

Making a change to your investments – switching between options

At NESS Super, you can invest in one or any combination of the investment options available. You can also enjoy the flexibility to rearrange your investment mix whenever you like, by requesting to switch between the options. Naturally, we suggest seeking advice before doing so, to ensure your investments match your overall risk profile and time horizon.

As each underlying investment option within NESS Super is *revalued on a weekly basis, in arrears*, any market movement (up or down) that occurs between the date you request a switch (the request date) and the date of processing (the effective date) will impact your balance, and the revaluation becomes the commencement value in your newly requested option/s.

The timing of switches is described within all NESS Super Product Disclosure Statements and Additional Information publications, under the sections entitled '*How to make or change your investment choice*'; '*Making or changing Investment Choice*'; and '*How do I change my investment choice*'. It is very important to note that all switches collected during the weekly cycle are only processed each Thursday, and that different deadlines exist to synchronise with the weekly investment option valuation protocol, based on how and when you submit the switch request. To be very clear, your switch will not take place until it is processed by NESS Super and you will remain invested in the prior option/s until it is processed.

Why only weekly?

NESS Super receives valuations from its investment manager for the underlying investments only on a weekly basis. We believe that this is appropriate, as superannuation is a long-term investment. While we accept that this is cold-comfort during this difficult and turbulent time, we believe that history demonstrates that after significant downturns and market movements like we are experiencing now, comes a rebound.

Case study 1 – Web based switch request received before 11.59pm Monday.

Acting on advice sought, Jarred arranges to switch his investment mix. On Monday 13th January (a normal business day) he logs onto the MemberAccess area of the NESS Super web site. He uses the *INVESTMENTS* tab to view his balance & investment mix. He then chooses to diversify, by selecting the *CHANGE INVESTMENTS* tab. At this stage, Jarred lodges the request online by simply selecting his preferred new percentage split across the options available (totalling 100%). He then reads and agrees to the Terms and Conditions. He takes note of the next switch effective date, listed as Thursday 16th January; confirms the change and submits his request. Soon after, Jarred receives an email confirming he has successfully updated his investment mix, showing his new percentage allocation and reiterating the switch effective date as Thursday 16th January. In this example, Jarred is subject to the minimum of 3 days' of market fluctuations.

It is important to note, if Jarred's request was received after midnight Monday, the effective date would be pushed out by up to 1 week to the Thursday 23rd January, exposing him to extra market fluctuations.

Case Study 2 – Paper based request to switch – received after 4.00pm Monday

Using the same principle above, but this time Jarred does not want to make the request online, so he accesses the *Change my Investment Choice* form, via the NESS Super website, (under Forms & Documents tab). He completes the form, scans and emails it to NESS Super at 4.30pm on Monday 13th January. If the email request was received by NESS prior to 4.00pm, the effective processing date would be Thursday 16th January, but as Jarred has missed the 4.00pm cut-off time, the switch effective date will be the following Thursday 23rd January. In this example Jarred is subject to the maximum 8 days' of market fluctuations.

In each case study, if the investment markets rose whilst his switch was pending, Jarred's balance would have increased and if the markets fell, his balance would have declined.

The following table shows the effective date based on timing of Investment switch requests:

Method	Received date / time	Effective date to be processed	Maximum wait for next switch date
Web based	Prior to 11.59pm Monday*	Thursday same week	3 days
Web based	After 12 midnight Monday*	Thursday following week	8 days
Paper based	Prior to 4.00pm Monday*	Thursday same week	3 days
Paper based	After 4.00pm Monday*	Thursday following week	8 days

* If Monday is a public holiday, the request must be received the prior business day, as per deadline times above.