

ANNUAL REPORT 2017/2018



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

**SCOTTY JONES,
BUSSQ MEMBER**

BUSSQ.COM.AU



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This Annual Report covers

BUSSQ MySuper

BUSSQ Premium Choice

BUSSQ Pension Choice (now known as BUSSQ Income Account)

Child Income Account

Term Allocated Pension and

Transition to Retirement Pension (now known as Transition to Retirement Income Account)

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 CHAIR



I became chair of the BUSSQ Board of Directors towards the end of what has been a busy year of growth for BUSSQ.

In August 2017 we launched Skylight Financial Solutions, a financial advice company built by BUSSQ to provide families with better, more affordable financial advice solutions. Skylight's successful first year was highlighted by being named the exclusive partner for the provision of financial advice to the Building Employees Redundancy Trust (BERT), enabling us to provide more for workers in the building and construction industry.

To further support our growing, national membership base, this year we expanded our network of member and employer services. We now have permanent representatives providing face to face service and education in New South Wales, the Australian Capital Territory, Northern Territory and Queensland.

Late in the year the royal commission into financial services focused its investigation on superannuation. The inquiry questioned the conduct of a number of super funds revealing unfavourable practices and highlighting funds that are failing to act in the best interests of their members.

BUSSQ was not called to provide evidence as part of the royal commission inquiry and our focus as a national industry fund continues to be on providing positive outcomes for members.

It's our commitment to delivering more for members that Chant West recognised in awarding BUSSQ Specialist Fund of the Year in 2018 for providing personalised and specialised services for our members.

The fund was also acknowledged by SuperRatings in 2018 with our MySuper, Premium Choice and Pension Choice products awarded SuperRatings Platinum rating and SuperRatings 10 year Platinum Performance for delivering consistent, industry leading performance.

The fund continued to deliver consistently strong long term returns for members this year with our average return over 33 years, since inception in 1985, sitting at 9.85% (calculated at 30 June 2018).

Investment returns were also solid over the last year in our Balanced Growth option with an average return of 8.79% for super members and 10.47% for Pension members. For super members in the Balanced Growth option we also delivered a leading 10 year return of 6.86%.

We are proud to be delivering for our members and I'd like to thank the team for their continued hard work and dedication. I look forward to what the next year will bring for BUSSQ.












A handwritten signature in dark ink that reads "Paula Masters".

Paula Masters

Chair

ABOUT BUSSQ

- ✓ **BUSSQ IS A NATIONWIDE INDUSTRY SUPER FUND FOR THE BUILDING, CONSTRUCTION AND CIVIL INDUSTRIES**
- ✓ **BUSSQ \$4.8 BILLION STRONG**
- ✓ **OVER 83,000 MEMBERS**
- ✓ **OVER 15,000 PARTICIPATING EMPLOYERS**
- ✓ **LOW FEES**
- ✓ **PROFIT FOR MEMBERS**
- ✓ **STRONG LONG TERM INVESTMENT RETURNS**

BUSSQ'S 2017/18 RETURNS IN BRIEF	Super	Pension
PREMIXED		
 Balanced Growth	8.79%	10.47%
 Defensive	6.65%	8.17%
 High Growth	9.96%	12.39%
SINGLE ASSET CLASS		
 Cash	1.63%	2.44%
 Diversified Fixed Interest	1.56%	2.37%
 Australian Shares	13.42%	15.65%
 Australian (Larger Companies) Shares*	12.90%	15.05%
 Australian (Small Companies) Shares	14.29%	16.53%
 All Shares	12.26%	14.32%
 International Shares	11.58%	13.48%
 International Shares (Emerging Markets)	8.40%	10.21%

Past performance is not an indication of future performance.

* The Australian (Larger Companies) Shares option closed from 1 November 2018.

BUSSQ FEATURES AND BENEFITS



Strong investment returns

BUSSQ is one of Australia's leading super funds consistently delivering strong long term returns for members. BUSSQ's MySuper, Premium Choice and Pension Choice products have also been awarded *SuperRatings* Platinum Rating for providing the greatest potential to maximise members' retirement savings in a well serviced environment.



Profits are returned to members

Our members always come first. Profits are returned to members, unlike many other super funds that pay a portion of their profits to shareholders and commissions to agents. This means more money for members.



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.



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.



Financial planning advice

Financial Planners from Skylight, built by BUSSQ, offer financial advice ranging from simple, straightforward advice at no cost to BUSSQ members*, to more complex advice on a competitive 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.

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1800 MY BUSSQ
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* Personal limited financial advice about super including contributions and choosing insurance and investment options, is provided by Skylight Financial Solutions at no extra cost to BUSSQ members as it is included in BUSSQ's administration fees. Skylight (ABN: 46 076 835 848 AFSL 450 139) also offers members and non-members more complex financial advice on a fee for service basis in person or over the phone. BUSS(Queensland) Pty Ltd ABN: 15 065 081 281 AFS Licence: 237 860 BUSSQ ABN: 85 571 332 201.

FINANCIAL PLANNING

In August 2017 BUSSQ launched Skylight Financial Solutions to deliver more for families in and around building and construction. We saw a need to provide families with better, more affordable financial solutions, and from this Skylight was born.

Financial Planners from Skylight provide straightforward financial advice for BUSSQ members, including advice on choosing investment and insurance options and salary sacrifice at no extra cost*.

Skylight also provides a full range of tailored financial solutions on an affordable fee for service basis. From simple banking and budgeting tools, to business planning and complex financial strategies, Skylight can help you get your finances sorted, wherever you are in life.

Best of all, profits don't go to shareholders; they go back into running and building Skylight to help people live a better life today while building their biggest and brightest tomorrow.



Financial solutions for wherever you are in life.

Skylight was built by BUSSQ to provide families in and around building, construction and civil with better, more affordable financial solutions.

We can help you with:

- Insurance
- Salary sacrifice
- Wealth creation
- Transition to retirement strategy
- Investment planning

SKYLIGHT
FINANCIAL SOLUTIONS

Shine a light on what's possible. Find out more at skylight.com.au or by calling 1800 SKYLIGHT • 1800 759 544.

IMPORTANT INFORMATION The advice supplied in this publication is general advice only and does not take into account or consider your personal objectives, financial situation or needs. Before acting on this information you should consider the appropriateness of the information to your individual needs or seek advice. Prepared by Skylight Financial Solutions Pty Ltd (ABN 46 076 835 848, AFSL 450139) owned by BUSS (Queensland) Pty Ltd (ABN 15 065 081 281).

* Personal limited financial advice about super including contributions and choosing insurance and investment options, is provided by Skylight Financial Solutions at no extra cost to BUSSQ members as it is included in BUSSQ's administration fees.

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 Construction, Forestry, Mining and Energy Industrial Employees Union of Queensland 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
PAULA MASTERS - CHAIR (SINCE 2015)	GRANT GALVIN (SINCE 2014)
RON MONAGHAN (SINCE 2015)	PAUL BIDWELL (SINCE 2014)
WALLACE TROHEAR (SINCE 1993)	SONYA BEYERS (SINCE 2018)

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 2017/2018 financial year:

Audit, Compliance and Risk Management Committee

- Wallace Trohear (Chairman)
- Paula Masters
- Sonya Beyers
- Leonie Taylor (Bentleys) – Attendee
- Adrian O’Grady – Attendee

Investment Committee

- Grant Galvin (Chairman)
- David O’Sullivan
- Wallace Trohear
- Paul Bidwell
- Ron Monaghan

Remuneration and Nominations Committee

- Wallace Trohear (Chairman)
- Paula Masters
- Sonya Beyers
- Grant Galvin

Insurance Committee

- Paul Bidwell (Chairman)
- Ron Monaghan
- Grant Galvin
- Paul Richards
- 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

- Link Group Fund Administration

External auditor

- Ernst and Young

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 2017/2018 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.

The Trustee of the fund holds a 100% share of Skylight Financial Solutions Pty Ltd (Skylight), on behalf of the Fund. Certain directors and key management personnel of the Trustee are directors of Skylight. Transactions are made at market rates. The amounts outstanding are unsecured and will be settled in cash. No expenses for bad or doubtful debts have been recognised during the year in respect to amounts owed by related parties.

SALARY REVIEWS

The Board is committed to providing an environment for BUSSQ staff that is equitable, transparent and engaging, with equal opportunities for advancement. Each year the Board reviews salaries in line with McGuirk Management Consultants' benchmarking to ensure salary bands for each position ranking remain in line with industry.

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.

2017/2018 INVESTMENT REPORT

The 2017/2018 financial year was another excellent year for investors again driven by strong returns from Australian (13.2%) and Global (15.3%) stock markets. The world stock markets have been in a bull upward phase for nine and a half years. This is a very long market cycle which is likely to be near its peak.

Global markets responded positively to US stimulatory measures such as corporate tax cuts and reduced regulation. Other markets such as commercial real estate, infrastructure and private equity were also strong. Again bond returns were weak as the US Government continued its cycle of increasing interest rates.

These strong market conditions allowed the BUSSQ Super Balanced Growth investment option to return 8.79% after tax for the financial year (10.47% for the Pension Balanced Growth). With inflation running at less than 2%pa, this represents a 6% real rate of return which is well above long term expectations. All other options other than cash and fixed interest also delivered strong returns.

The main market drivers were:

- Positive economic growth across nearly all world economies, particularly in the USA
- Continued low inflation and low interest rates although starting to increase
- Pro-growth and pro-business policies introduced by the US Government
- Mounting confidence in major technology companies delivering further growth and profits




The pre-tax performance of our asset class portfolios was:

- Australian shares returned 14.1% which was a little better than the broad market
- International shares returned 12.7% which was lower than the broad market due to a heavy weighting of emerging markets
- Infrastructure returned 13.6%, an excellent outcome
- Property returned a steady 10.2%
- Private equity returned an excellent 21.1%
- Fixed interest returned just 2%
- Agriculture returned 6.9%
- Cash returned 2.2%

Since 30 June 2018, markets have been quite volatile with concerns about rising long term interest rates in the US. For the 3 months to 30 September 2018 the Balanced Growth option has returned 1.5%. For some time we have believed that financial markets look fully priced and we are taking a cautious approach going forward.




PENSION PRE-MIXED INVESTMENT OPTIONS

PRE-MIXED OPTIONS

<div></div> <div>BALANCED GROWTH</div>	<div></div> <div>DEFENSIVE</div>	<div></div> <div>HIGH GROWTH</div>																																																																											
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SUPER PRE-MIXED INVESTMENT OPTIONS

PRE-MIXED OPTIONS

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<div>Overview</div> <div>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.</div>	<div>Overview</div> <div>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.</div>	<div>Overview</div> <div>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 5.5 years.</div>																																																																											
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<div>Target asset allocation</div> <div><table><tr><td>Australian Shares</td><td>26.0%</td><td><div></div></td></tr><tr><td>International Shares</td><td>25.0%</td><td><div></div></td></tr><tr><td>Property</td><td>13.0%</td><td><div></div></td></tr><tr><td>Infrastructure</td><td>12.5%</td><td><div></div></td></tr><tr><td>Fixed Interest</td><td>10.0%</td><td><div></div></td></tr><tr><td>Opportunistic Debt</td><td>5.0%</td><td><div></div></td></tr><tr><td>Agriculture</td><td>4.0%</td><td><div></div></td></tr><tr><td>Opportunistic Growth</td><td>2.5%</td><td><div></div></td></tr><tr><td>Cash</td><td>2.0%</td><td><div></div></td></tr></table></div>	Australian Shares	26.0%	<div></div>	International Shares	25.0%	<div></div>	Property	13.0%	<div></div>	Infrastructure	12.5%	<div></div>	Fixed Interest	10.0%	<div></div>	Opportunistic Debt	5.0%	<div></div>	Agriculture	4.0%	<div></div>	Opportunistic Growth	2.5%	<div></div>	Cash	2.0%	<div></div>	<div>Target asset allocation</div> <div><table><tr><td>Fixed Interest</td><td>22.0%</td><td><div></div></td></tr><tr><td>Cash</td><td>22.0%</td><td><div></div></td></tr><tr><td>Infrastructure</td><td>12.5%</td><td><div></div></td></tr><tr><td>Property</td><td>12.5%</td><td><div></div></td></tr><tr><td>Australian Shares</td><td>10.0%</td><td><div></div></td></tr><tr><td>International Shares</td><td>9.5%</td><td><div></div></td></tr><tr><td>Opportunistic Debt</td><td>6.5%</td><td><div></div></td></tr><tr><td>Agriculture</td><td>4.0%</td><td><div></div></td></tr><tr><td>Opportunistic Growth</td><td>1.0%</td><td><div></div></td></tr></table></div>	Fixed Interest	22.0%	<div></div>	Cash	22.0%	<div></div>	Infrastructure	12.5%	<div></div>	Property	12.5%	<div></div>	Australian Shares	10.0%	<div></div>	International Shares	9.5%	<div></div>	Opportunistic Debt	6.5%	<div></div>	Agriculture	4.0%	<div></div>	Opportunistic Growth	1.0%	<div></div>	<div>Target asset allocation</div> <div><table><tr><td>Australian Shares</td><td>33.0%</td><td><div></div></td></tr><tr><td>International Shares</td><td>31.0%</td><td><div></div></td></tr><tr><td>Property</td><td>13.0%</td><td><div></div></td></tr><tr><td>Infrastructure</td><td>12.5%</td><td><div></div></td></tr><tr><td>Agriculture</td><td>4.0%</td><td><div></div></td></tr><tr><td>Opportunistic Debt</td><td>4.0%</td><td><div></div></td></tr><tr><td>Opportunistic Growth</td><td>2.5%</td><td><div></div></td></tr></table></div>	Australian Shares	33.0%	<div></div>	International Shares	31.0%	<div></div>	Property	13.0%	<div></div>	Infrastructure	12.5%	<div></div>	Agriculture	4.0%	<div></div>	Opportunistic Debt	4.0%	<div></div>	Opportunistic Growth	2.5%	<div></div>
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<div>Suggested minimum time horizon</div> <div>At least five years</div>	<div>Suggested minimum time horizon</div> <div>At least three years</div>	<div>Suggested minimum time horizon</div> <div>At least 10 years</div>																																																																											
<div>Risk factor</div> <div><div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div><div>1234567</div><div>Very LowLowLow to MediumMediumMedium to HighHighVery High</div></div>	<div>Risk factor</div> <div><div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div><div>1234567</div><div>Very LowLowLow to MediumMediumMedium to HighHighVery High</div></div>	<div>Risk factor</div> <div><div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div><div>1234567</div><div>Very LowLowLow to MediumMediumMedium to HighHighVery High</div></div>																																																																											

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 standalone 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 standalone 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 100%</p>	Target asset allocation <p>Diversified Fixed Interest 100%</p>	Target asset allocation <p>Australian Shares 100%</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

 AUSTRALIAN (LARGER COMPANIES) SHARES	 AUSTRALIAN (SMALL COMPANIES) SHARES	 ALL SHARES
Overview <p>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.</p>	Overview <p>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.</p>	Overview <p>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.</p>
Investment objective <p>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.</p>	Investment objective <p>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.</p>	Investment objective <p>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.</p>
Target asset allocation <p>Australian (Larger Companies) Share 100%</p>	Target asset allocation <p>Australian (Small Companies) Shares 100%</p>	Target asset allocation <p>Australian Shares 50% International Shares 50%</p>
Suggested minimum time horizon <p>At least 10 years</p>	Suggested minimum time horizon <p>At least 10 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

 INTERNATIONAL SHARES	 INT. (EMERGING MARKETS) SHARES
Overview <p>This investment option is for investors looking for a standalone 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.</p>	Overview <p>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.</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>	Investment objective <p>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.</p>
Target asset allocation <p>International Shares 100%</p>	Target asset allocation <p>International (Emerging Markets) Shares 100%</p>
Suggested minimum time horizon <p>At least 10 years</p>	Suggested minimum time horizon <p>At least 10 years</p>
Risk factor 	Risk factor 

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

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.

BUSSQ INVESTMENT RETURN HISTORY

INVESTMENT OPTION	INVESTMENT RETURNS FOR THE YEAR ENDED 30 JUNE						COMPOUND AVERAGE RETURN OVER 5 YEARS % p.a.	COMPOUND AVERAGE RETURN OVER 3 YEARS % p.a.
		2018 %	2017 %	2016 %	2015 %	2014 %		
PREMIXED								
Balanced Growth	Super	8.79	9.76	7.00	9.80	12.66	9.59	8.51
	Pension	10.47	9.40	7.48	10.65	14.52	10.48	9.11
Defensive	Super	6.65	5.85	5.63	6.36	7.99	6.49	6.04
	Pension	8.17	6.05	6.25	7.15	9.24	7.36	6.82
High Growth	Super	9.96	11.16	7.36	10.71	14.37	10.69	9.48
	Pension	12.39	11.56	7.68	11.38	16.39	11.84	10.52
SINGLE ASSET CLASS								
Cash	Super	1.63	1.75	1.91	2.21	2.35	1.97	1.76
	Pension	2.44	2.08	2.27	2.61	2.81	2.44	2.26
Diversified Fixed Interest	Super	1.56	2.17	2.66	3.09	4.48	2.79	2.13
	Pension	2.37	2.56	3.16	3.65	5.33	3.41	2.70
Australian Shares	Super	13.42	13.15	6.93	6.02	17.30	11.28	11.13
	Pension	15.65	15.02	7.81	6.76	19.69	12.88	12.77
Australian (Larger Company) Shares	Super	12.90	13.13	5.65	5.78	16.51	10.71	10.51
	Pension	15.05	15.00	6.33	6.46	18.75	12.21	12.05
Australian (Small Company) Shares	Super	14.29	12.55	10.13	7.22	22.07	13.14	12.31
	Pension	16.53	14.27	11.15	8.15	24.98	14.88	13.96
All Shares	Super	12.26	14.99	5.29	12.48	17.02	12.34	10.77
	Pension	14.32	17.01	5.32	14.08	19.38	13.92	12.10
International Shares	Super	11.58	16.47	3.62	18.55	17.81	13.47	10.43
	Pension	13.48	18.49	3.33	20.95	20.25	15.11	11.59
International (Emerging Market) Shares	Super	8.40	15.67	-6.82	13.78	11.81	8.25	5.32
	Pension	10.21	17.86	-8.32	16.46	14.31	9.66	6.00

Note: All rates are after tax, where applicable, 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.

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 2018 %
AUSTRALIAN SHARES	
ELLERSTON	6.8%
HYPERION	4.7%
IFM	5.8%
PERPETUAL	2.2%
WARAKIRRI	5.9%
TOTAL AUSTRALIAN SHARES	25.4%
INTERNATIONAL SHARES	
ACADIAN	0.3%
AQR	2.2%
IFP	7.4%
JANUS HENDERSON	0.7%
LAZARD	2.6%
ORBIS	4.8%
PLATINUM	1.4%
SANDS	2.5%
TOTAL INTERNATIONAL SHARES	21.9%
OPPORTUNISTIC GROWTH	
BUILDING SUPER PTY LTD	0.0%
GARDIOR	0.1%
INDUSTRY SUPER HOLDINGS PTY LTD	0.1%
NEWBURY EQUITY PARTNERS	0.2%
OAKTREE	0.2%
P A PRIVATE	0.0%
QBLK	0.0%
RHO	0.1%
SIGULER GUFF	0.3%
STAFFORD PRIVATE EQUITY	0.3%
WILSHIRE	0.1%
WASATCH	0.8%
TOTAL OPPORTUNISTIC GROWTH	2.3%
INFRASTRUCTURE	
ENERGY INFRASTRUCTURE TRUST	2.3%
GARDIOR	8.1%
IFM	1.0%
MACQUARIE	0.5%
TOTAL INFRASTRUCTURE	11.9%

DIRECT PROPERTY	
AMP CAPITAL INVESTORS	4.7%
BUSSQ PROPERTY TRUST	0.2%
INVESTA	1.9%
QIC	6.6%
TOTAL DIRECT PROPERTY	13.4%
AGRICULTURE	
MACQUARIE PASTORAL FUND	2.8%
STAFFORD INTERNATIONAL TIMBERLAND	0.5%
TOTAL AGRICULTURE	3.2%
OPPORTUNISTIC DEBT	
BARINGS	1.3%
GAM	0.9%
HAYFIN	0.7%
MAN GLG	0.2%
SECURIS	0.4%
WESTBOURNE	1.0%
TOTAL OPPORTUNISTIC DEBT	4.5%
DERIVATIVE	
CHALLENGER	0.7%
TOTAL DERIVATIVE	0.7%
FIXED INTEREST	
IFM SLT	0.0%
CFS	2.6%
PIMCO	5.7%
TERM DEPOSITS	1.3%
TOTAL FIXED INTEREST	9.5%
CURRENCY HEDGE	
TGM	0.0%
TOTAL CURRENCY HEDGE	0.0%
CASH	
COLONIAL FIRST STATE	0.1%
RESIDUAL CASH	3.1%
TERM DEPOSITS	3.9%
TOTAL CASH	7.0%
TOTAL	100.0%
TOTAL	\$4,824,920,321

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 2017 to 30 June 2018 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, 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 three ways to change your investment selection:

1. Over the phone by calling BUSSQ on **1800 MY BUSSQ (1800 69 2877)**.
2. Online by logging into **MemberAccess** on **bussq.com.au**.
3. 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 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

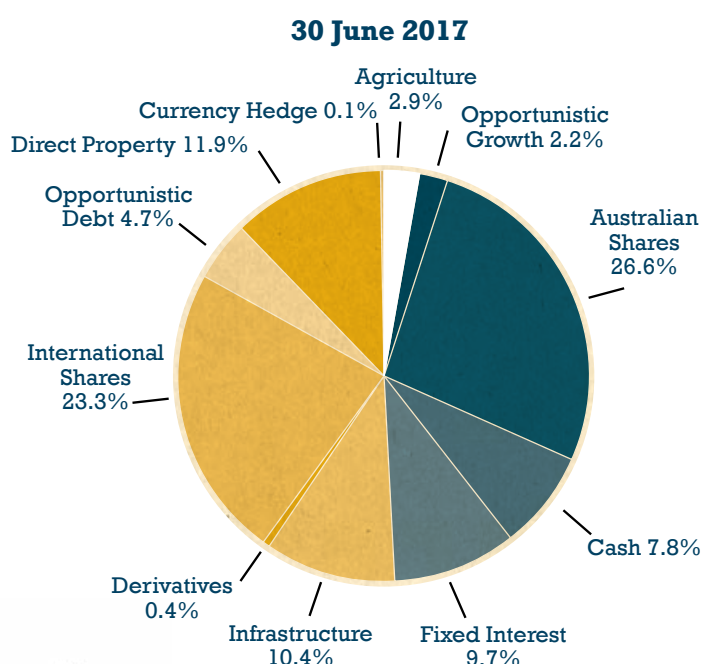
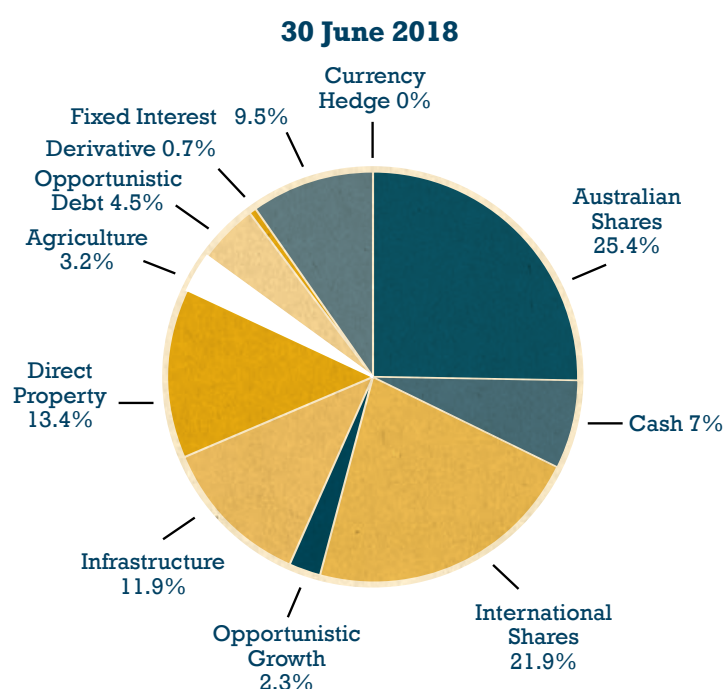
The Trustee recognises that BUSSQ Pension members may have a lower risk appetite. Therefore BUSSQ seeks to reduce volatility to Pension members.

From 1 July 2017 Transition to Retirement Pension account earnings are subject to tax 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. As at 30 June 2017 and 30 June 2018, 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 2018 are as follows (these fees include GST attributable to investment costs):

SUPER	
PRE MIXED	
Balanced Growth	1.04%
Defensive	0.85%
High Growth	1.08%
SINGLE ASSET CLASS	
Cash	0.23%
Diversified Fixed Interest	0.68%
Australian Shares	0.78%
Australian (Larger Companies) Shares	0.86%
Australian (Small Companies) Shares	0.66%
All Shares	0.87%
International Shares	0.96%
International Shares (Emerging Markets)	1.29%

PENSION	
PRE MIXED	
Balanced Growth	1.09%
Defensive	0.86%
High Growth	1.12%
SINGLE ASSET CLASS	
Cash	0.24%
Diversified Fixed Interest	0.66%
Australian Shares	0.79%
Australian (Larger Companies) Shares	0.87%
Australian (Small Companies) Shares	0.67%
All Shares	0.88%
International Shares	0.97%
International Shares (Emerging Markets)	1.30%

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%. This ratio was not exceeded during the 2017/2018 financial year.

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 2017/2018 financial year, the Trustee maintained an administration reserve consisting of a general reserve and an Operational Risk Financial Reserve.

From 30 June 2018, the reserve level has been set as 0.5%. Included in this 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	
2018	\$28,835,318
2017	\$21,036,959
2016	\$21,755,218

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

Ernst and Young 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-18 \$	30 JUN-17 \$
Assets		
Cash and cash equivalents	16,382,741	23,249,698
Receivables	2,083,613	1,310,663
Investments		
Cash and short term deposits	38,986,205	37,319,491
Pooled Superannuation Trusts	4,756,609,411	4,261,079,556
Domestic Property	11,019,485	13,388,121
Property, plant and equipment	1,476,112	1,601,172
Deferred tax assets	1,758,070	1,495,901
TOTAL ASSETS	4,828,315,637	4,339,444,602
Liabilities		
Payables	(5,526,800)	(5,277,778)
Income tax payable	(36,924,552)	(36,073,283)
Deferred tax liabilities	(99)	(72)
Total liabilities excluding member benefits	(42,451,451)	(41,351,133)
NET ASSETS AVAILABLE FOR MEMBER BENEFITS	4,785,864,186	4,298,093,469
Member benefits		
Allocated to members	(4,756,350,942)	(4,276,282,558)
Unallocated to members	(677,926)	(773,952)
Total member liabilities	(4,757,028,868)	(4,277,056,510)
NET ASSETS	28,835,318	21,036,959
Equity		
Other reserves	16,921,576	9,926,686
Operational risk reserve	11,913,742	11,110,273
TOTAL EQUITY	28,835,318	21,036,959

INCOME STATEMENT

	30 JUN-18 \$	30 JUN-17 \$
Interest	845,349	1,074,771
Distributions from unit trusts	436,232	485,838
Changes in assets measured at fair value	397,518,152	369,119,523
Other income	89,313	232,611
TOTAL SUPERANNUATION ACTIVITIES INCOME	398,889,046	370,912,743
Investment expenses	(50,795)	(47,729)
Administration expenses	(5,785,209)	(5,332,110)
Operating expenses	(11,772,549)	(10,584,103)
Anti detriment expenses	(455,138)	(661,607)
Other expenses	(5,853,482)	(5,335,362)
TOTAL EXPENSES	(23,917,173)	(21,960,911)
Net result from superannuation activities	374,971,873	348,951,832
Profit from operating activities	374,971,873	348,951,832
Less: Net benefits allocated to members' accounts	(375,276,697)	(358,804,384)
Profit/(loss) before income tax	(304,825)	(9,852,551)
Income tax expense/(benefit)	(8,103,183)	(9,094,140)
PROFIT AFTER INCOME TAX	7,798,358	(758,411)

STATEMENT OF CHANGES IN MEMBER BENEFITS

	30 JUN-18 \$	30 JUN-17 \$
Opening balance of member benefits	4,277,056,510	3,737,974,018
<i>Contributions:</i>		
Employer	299,567,524	294,158,109
Member	37,863,999	52,000,246
Transfer from other superannuation plans	106,679,429	137,682,383
Government co-contributions	292,517	352,468
Income tax on contributions	(45,710,635)	(44,534,645)
NET AFTER TAX CONTRIBUTIONS	398,692,834	439,658,561
Benefits to members/beneficiaries	(289,902,978)	(253,473,866)
Insurance premiums charged to members' accounts	(33,438,106)	(33,428,014)
Death and disability insurance benefits credited to members' accounts	29,343,910	27,521,427
<i>Benefits allocated to members' accounts, comprising:</i>		
Net investment income	382,108,695	365,783,470
Administration fees	(6,831,997)	(6,979,086)
CLOSING BALANCE OF MEMBER BENEFITS	4,757,028,868	4,277,056,510

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.

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 and Skylight Financial Solutions.

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 2017-2018 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 PDSs 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.

MORE INFORMATION

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. There is a formal procedure to deal with any complaint or dispute that may arise about the operation or management of the scheme. If you are not happy with any aspect of your contact with 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 you are not satisfied with BUSSQ's handling of your complaint or its resolution, you may contact the Australian Financial Complaints Authority (AFCA). AFCA provides a fair and independent financial services complaint resolution that is free to consumers. AFCA may be able to help resolve your complaint, but only after you have taken the step of writing to the BUSSQ Complaints Officer. AFCA contact details are:

WEB www.afca.org.au
EMAIL info@afca.org.au
PHONE 1800 931 678 (free call)

POSTAL ADDRESS
Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001

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).

COMBINED FINANCIAL SERVICES GUIDE

WHAT YOU SHOULD KNOW ABOUT THIS GUIDE

This Joint Financial Services Guide (FSG) has been prepared, authorised and issued by BUSSQ (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 Australian Financial Complaints Authority (AFCA). AFCA provides a fair and independent financial services complaint resolution that is free to consumers. AFCA may be able to help resolve your complaint, but only after you have taken the step of writing to the BUSSQ Complaints Officer. AFCA contact details are:

WEB www.afca.org.au
EMAIL info@afca.org.au
PHONE 1800 931 678 (free call)

POSTAL ADDRESS

Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001

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 1369
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

WEB bussq.com.au

PHONE 1800 MY BUSSQ (1800 69 2877)

EMAIL super@bussq.com.au

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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