

# UNIT PRICING AT TEAM SUPER

Although you are not issued units, we use unit prices to value your account.

## What is unit pricing?

Unit pricing is when your account is broken down into units, just like shares in a company. Each unit has a price that goes up and down in value. This allows you to see the value of your investment as the number of units held and as a dollar value.

## Benefits of unit pricing

- **Up to date account values** – Unit pricing allows you to see an up to date account balance, so keeping track of your super or pension is easier.
- **Best practice** – Unit pricing is the most common way super funds value members' accounts.
- **Equitable** – Unit pricing is an accurate and timely way to allocate changes to your super's value.

## How does unit pricing work?

Using a unit price to calculate the value of your account is similar to the way you calculate the value of shares you may own.

Each day the unit price is re-calculated and the value of your account goes up and down depending on whether the unit price has gone up or down that day. When you contribute more money you're allocated more units using the unit price for the relevant day. Conversely the number of units you have reduces if you withdraw money from your account.

Our unit pricing practices are in accordance with Team Super's unit pricing policies and procedures.

## How is the unit price calculated?

The unit price for each investment option is calculated daily, taking into account asset values and an estimate of fees and, where applicable, tax.

Unit prices may move up or down depending on investment returns.

### Step 1

At the end of each day, we value the assets in each investment option.

### Step 2

We then deduct fees, such as investment manager fees and tax on earnings, leaving us with the net asset value for each investment option.

### Step 3

We then divide the net asset value of each investment option by the number of units issued for that investment option and arrive at the unit price.

### Step 4

The number of units allocated to your account are multiplied by the daily unit price to determine the value of your account.



The unit price for super and pension investments options vary because they have different fees and generally, pension option investment earnings aren't taxed.

## Latest declared unit price

When you check your account balance, it's important to know that it isn't calculated using that day's unit price. Your account balance is calculated using the 'latest declared unit price'.

It generally takes one business day for us to receive the day's transaction and valuation information from each investment manager, verify and collate this information for each investment option then calculate and declare the unit price.

## Unit prices - pension payments and withdrawals

When we process your pension payment or withdrawal, we use the unit price for the date we receive your withdrawal form or the date we process your pension payment.

It generally takes one business day to finalise this unit price. For example, if we process your withdrawal or pension payment on a Tuesday, we'll use the unit price for that Tuesday which is set on the Wednesday.

It then usually takes one business day for the funds to be paid to you.

## How your account operates

Your account is valued using the latest declared daily unit price for each investment option you're invested in multiplied by the number of units you hold in each investment option.

### Paying contributions into Team Super

Every time you make a contribution to your super account you're allocated units. The number of units you're allocated is based on the unit price on the day you make the payment.

**Example:** if you pay \$50 into your account and the unit price is \$1.00, you're allocated 50 units. These units are then added to the total units allocated to your account.

### Withdrawing your money

When you withdraw money we deduct units from your account. The amount we deduct is based on the unit price on the day we receive your completed withdrawal form.

**Example:** if you withdraw \$1,000 and the unit price is \$1.00, the number of units deducted from your account will be 1,000 units. This method is also used to pay your administration fee and any insurance costs.

### Changing investment options

When you change investment options, you're selling units in one investment option and buying units in another.

**Example:** you switch 100 units from the Balanced investment option at a unit price of \$1.00 to the Growth investment option at a unit price of \$1.10. You're therefore switching \$100 (100 units x \$1.00) from Balanced, which would buy 90.91 units in Growth (100 units divided by \$1.10).

## Keeping track of your investments

Go to [teamsuper.com](https://teamsuper.com) to see our latest investment performance and declared unit prices.

You can also check your account balance by logging in to your online account using your member number and password. Your account balance is calculated using the latest declared unit price.

We also send you a member statement once a year showing how your investment options performed.

### Examples – how unit pricing works

Alice joined Team Super with \$65,000 in her super account. On this day each unit was valued at \$1.00, so Alice was allocated 65,000 units.

#### When investment earnings are positive the unit price increases

Over the next few weeks the market performed well, experiencing increasing investment returns, and each unit is now worth \$1.03. This means when Alice checks her account balance it's worth \$66,950 (65,000 units x \$1.03).

#### When investment earnings are negative the unit price falls

Following the rise the market experienced a slight fall and the unit price dropped to \$1.02. Alice's account balance is now worth \$66,300 (65,000 units x \$1.02).

#### When you put money into your super account you're buying additional units

Alice makes regular contributions to her Team Super account and deposits \$100. As each unit price is worth \$1.02, Alice's contribution buys her 98.04 units and her account balance is now worth \$66,400 (65,098.04 units x \$1.02).

#### When you take money out of your super account you're selling units

Alice pays regular insurance premiums of \$20 from her Team Super account. When her premium is deducted she sells 19.6 units (\$20 divided by \$1.02) and her account balance is now worth \$66,380 (65,078.43 units x \$1.02).

#### Each investment option has its own unit price

At the same time, George was invested in a different investment option to Alice. George also started with 65,000 units, however his investment option experienced higher investment earnings and each unit is now worth \$1.04. This means George's account balance is worth \$67,600 (65,000 units x \$1.04).