for medium to long term investors. This is BUSSQ's default option for members that don't actively choose an investment option. Premium Balanced Growth is the most diversified Premixed option and provides a mix of growth and defensive assets such as shares, property and fixed interest securities. The frequency of a negative return is expected to be once in seven years.

Investment objective

For the annual rate credited to members to exceed the change in the Consumer Price Index by +4% per annum.

Target asset allocation

Australian Shares	27.0%
International Shares	25.0%
Property	12.0%
Infrastructure	12.0%
Fixed Interest	10.0%
Opportunistic Debt	5.0%
Global Private Equity	4.0%
Agriculture	3.0%
Cash	2.0%

Suggested minimum time horizon

At least five years

Risk factor



DEFENSIVE

Overview

Designed for short to medium term investors looking for stable returns with minimal capital growth. The Defensive option provides investment mainly in fixed interest securities, with moderate exposure to growth assets, such as shares and property. The frequency of a negative return is expected to be once in 25 years.

Investment objective

For the annual rate credited to members to have a reasonable probability of exceeding the change in the Consumer Price Index by +2.5% per annum.

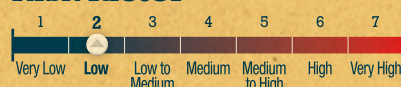
Target asset allocation

Fixed Interest	26.5%
Cash	20.0%
Infrastructure	12.0%
Property	12.0%
Australian Shares	10.0%
International Shares	9.5%
Opportunistic Debt	5.0%
Agriculture	3.0%
Global Private Equity	2.0%

Suggested minimum time horizon

At least three years

Risk factor



HIGH GROWTH

Overview

This option may suit long term investors looking for an attractive return and capital growth who can tolerate a higher level of risk and volatility. High Growth provides a high allocation of investments to growth assets, such as shares. The frequency of a negative return is expected to be once in five years.

Investment objective

For the annual rate credited to members to exceed change in the Consumer Price Index by +4.5% per annum.

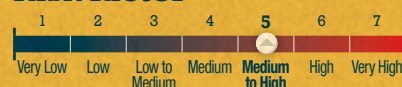
Target asset allocation

Australian Shares	34.0%
International Shares	30.0%
Infrastructure	12.0%
Property	12.0%
Opportunistic Debt	5.0%
Global Private Equity	4.0%
Agriculture	3.0%

Suggested minimum time horizon





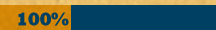




At least 10 years

Risk factor






BUSSQ MEMBER INVESTMENT OPTIONS

SINGLE ASSET CLASS OPTIONS

 CASH	 DIVERSIFIED FIXED INTEREST	 AUSTRALIAN SHARES
Overview <p>This investment option is for investors who are risk averse and looking for a secure 100% cash investment. This option may suit members who are willing to sacrifice overall return in favour of less risk and a steady rate of return. The Cash pool aims to avoid negative returns in any year.</p>	Overview <p>This investment option is for investors looking for a stand-alone Fixed Interest investment. This option invests in BUSSQ's Australian and International Fixed Interest sectors with weightings that replicate the Balanced Growth option's allocations to these two sectors. The frequency of a negative return is expected to be once in 20 years.</p>	Overview <p>This investment option is for investors looking for a stand-alone Australian Shares investment. This option is a sector specific option and invests 100% in BUSSQ's Australian Shares sector. The frequency of a negative return is expected to be once in four years.</p>
Investment objective <p>For the annual rate credited to members to have a reasonable probability of exceeding the change in the Consumer Price Index by +1% per annum.</p>	Investment objective <p>For the annual rate credited to members to have a reasonable probability of exceeding the change in the Consumer Price Index by +2.0% per annum.</p>	Investment objective <p>For the annual rate credited to members to have a reasonable probability of exceeding the change in the Consumer Price Index by +4.5% per annum.</p>
Target asset allocation <p>Cash </p>	Target asset allocation <p>Diversified Fixed Interest </p>	Target asset allocation <p>Australian Shares </p>
Suggested minimum time horizon <p>Not applicable</p>	Suggested minimum time horizon <p>At least three years</p>	Suggested minimum time horizon <p>At least 10 years</p>
Risk factor 	Risk factor 	Risk factor 

BUSSQ MEMBER INVESTMENT OPTIONS

SINGLE ASSET CLASS OPTIONS

<div></div> <div>AUSTRALIAN (LARGER COMPANIES) SHARES</div>	<div></div> <div>AUSTRALIAN (SMALL COMPANIES) SHARES</div>	<div></div> <div>ALL SHARES</div>
<div>Overview</div> <div>This investment option is for investors looking for a standalone investment focused on shares in larger Australian companies. This option is a sector specific option and invests 100% in Australian shares and, in particular, larger listed companies. The frequency of a negative return is expected to be once in four years.</div>	<div>Overview</div> <div>This investment option is for investors looking for a standalone investment, focused on shares in smaller Australian companies. This option is a sector specific option and invests 100% in Australian shares and, in particular, smaller listed companies. The frequency of a negative return is expected to be once in four years.</div>	<div>Overview</div> <div>This investment option is for investors looking for a diversified shares investment covering both Australian and International Shares. The option will invest 50% in Australian Shares and 50% in Overseas Shares with no currency hedging (unhedged). The frequency of a negative return is expected to be once in four years.</div>
<div>Investment objective</div> <div>The investment objective is for the annual rate of earnings credited to members to have a reasonable probability of exceeding the change in the Consumer Price Index by +4.5% per annum.</div>	<div>Investment objective</div> <div>The investment objective is for the annual rate of earnings credited to members to have a reasonable probability of exceeding the change in the Consumer Price Index by +5% per annum.</div>	<div>Investment objective</div> <div>The investment objective is for the annual rate of earnings credited to members to have a reasonable probability of exceeding the change in the Consumer Price Index by +4.5% per annum.</div>
<div>Target asset allocation</div> <div><div>Australian (Larger Companies) Shares</div><div>100%</div></div>	<div>Target asset allocation</div> <div><div>Australian (Smaller Companies) Shares</div><div>100%</div></div>	<div>Target asset allocation</div> <div><div>Australian Shares</div><div>50%</div><div>International Shares</div><div>50%</div></div>
<div>Suggested minimum time horizon</div> <div>At least 10 years</div>	<div>Suggested minimum time horizon</div> <div>At least 10 years</div>	<div>Suggested minimum time horizon</div> <div>At least 10 years</div>
<div>Risk factor</div> <div><div>1234567</div><div>Very LowLowLow to MediumMediumMedium to HighHighVery High</div></div>	<div>Risk factor</div> <div><div>1234567</div><div>Very LowLowLow to MediumMediumMedium to HighHighVery High</div></div>	<div>Risk factor</div> <div><div>1234567</div><div>Very LowLowLow to MediumMediumMedium to HighHighVery High</div></div>

BUSSQ MEMBER INVESTMENT OPTIONS

SINGLE ASSET CLASS OPTIONS



INTERNATIONAL SHARES

Overview

This investment option is for investors looking for a stand-alone International Shares investment. This option has variable currency hedging depending on market conditions and the assessed relative value of the Australian dollar. The frequency of negative return is expected to be once in four years.

Investment objective

For the annual rate credited to members to have a reasonable probability of exceeding the change in the Consumer Price Index by +4.5% per annum.

Target asset allocation

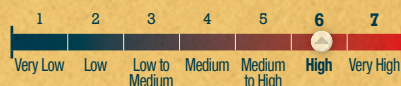
International
Shares

100%

Suggested minimum time horizon

At least 10 years

Risk factor



INT. (EMERGING MARKETS) SHARES

Overview

This investment option is for investors looking for a standalone investment in International Shares in emerging market countries (ie. Brazil, India, China). This option is unhedged, which means that it will be subject to fluctuations in performance because of currency movements. The frequency of a negative return is expected to be once in four years.

Investment objective

For the annual rate of earnings credited to members to have a reasonable probability of exceeding the change in the Consumer Price Index by +5% per annum.

Target asset allocation

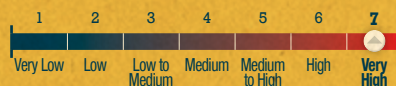
International
(Emerging
Markets)
Shares*

100%

Suggested minimum time horizon

At least 10 years

Risk factor



MEASURING RISK

A standard risk measure for investment options has been developed for super funds to make it easier for you to compare investment options (both within and across super funds). The Standard Risk Measure is based on industry guidance to allow you to compare investment options that are expected to deliver a similar number of negative annual returns over any 20 year period. There are seven risk bands and they are as follows:

RISK BAND	RISK LABEL	ESTIMATED NUMBER OF NEGATIVE ANNUAL RETURNS OVER ANY 20 YEAR PERIOD
1	Very low	Less than 0.5
2	Low	0.5 to less than 1
3	Low to medium	1 to less than 2
4	Medium	2 to less than 3
5	Medium to high	3 to less than 4
6	High	4 to less than 6
7	Very high	6 or greater

The Standard Risk Measure is not a complete assessment of all forms of investment risk, for instance it does not detail what the size of a negative return could be or the potential for a positive return to be less than you may require to meet your objectives. Further, it does not take into account the impact of administration fees and tax on the likelihood of a negative return.

You should still ensure you are comfortable with the risks and potential losses associated with your chosen investment option(s).

The use of the Standard Risk Measure is endorsed and strongly recommended by the Australian Prudential Regulatory Authority (APRA), Australian Securities and Investments Commission (ASIC), Association of Superannuation Funds of Australia (ASFA) and the Financial Services Council (FSC) for all Australian super funds.

* The frequency of a negative return is based on the standard Risk Measure Guidance for trustee's recommended by APRA, ASIC, ASFA and FSC and is explained on this page.

BUSSQ INVESTMENT RETURN HISTORY

Investment Option	Crediting Rate for the Year Ended 30 June						Compound Average Return Over 5 Years % p.a.	Compound Average Return Over 3 Years % p.a.
		2017 %	2016 %	2015 %	2014 %	2013 %		
Premixed								
Balanced Growth	Super	9.76	7.00	9.80	12.66	16.15	11.03	8.85
	Pension	9.40	7.48	10.65	14.52	18.74	12.08	9.17
Defensive	Super	5.85	5.63	6.36	7.99	9.41	7.04	5.95
	Pension	6.05	6.25	7.15	9.24	10.90	7.90	6.48
High Growth	Super	11.16	7.36	10.71	14.37	19.55	12.56	9.73
	Pension	11.56	7.68	11.38	16.39	22.41	13.77	10.19
Single Asset Class								
Cash	Super	1.75	1.91	2.21	2.35	3.31	2.30	1.95
	Pension	2.08	2.27	2.61	2.81	3.88	2.73	2.32
Diversified Fixed Interest	Super	2.17	2.66	3.09	4.48	3.35	3.15	2.64
	Pension	2.56	3.16	3.65	5.33	3.91	3.72	3.12
Australian Shares	Super	13.15	6.93	6.02	17.30	21.70	12.86	8.65
	Pension	15.02	7.81	6.76	19.69	25.02	14.65	9.80
Australian (Larger Company) Shares	Super	13.13	5.65	5.78	16.51	22.77	12.58	8.13
	Pension	15.00	6.33	6.46	18.75	26.15	14.29	9.19
Australian (Smaller Company) Shares	Super	12.55	10.13	7.22	22.07	10.31	12.34	9.94
	Pension	14.27	11.15	8.15	24.98	10.77	13.72	11.16
All Shares	Super	14.99	5.29	12.48	17.02	24.54	14.69	10.84
	Pension	17.01	5.32	14.08	19.38	28.23	16.57	12.03
International Shares	Super	16.47	3.62	18.55	17.81	27.89	16.60	12.68
	Pension	18.49	3.33	20.95	20.25	31.67	18.58	13.98
International (Emerging Market) Shares	Super	15.67	-6.82	13.78	11.81	17.80	10.06	7.04
	Pension	17.86	-8.32	16.46	14.31	20.41	11.61	7.96

Note: All rates are after tax and other management costs. These are shown in the BUSSQ *Product Disclosure Statement* (PDS) and your *Annual Member Statement*.

The Single Asset Class options (Diversified Fixed Interest, Australian Shares, Australian (Larger Companies) Shares, Australian (Small Companies) Shares, All Shares, International Shares and International (Emerging Markets) Shares are only available to members of the BUSSQ Premium Choice and Pension Choice divisions.

Australian (Larger Companies) Shares, Australian (Small Companies) Shares, All Shares, International (Emerging Markets) Shares have only been available since March 2011.

For more information about *Member Investment Choice*, call BUSSQ on **1800 MY BUSSQ (1800 69 2877)** and speak to a professionally qualified financial planner who can assist you to make your investment decisions.

(See page 6 for more information).

BUSSQ INVESTMENT MANAGERS

INVESTMENT MANAGER	JUNE 2017 %
AGRICULTURE	
MACQUARIE PASTORAL FUND	2.3%
STAFFORD INTERNATIONAL TIMBERLAND	0.6%
TOTAL AGRICULTURE	2.9%
AUSTRALIAN SHARES	
CONTANGO	0.4%
ELLERSTON	6.6%
HYPERION	4.7%
IFM	5.8%
PERPETUAL	2.4%
WARAKIRRI	5.9%
TOTAL AUSTRALIAN SHARES	25.8%
CASH	
CFS WHOLESALE INSTITUTIONAL CASH FUND	1.0%
RESIDUAL CASH	3.0%
TERM DEPOSIT	6.0%
TOTAL CASH	10.0%
DIRECT PROPERTY	
AMP CAPITAL	3.9%
BUSSQ PROPERTY TRUST	0.3%
FORTIUS	0.0%
INVESTA	1.8%
QIC	5.8%
TOTAL PROPERTY	11.8%
FIXED INTEREST	
COLONIAL FIRST STATE	2.8%
IFM SLT	0.0%
PIMCO	6.2%
TERM DEPOSIT	0.6%
TOTAL FIXED INTEREST	9.6%
GLOBAL PRIVATE EQUITY	
BUILDING SUPER PTY LTD	0.0%
GARDIOR	0.1%
INDUSTRY SUPER HOLDINGS	0.1%
MEMBERS EQUITY BANK	0.1%
NEWBURY EQUITY PARTNERS	0.2%
OAKTREE	0.3%
P A PRIVATE CAPITAL	0.1%
QBLK	0.0%
RHO	0.2%
SIGULER GUFF	0.3%
STAFFORD PRIVATE EQUITY	0.5%
WILSHIRE	0.2%
TOTAL GLOBAL PRIVATE EQUITY	2.1%

INFRASTRUCTURE	
ENERGY INFRASTRUCTURE TRUST	0.9%
GARDIOR	7.6%
IFM	1.0%
MACQUARIE	0.5%
TOTAL INFRASTRUCTURE	10.0%
INTERNATIONAL SHARES	
ACADIAN	0.3%
AQR	2.1%
IFP	8.3%
JANUS HENDERSON	0.6%
LAZARD	3.1%
ORBIS	4.3%
PLATINUM	1.7%
SANDS	2.2%
TOTAL INTERNATIONAL SHARES	22.6%
OPPORTUNISTIC DEBT	
BARINGS	1.4%
GAM	1.0%
HAYFIN	0.7%
SECURIS	0.5%
WESTBOURNE	1.1%
TOTAL OPPORTUNISTIC DEBT	4.7%
DERIVATIVE	
CHALLENGER	0.4%
TOTAL DERIVATIVE	0.4%
CURRENCY HEDGE	
TGM	0.1%
TOTAL CURRENCY HEDGE	0.1%
TOTAL	100.0%
TOTAL	\$4,330,477,730.86

ABOUT YOUR INVESTMENTS

WHICH OPTION ARE YOU INVESTED IN?

Your *Annual Member Statement* shows which options or mix of options your super is currently invested in. You can also check this at any time using **MemberAccess** via BUSSQ's website **bussq.com.au**, or alternatively you can call BUSSQ on **1800 MY BUSSQ (1800 69 2877)**.

WHICH OPTIONS CAN I CHOOSE FROM?

During the period 1 July 2016 to 30 June 2017 members in the MySuper Fund were invested in the MySuper Balanced Growth option. Members in Premium Choice and in a BUSSQ Pension can invest in: Balanced Growth, Defensive, High Growth, Cash, Diversified Fixed Interest, Australian Shares, Australian (Larger Companies) Shares, Australian (Small Companies) Shares, International Shares (Hedged), International (Emerging Markets) Shares and All Shares.

SWITCHING YOUR INVESTMENT STRATEGY

If you are a member of the Premium Choice product or Pension product BUSSQ gives you the flexibility to switch your investment option, or mix of options, at any time. There is no charge to change your investment options.

If you are in the MySuper product and would like to make an investment switch, you will have to move to the Premium Choice product. Unit prices are declared weekly. All switch requests received in the period 6.01pm Friday to 6pm the next Friday (^AEST/^AEDT), will be processed with an effective date as at the next Wednesday, following the declaration of the weekly unit price. There may be a delay if a public holiday falls on the Monday or Tuesday. There are two ways to change your investment selection:

1. Online by logging into **MemberAccess** on **bussq.com.au**.
2. Completing a *Member Investment Choice* form.
This form can be obtained on the BUSSQ website **bussq.com.au**, or by phoning BUSSQ on **1800 MY BUSSQ (1800 69 2877)**.

If you switch using a *Member Investment Choice* form, you will receive a letter confirming your switch once your form has been processed. Please read it carefully to verify your investment switch has been actioned in accordance with your instructions. Should you identify an issue with your investment switch, or you do not receive a confirmation letter, please contact us immediately on **1800 MY BUSSQ (1800 69 2877)** to confirm your switch instruction.

If you switch online, you will receive confirmation that your instruction has been submitted on the screen once you click on the confirm button.

Investment choices made on a *Membership Application* form will not be subject to the weekly switching cycle procedure, and will be actioned using the unit price(s) in force at the time of processing, as per all other applications and redemptions. We cannot accept investment switch requests received verbally or in written correspondence. The Trustee does not accept verbal notifications or notifications not done in the prescribed manner.

[^]AEST = Australian Eastern Standard Time (during winter, eg 6pm in QLD)

[^]AEDT = Australian Eastern Daylight Time (during summer, eg 5pm QLD)

PENSION MEMBERS

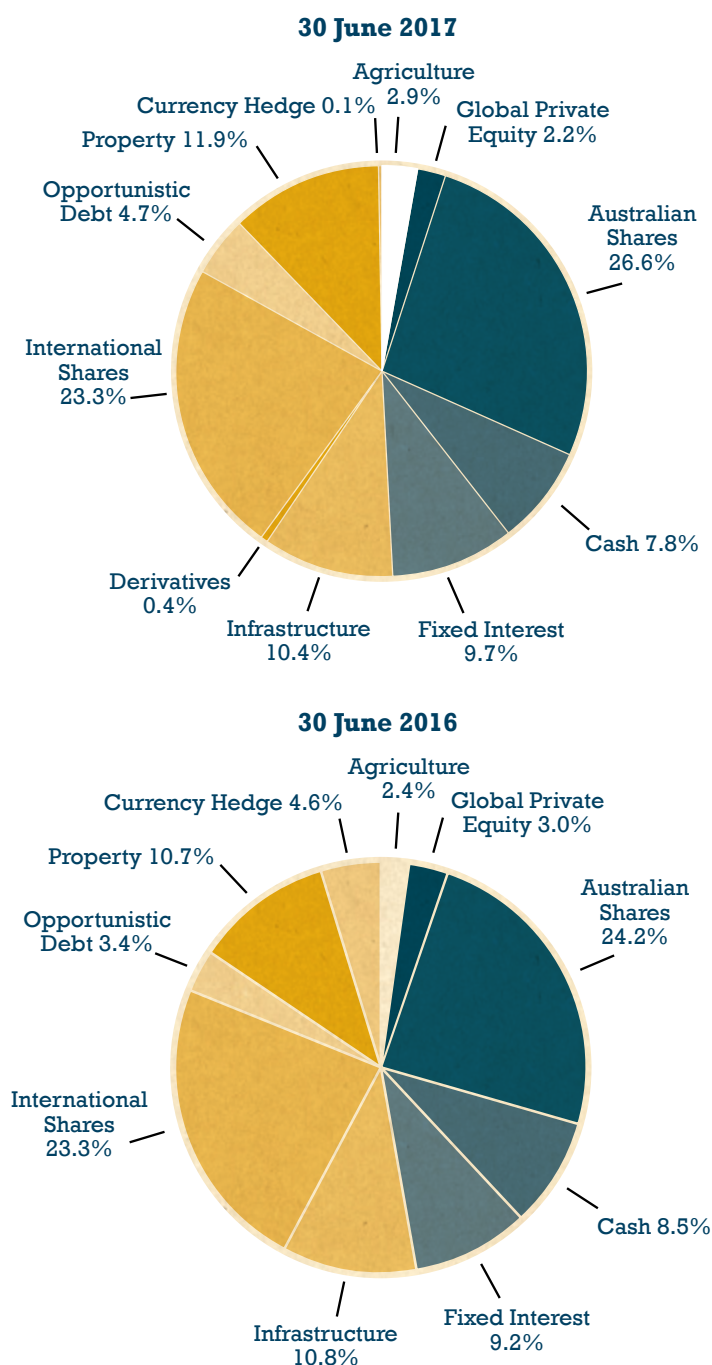
The Trustee recognises that BUSSQ Pension members may have a lower risk appetite. Therefore BUSSQ seeks to reduce volatility to Pension members.

From 1 July 2017 Transition to Retirement Pension members are invested in taxed investment options as a result of government changes.

WHO HELPS BUSSQ INVEST?

The Trustee has responsibility for the Fund's investments, within the requirements of the *Superannuation Industry (Supervision) Act 1993*.

The Trustee employs a professional investment advisor, Frontier Advisors to assist it in meeting this responsibility. At 30 June 2016 and 30 June 2017, the total assets of BUSSQ were actually invested as follows:



OTHER MANAGEMENT COSTS

The management fees applicable to each of BUSSQ's investment options for the year ending 30 June 2017 are as follows (these fees include GST attributable to investment costs):

SUPER	
PRE MIXED	
Balanced Growth	0.95%
Defensive	0.75%
High Growth	1.20%
SINGLE ASSET CLASS	
Cash	0.22%
Diversified Fixed Interest	0.40%
Australian Shares	0.72%
Australian (Larger Companies) Shares	0.70%
Australian (Small Companies) Shares	0.81%
All Shares	1.15%
International Shares	1.58%
International Shares (Emerging Markets)	1.47%

PENSION	
PRE MIXED	
Balanced Growth	1.14%
Defensive	0.81%
High Growth	1.29%
SINGLE ASSET CLASS	
Cash	0.23%
Diversified Fixed Interest	0.41%
Australian Shares	0.73%
Australian (Larger Companies) Shares	0.71%
Australian (Smaller Companies) Shares	0.82%
All Shares	1.16%
International Shares	1.59%
International Shares (Emerging Markets)	1.48%

These fees are deducted before unit prices are declared. Investment earnings applied to members' accounts are net of other management costs. For further details, please refer to the BUSSQ Product Disclosure Statement (PDS).

THE BUSSQ POOLED SUPERANNUATION TRUST (PST)

Most investments of BUSSQ are made via the BUSSQ PST. The Trustee of BUSSQ is also the Trustee of the BUSSQ PST. No other entities invest money in the BUSSQ PST.

OTHER INVESTMENT INFORMATION

DERIVATIVES

The Trustee and BUSSQ's investment managers have the discretion to invest in derivative financial instruments from time to time. This is generally done to either hedge a particular risk or to immediately rebalance the investment portfolio in a quick and efficient manner.

The derivatives charge ratio represents the market value of the assets of the Fund (other than cash) that are subject to a charge in relation to a derivatives contract, as a percentage of the market value of all the assets of the Fund.

BUSSQ monitors the derivatives charge ratio, and is required to disclose in the annual report if during the financial year the derivatives charge ratio exceeds 5%.

The derivatives charge ratio for the Fund exceeded 5% during the financial year ended 30 June 2017, with the highest derivatives charge ratio being 16.39%. The derivatives charge ratio at 30 June 2017 was 13.87%.

The derivatives charge ratio exceeded the 5% level for a majority of the reporting period, to a maximum of 16.39% in March 2017. The use of derivatives is at the discretion of BUSSQ's Investment Committee in consultation with BUSSQ's investment advisor Frontier Advisors. The primary reason derivatives are used is to help protect the Fund from downside risk and market volatility. They are also utilised to rebalance portfolios back to an agreed asset allocation rather than physically transacting on the Fund's investments which may trigger Capital Gains Tax (CGT) events.

RESERVING POLICY

For the 2016/2017 financial year, the Trustee maintained an administration reserve consisting of a general reserve and an Operational Risk Financial Reserve.

From 30 June 2017, the optimum reserve level is 0.5%. Included in this optimum level is an Operational Risk Financial Reserve of 0.25%. The purpose of the general reserve is to fund contingency expenses such as taxation adjustments and other calculation variances.

The Operational Risk Financial Reserve is to cover the risk of loss due to failed internal operational processes or systems.

The general reserve can vary from the optimum level. The Operational Risk Financial Reserve will be maintained in a separate reserve account.

The reserve account is maintained from:

- Any excess of investment earnings over returns credited to members' accounts, and
- Any surplus of fees above the Fund's operating costs.

The following table summarises the movement in reserves over the past three years:

BALANCE AS AT 30 JUNE	
2017	\$21,036,959
2016	\$21,755,218
2015	\$13,969,194

The Fund invests in the BUSSQ Pooled Superannuation Trust (PST) which has an Operational Risk Financial Reserve of 0.1%.

WEEKLY UNIT PRICES

How the unit value is determined

The unit value is determined by taking into account the change in value of investments within the relevant investment option and deducting the investment and operations management charges and tax. The unit price is currently calculated weekly. However, in the future the unit price may be calculated more frequently and you will be advised beforehand.

In times of high volatility, the Trustee reserves the right to calculate units more frequently or suspend the calculation of units.

Will the value of units always increase?

The nature of investment markets means that the value of units can rise or fall. The unit price reflects the performance of the investments in the option(s) chosen, after any investment charges have been deducted. That is why it is important for members to choose an investment option that they feel comfortable with, as different options have different levels of volatility. Financial advice is available if members require assistance.

When a member makes withdrawals from an account, this means they are really withdrawing a number of units.

LABOUR STANDARDS AND ENVIRONMENTAL, SOCIAL AND ETHICAL CONSIDERATIONS

BUSSQ has a policy to take account of labour standards, environmental, social and ethical considerations when selecting, retaining or redeeming the investments of BUSSQ.

However, investments and investment managers are selected primarily on their ability to contribute toward the achievement of BUSSQ's investment objectives.

BUSSQ FINANCIAL STATEMENTS

BUSSQ'S ABRIDGED FINANCIAL INFORMATION

Crowe Horwath has independently audited BUSSQ's financial accounts. The Trustee is satisfied that the audited abridged financial accounts summarised below represent a true and accurate record of BUSSQ's financial position.

STATEMENT OF FINANCIAL POSITION

	30 JUN-17 \$	30-JUN-16 \$
Assets		
Cash and cash equivalents	23,249,698	21,312,631
Receivables	1,310,663	1,144,266
Investments		
Cash and short term deposits	37,319,491	50,984,412
Pooled Superannuation Trusts	4,261,079,556	3,707,879,497
Domestic Property	13,388,121	14,307,825
Property, plant and equipment	1,601,172	1,600,146
Deferred tax assets	1,495,901	824,391
TOTAL ASSETS	4,339,444,602	3,798,053,168
Liabilities		
Income tax payable	(36,073,283)	(34,149,456)
Deferred tax liabilities	(72)	(12,641)
Total liabilities excluding member benefits	(41,351,133)	(38,283,778)
NET ASSETS AVAILABLE FOR MEMBER BENEFITS	4,298,093,469	3,759,769,390
Member benefits		
Allocated to members	(4,276,282,558)	(3,736,558,406)
Unallocated to members	(773,949)	(1,415,612)
Total member liabilities	(4,277,056,507)	(3,737,974,018)
NET ASSETS	21,036,962	21,795,372
Equity		
Other reserves	9,926,689	12,252,844
Operational risk reserve	11,110,273	9,542,528
TOTAL EQUITY	21,036,962	21,795,372

INCOME STATEMENT

	30 JUN-17 \$	30-JUN-16 \$
Investment expenses	(47,729)	(32,370)
Trustee expenses	(21,913,182)	(21,744,651)
TOTAL EXPENSES	(21,960,911)	(21,777,021)
Net result from superannuation activities	348,951,833	228,553,405
Profit from operating activities	348,951,833	228,553,405
Less: Net benefits allocated to members' accounts	(358,804,384)	(229,084,719)
Profit/(loss) before income tax	(9,852,551)	(531,314)
Income tax expense/(benefit)	(9,094,141)	(8,630,492)
PROFIT AFTER INCOME TAX	(758,410)	8,099,178

STATEMENT OF CHANGES IN MEMBER BENEFITS

	30 JUN-17 \$	30-JUN-16 \$
Opening balance of member benefits	3,737,974,018	3,386,402,529
<i>Contributions:</i>		
Employer	294,158,110	266,130,858
Member	52,000,246	32,130,431
Transfer from other superannuation plans	137,682,383	97,786,439
Government co-contributions	352,468	373,042
Income tax on contributions	(44,534,645)	(40,217,438)
NET AFTER TAX CONTRIBUTIONS	439,658,562	356,203,332
Benefits to members/beneficiaries	(253,473,869)	(233,001,748)
Insurance premiums charged to members' accounts	(33,428,014)	(30,912,026)
Death and disability insurance benefits credited to members' accounts	27,521,426	30,197,212
<i>Benefits allocated to members' accounts, comprising:</i>		
Net investment income	365,783,470	235,988,469
Administration fees	(6,979,086)	(6,903,750)
CLOSING BALANCE OF MEMBER BENEFITS	4,277,056,507	3,737,974,018

OTHER INFORMATION ABOUT BUSSQ

BUSSQ SUBSIDIARY COMPANIES

BUSSQ provides advice via Skylight Financial Solutions ABN 46 076 835 848 AFSL 450 139 a fully owned entity of BUSSQ (Queensland) Pty Ltd ABN 15 065 081 281. Until 1 July 2017 this entity was known as Building Super Pty Ltd trading as BUSSQ Financial Planning. Advice is provided to BUSSQ members in relation to their superannuation and pension needs. If this advice is limited to contributions, insurance or investment choice, advice is provided at no extra cost as the cost for this advice is included in the fund's administration fees. Any advice outside of this scope is provided to both members and non-members on a fee for service basis.

TRANSFERRING YOUR ACCOUNT

If a member has less than \$6000 in their account and we are unable to contact them, we are required by law to transfer the money to the ATO. We may also transfer funds to the ATO in other circumstances required by law. Refer to ato.gov.au for more information. During 2016-2017 BUSSQ did not transfer monies unless required by legislation.

COMMISSIONS

No commissions are payable by BUSSQ to any financial planner for advice to use any product in the BUSSQ portfolio.

FEES AND OTHER COSTS

BUSSQ's Product Disclosure Statements (PDS) give full explanations of all fees and other costs that you may be charged. Please be sure to read the PDS applicable to your membership. Current PDS's are available on our website at bussq.com.au or we can mail one to you at your request. Fees and costs may be deducted from your account, from the returns on your investment or from the Fund assets as a whole. Taxes and insurance costs are also set out in the PDS. BUSSQ is run as a profit for members fund which means that all profits are returned to members. Any future fee increase will only be required to cover the costs of running the Fund.

OTHER DIRECT CHARGES AGAINST MEMBERS' ACCOUNTS

Contributions tax

Employer contributions and voluntary contributions for which members claim a tax deduction are taxed at 15 per cent. This tax is deducted from members' accounts at the end of each relevant month. When the Fund calculates the overall contributions tax to pay to the ATO, administration fees and insurance premiums are claimed as a deduction. The benefit of this is passed on to all members when setting the administration and insurance deductions.

Superannuation surcharge tax

The surcharge was abolished effective 1 July 2005. However, the Fund will continue to receive surcharge assessments from the Australian Taxation Office (ATO) in respect of liabilities that relate to financial years prior to 1 July 2005. As with past practice, the Fund will debit any surcharge amount from members' accounts on receipt of surcharge assessments from the ATO. Any amounts paid to the ATO are deducted directly from your account and will be shown on your Annual Benefit Statement.

OBJECTING TO YOUR ASSESSMENT

If you have a complaint about any information that the Fund sends to the ATO, you should first make a formal complaint in writing through the Fund's enquiry and complaints procedure (please refer to page 23 for contact details).

If you have an objection to a surcharge tax assessment, you can lodge an appeal with the ATO by calling **13 10 20**. If your complaint cannot be resolved to your satisfaction, you can then lodge a complaint with the Superannuation Complaints Tribunal (SCT).

The SCT is an independent body set up by the Federal Government to assist members in resolving complaints. The SCT can only assist you after you have first attempted to resolve your concern with BUSSQ. You can contact the SCT on **1300 884 114**.

As well as this Annual Report, a range of information about BUSSQ is available to you including your Annual Member Statement, the BUSSQ Product Disclosure Statements (PDS), the Trust Deed, BUSSQ's group life insurance policy and the latest audited BUSSQ Accounts and Auditor's Report.

If you or your beneficiaries would like a copy of these documents, or if you need more information about your benefits, BUSSQ will be pleased to help.

AML/CTF

BUSSQ(Queensland) Pty Ltd is a reporting entity under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 as it provides a designated service under the Act.

BUSSQ(Queensland) Pty Ltd is enrolled with the Australian Transaction Reports and Analysis Centre ("AUSTRAC"), the governing body relating to AML/CTF and complies with all current legislation.

Risk Management Framework

To act in the best interests of our Members, BUSSQ has in place a Board approved risk management framework. The Board is ultimately responsible for the management of risk, but has delegated oversight to the Risk Management Committee. BUSSQ complies with the key legislative requirements regarding risk management and in addition adopts the international standard (ISO 31000).

A Board approved Risk Appetite Statement is in place to monitor the acceptable risk taken to achieve BUSSQ's objectives.

Additionally, BUSSQ ensures compliance with the Superannuation Prudential Standard 220 with the implementation of internal and external audit procedures. Board approved auditors declare their independence to ensure the integrity of auditing during the financial reporting process.

Conflict of Interest Management

In line with Superannuation Prudential Standard 521, BUSSQ has in place a framework to identify, avoid and manage conflicts of interest and duty.

WHAT TO DO IF YOU HAVE ANY QUESTIONS OR COMPLAINTS

BUSSQ can help if you have a question about your super. If you are not happy with any aspect of BUSSQ and wish to make a formal complaint, you should write to:

The Complaints Officer
BUSSQ
GPO Box 2775
Brisbane QLD 4001

The Complaints Officer will investigate your complaint on your behalf and write to inform you of the results of that investigation within 90 days.

If the matter is not resolved to your satisfaction, you may appeal to the Superannuation Complaints Tribunal (SCT). The SCT is an independent body set up by the Government to help members or their beneficiaries resolve superannuation complaints. It is a free service. Before you contact them, however, you must first try to resolve the issue through BUSSQ and the Trustee.

The SCT will only handle certain types of complaints and time limits may apply for lodging certain types of complaints. If the SCT accepts your complaint, it will try to help you and the Trustee reach a mutual agreement through conciliation. If this is not successful, the SCT will make a decision that is binding on all parties.

For more information on this process and to find out whether the tribunal can handle your complaint, you should first call the SCT on **1300 884 114** (for the cost of a local call) or write to the:

Superannuation Complaints Tribunal
Locked Bag 3060
GPO MELBOURNE VIC 3001
Email info@sct.gov.au
or visit the SCT website at sct.gov.au

ARREARS POLICY

The Fund takes its responsibility to ensure that members receive their legislated or Enterprise Bargaining Agreement (EBA) entitlements very seriously. The Fund uses a process of reminder communications and telephone calls to follow up employers who have missed contributions. If contributions remain unpaid, the Fund refers the matter to either the relevant union where an EBA is in place, or to you, so that you can make a complaint to the Australian Taxation Office. The Fund will also take legal action against employers where applicable. However, the Fund takes great care to protect members' personal data in these processes. The Fund also has a service to assist members to follow up unpaid superannuation. Please call the Fund office on **1800 856 722** if you require assistance.

PRIVACY POLICY

BUSSQ's privacy policy is available at bussq.com.au or call us and we'll send you a copy.

TRUST DEED

The Trust Deed is a legal document that sets out how the Fund is to be operated. The Trust Deed must also operate within the superannuation legislation.

TEMPORARY RESIDENTS DEPARTING AUSTRALIA

From 1 July 2002, if you entered Australia on an eligible temporary resident's visa and have subsequently permanently departed Australia, you are able to claim payment of any superannuation you may have accumulated. You are unable to apply for the payment of your benefit until after you have permanently departed Australia. Tax will be deducted before payment of your benefit.

If you do not claim your monies within six months of leaving Australia or expiry of your visa, we are required to transfer the monies to the Australian Taxation Office (ATO). The ATO will not pay interest on these monies. Once your monies have been transferred to the ATO, you must contact the ATO should you wish to make a claim. Under relief granted by the Australian Securities and Investments Commission (ASIC), BUSSQ is not obliged to advise you when monies have been transferred or provide an exit statement.

Australian citizens who permanently depart Australia are not eligible to claim their benefits under this condition. New Zealand citizens who have been working temporarily in Australia are also not eligible when they leave Australia.

Further information regarding this can be found on the ATO website (ato.gov.au).

BUSSQ PROPERTY TRUST

BUSSQ Properties Pty Ltd trading as BUSSQ Property Trust was set up in October 2011. BUSSQ (Queensland) Pty Ltd is the sole investor in BUSSQ Properties Pty Ltd. The Property Trust was set up as an investment vehicle to purchase the office building at 299 Coronation Drive, Milton. The objectives are that this is a successful investment with positive returns to BUSSQ Members, and it is a tenancy for the BUSSQ Fund Office.

COMBINED FINANCIAL SERVICES GUIDE

WHAT YOU SHOULD KNOW ABOUT THIS GUIDE

This Joint Financial Services Guide (FSG) has been prepared, authorised and issued by BUSS (Queensland) Pty Ltd (ABN 15 065 081 281, AFSL 237860) as Trustee for BUSSQ (ABN 85 571 332 201) (the Trustee), Skylight Financial Solutions Pty Ltd (ABN 46 076 835 848, AFSL 450139) (Skylight) and by Link Advice Pty Ltd (ABN 36 105 811 836, AFSL 258145) (Link Advice). The distribution of this FSG by the Trustee, Skylight and Link Advice has been authorised by all parties.

The Trustee has contracted with Australian Administration Services Pty Limited (ABN 62 003 429 114) (AAS) to provide member and employer administration services in relation to BUSSQ. Link Advice is a wholly owned subsidiary of AAS and authorises certain AAS employees to provide general financial product advice to BUSSQ members through the member contact centre. The purpose of this FSG is to help you decide whether to use the services offered by the Trustee, Skylight and/or Link Advice. This FSG will provide you with information about the services provided by the Trustee, Skylight and Link Advice, and how their respective representatives are remunerated in relation to the financial services offered and how complaints against BUSSQ, Skylight and Link Advice are dealt with.

The Trustee is authorised to:

1. Provide financial product advice for the following classes of financial products:
 - i Superannuation, and
2. Deal in a financial product by:
 - i Issuing, applying for, acquiring, varying or disposing of a financial product in respect of the following classes of financial products:
 - a) deposit and payment products limited to non-cash payments products, and
 - b) superannuation.

The financial services provided by BUSSQ may include personal or general advice on:

- Rolling over superannuation benefits
- Salary sacrifice
- Voluntary contributions
- Member investment choice
- Insurance benefits
- Account based pension
- Spouse contributions
- Superannuation legislation
- Tax on superannuation, and
- Other superannuation issues.

Skylight is authorised to provide financial advice and deal on your behalf in relation to:

- Deposit and Payment Products - Basic Deposit
- Deposit Products – other than Basic Deposit Products
- Deposit and Payment Products - Non-cash Payment
- Government Debentures, Stocks or Bonds
- Investment Life Insurance Products
- Life Risk Insurance Products
- Managed Investment Schemes, including Investor Directed Portfolio Service
- Retirement Savings Account Products
- Securities
- Superannuation

Skylight does not provide advice in relation to:

- Stock selection
- Direct property
- Share placement
- General insurance products

Link Advice and its representatives are authorised (among other things) to deal in and to provide general financial product advice in relation to superannuation products.

Before making any decisions to acquire a BUSSQ or other financial product, you should read the relevant Product Disclosure Statement (PDS) and/or obtain professional financial advice. The PDS provides information about the benefits, including fees and risks, associated with that product.

WHAT IS GENERAL ADVICE?

General advice is advice that does not take into account your individual objectives, financial situation or needs and as such the advice may not be appropriate for your circumstances. You should assess your own financial needs and/or obtain advice from a qualified professional before acting on general advice. General advice is provided by the Trustee, Skylight and Link Advice. Advice regarding your BUSSQ membership is included as part of your BUSSQ membership fee. There is no additional cost to you for this service.

WHAT IS PERSONAL ADVICE?

Personal advice is advice that does take into account your individual objectives, financial situation or needs. Skylight provides personal financial advice on behalf of the Trustee to BUSSQ members, and also to other clients. Whenever Skylight provides you with Personal advice, a Statement of Advice (SOA), also known as a financial plan, will be provided.

The Trustee or Skylight will always tell you about:

- Any fees that will be paid in dollar amounts, in relation to a product or strategy that is recommended.
- Any limitations on the advice they can give you

When a representative of the Trustee or Skylight recommends a particular financial product, a PDS will always be provided to allow you to make an informed decision.

WHAT IS THE COST?

Link Advice does not receive specific remuneration relating to the services offered that have been outlined in this guide. AAS is remunerated by the Trustee for the contracted administration services that it provides to the BUSSQ fund, as a whole. The Trustee levies fees and charges on individual members to cover the operating costs of the fund (including administration costs). For information relating to the administration fees levied on members, please refer to the relevant Product Disclosure Statement (PDS). Link Advice and AAS do not pay or receive commissions. In some circumstances, Link Advice representatives may receive performance-based bonuses (paid by Link Group). These bonuses are discretionary and dependent on the achievement of predetermined compliance and service standards and business objectives.

Where required by legislation, the Trustee provides a fee for service approach when providing personal financial advice about superannuation matters. This advice is provided by Skylight. This ensures you only pay for the advice that you need.

The cost of Skylight providing straightforward personal advice is included in the BUSSQ administration fees. There are no additional fees or charges for this service. As BUSSQ is an industry super fund, all profits go to the members and not to shareholders. Straightforward personal advice is single issue advice such as:

- Insurance
- Contributions
- Investment Choice

Where advice other than general advice or straightforward advice as outlined above is provided, the cost of this advice will be at an hourly rate of \$150 including GST.

Skylight will discuss and agree with you the cost of the advice before it is provided. All representatives are salaried employees and are not paid any commissions for providing services to you.

Neither the Trustee or Skylight Directors or our representatives receive hard or soft dollar bonuses as a direct result of providing advice to you. Directors of the Trustee and Skylight representatives do not receive commissions or bonuses as a result of the services offered to you by our representatives. Any surplus generated from fees or charges are retained to be used for the benefit of BUSSQ members. The Trustee does not pay any commissions to any third party who may refer you to BUSSQ.

WHAT COMPENSATION ARRANGEMENTS ARE IN PLACE?

The Trustee, Skylight and Link Advice each have in place adequate arrangements, including Professional Indemnity insurance, to compensate clients, fund members or their beneficiaries for loss or damage suffered as a result of breaches of any relevant legislative obligations by the Trustee, Skylight, Link Advice or their respective representatives/employees including claims in relation to the conduct of representatives/employees who no longer work for the licensees (but who did at the time of the relevant conduct). These arrangements satisfy the requirements of section 912B of the *Corporations Act 2001* (Cth).

HOW IS MY INFORMATION PROTECTED?

BUSSQ respects the privacy of its members. The Trustee and Skylight only collect information that is necessary to manage your account, provide financial advice, meet any legislative requirements and provide you with opportunities available to you as a member or client, or as otherwise permitted by law. We may share this information between the Trustee and Skylight as related companies. The BUSSQ Privacy Statement is available at bussq.com.au and the Skylight Privacy Statement is available at skylight.com.au.

Link Advice and AAS are subject to the Link Group Privacy Policy, a copy of which is available at linkgroup.com/privacy.html

WHAT RELATIONSHIPS OR ASSOCIATIONS MAY INFLUENCE THE ADVICE GIVEN TO ME?

Link Advice representatives may be members of BUSSQ. BUSSQ and Skylight Directors and representatives may be members of the BUSSQ Fund. BUSSQ and Skylight Directors may hold directorships in funds in which BUSSQ invests. BUSSQ is an investor in Members Equity. Master Builders Queensland Insurance Services, which is owned by Master Builders Queensland, arrange certain insurances on behalf of the Trustee. BUSSQ uses OnePath (a company of ANZ) for the provision of Group Life Cover.

BUSSQ makes available a Clearing House to its employers and utilises SCH Online. SCH Online is a non-cash payment product issued by Pacific Custodians Pty Limited (ABN 66 009 682 866, AFSL 295142)(Pacific Custodians) and operated by The Superannuation Clearing House Pty Limited (ABN 15 086 576 721)(TSCH).

Pacific Custodians, TSCH, Link Advice and AAS are all related bodies corporate and members of the Link Group of companies. For more information about the Link Group, please visit: linkgroup.com. BUSSQ has no association or relationship with any other product issuer and does not receive any benefit from any relationship that could influence the providing of advice.

WHAT IF I AM NOT HAPPY WITH THE ADVICE GIVEN?

For all complaints you should initially contact the Complaints Officer at BUSSQ, Skylight or AAS. You can do this by telephone, post, fax or email. We will consider your complaint and will usually respond within 30 days. We will make all reasonable efforts to resolve your complaint quickly and fairly.

If you are not satisfied with the way your complaint is handled, or with the resolution, you may contact the Superannuation Complaints Tribunal (SCT). The SCT is an independent body set up by the Federal Government to assist members or their beneficiaries to resolve certain superannuation complaints. The SCT may be able to assist you to resolve your complaint, but will only become involved after you have made use of BUSSQ's internal complaints handling processes.

To find out whether your complaint can be handled by the SCT, and the type of information you would need to provide them with, please contact them at:

Superannuation Complaints Tribunal

MAIL Locked Bag 3060
Melbourne VIC 3001

PHONE 1300 884 114

EMAIL info@sct.gov.au

WEB www.sct.gov.au

If your unresolved complaint is outside the jurisdiction of the SCT, and relates to general financial product advice, you may have the right to take your complaint to the Financial Ombudsman Service (FOS). FOS is an independent body that has been set up to assist consumers in the resolution of complaints relating to financial services. FOS can be contacted at:

Financial Ombudsman Service Limited

MAIL GPO Box 3, Melbourne VIC 3001

PHONE 1800 367 287

EMAIL info@fos.org.au

WEB www.fos.org.au

WHO IS RESPONSIBLE FOR THE ADVICE GIVEN TO ME?

Link Advice is responsible for advice given to you by AAS representatives, BUSS (Queensland) Pty Ltd is responsible for the advice given to you by BUSSQ, and Skylight Financial Solutions Pty Ltd is responsible for advice given to you by Skylight. You may be provided with written material or communications including emails, which may contain general advice and the entity that prepared that written material is responsible for that advice. All contact with the BUSSQ telephone contact centre will be with an AAS representative. If you are referred for personal advice on that call this will be provided by a Skylight representative, on behalf of BUSSQ. The representative assisting you is a salaried employee who is authorised to give you general or personal advice. The representative will inform you under which category they operate in terms of their advice status.

WHO IS BUSSQ?

BUSSQ is a profit for members' industry superannuation fund. BUSS (Queensland) Pty Ltd is the Trustee of the Fund. The Fund is a regulated fund under Commonwealth legislation. As a result, the Fund is able to obtain taxation advantages and can accept Superannuation Guarantee (SG) Contributions. The Trustee holds an Australian Financial Services License which allows the Fund to provide superannuation advice to retail clients.

BUSS (Queensland) offers these products:

- An authorised MySuper product
- A superannuation accumulation fund for choice members
- A Child Income Account
- A Transition to Retirement Income Account
- An account based Income Account
- A Term Allocated Pension.

BUSSQ Staff provide general advice on the abovementioned products. Personal Financial Advice to BUSSQ members is provided by Skylight Financial Solutions.

WHO CAN JOIN BUSSQ?

Anyone can join BUSSQ. This includes on site and off site workers, clerical workers, apprentices, professionals, spouses, family and friends, and working directors. You don't have to be connected to the building industry to join the fund.

ABOUT SKYLIGHT'S FINANCIAL PLANNERS

Our Planners and staff are salaried employees who are authorised to give you advice within the terms of our AFSL. Not all Skylight Financial Solutions representatives are authorised to provide advice in all of these products or services. They will advise you of what they are eligible to give advice on at the time.

Our employees and representatives receive a salary and an annual bonus which is determined by the meeting of overall business objectives primarily focused upon client service standards. They do not receive personal payments (hard or soft dollars) or commissions for the recommendation or sale of any products.

Skylight Financial Solutions does not pay any commissions to any third party whatsoever.

HOW DO I CONTACT BUSSQ?

WEB bussq.com.au
EMAIL super@bussq.com.au
PHONE 1800 MY BUSSQ (1800 69 2877)
MAIL BUSSQ PO Box 1526
Milton QLD 4064
VISIT BUSSQ 299 Coronation Drive,
Milton QLD 4064

HOW DO I CONTACT SKYLIGHT?

WEB skylight.com.au
PHONE 1800 SKYLIGHT (1800 759 544)
EMAIL advice@skylight.com.au
MAIL SKYLIGHT PO Box 1526
Milton QLD 4064
VISIT SKYLIGHT 299 Coronation Drive
Milton QLD 4064

HOW DO I CONTACT AAS?

WEB aas.com.au
EMAIL aasenquiries@aas.com.au
PHONE 02 8571 5000
FAX 02 8571 5555
VISIT 1A Homebush Bay Drive,
Rhodes NSW 2138

HOW DO I CONTACT LINK ADVICE?

WEB linkadvice.com.au
EMAIL advice@linkadvice.com.au
PHONE 1300 734 007
MAIL PO Box 240 Parramatta NSW 2124
VISIT 1A Homebush Bay Drive,
Rhodes NSW 2138



BUSSQ CUSTOMER SERVICE

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POSTAL ADDRESS PO Box 1526, Milton QLD 4064

OFFICE BUSSQ has offices in various locations.

For details, go to bussq.com.au and search 'visit us'.

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