

Simple Super Tailored Super

This document provides additional information to the Simple Super and the Tailored Super Product Disclosure Statement (PDS) and should be read in conjunction with the current PDS.

A printed copy of this document can be obtained free of charge by contacting our Customer Service Centre on 133 056.

Contents

- 2 **Section 1** What type of contributions can be made?
- 4 **Section 2** What risks apply to investing?
- 7 **Section 3** What are my investment options?
- 12 **Section 4** What fees and costs apply?
- 15 **Section 5** How is my super taxed?
- 17 **Section 6** What about insurance?
- 23 **Section 7** When can I access my super?
- 24 **Section 8** How will the benefit be paid upon Death?
- 26 **Section 9** What is the Super Directions for Business Rollover Section?
- 29 **Section 10** What other information do I need to know?

What type of contributions can be made? /

Concessional contributions

Concessional contributions include:

- employer contributions (such as Superannuation Guarantee (SG), award and salary sacrifice contributions)
- personal contributions for which a tax deduction has been claimed by the member, and
- certain distributions from reserves to members (eg distributions from Plan Reserves).

SG/award contributions	SG and award contributions are compulsory contributions paid into your account by your employer. The amount your employer must contribute is set by legislation and is a percentage of your before-tax income. At present, the SG contribution percentage is set at 9% of your salary.
Additional employer contributions	Your employer can make extra contributions to your account in addition to compulsory SG contributions. These extra contributions may include payments for insurance premiums and fees.
Salary sacrifice contributions	Salary sacrifice contributions are deducted from your before-tax salary. You will need to check that your employer allows this arrangement.
Secondary employer contributions	If you have a second job, the Fund can accept contributions from a secondary employer.
Directed termination payment (DTP)	An employment termination payment arising from an entitlement outlined in an employment contract that was in place before 10 May 2006 and is contributed into an employee's super account before 1 July 2012.

Concessional contributions exclude certain special amounts, such as amounts transferred from foreign super funds reflecting investment earnings while the member was an Australian resident.

Concessional contributions cap

From 1 July 2010, a cap of \$25,000 per person per year applies to concessional contributions. The cap is indexed.

A transitional concessional contributions cap of \$50,000 per person per year will apply for people who are aged 50 years and over on the last day of a financial year until 1 July 2012. This transitional cap will not be indexed. From 1 July 2012, the concessional contributions cap for individuals aged 50 and over will reduce to \$25,000 (indexed).

Non-concessional contributions

Non-concessional contributions are contributions made to a super fund that are generally from a member's after-tax income. For example:

Personal contributions	You can arrange with your employer to make regular contributions via a payroll deduction from your after tax salary. Alternatively, you can make contributions directly to us. If you make personal contributions you may qualify for the government's co-contribution scheme (see to the right for more details).
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However, some exceptions to this rule apply. Non-concessional contributions do not include certain special amounts, such as:

- contributions arising from certain personal injury payments or settlements, and
- proceeds from the sale of certain small business assets.

Non-concessional contributions cap

From 1 July 2010, an annual cap of \$150,000 per person applies to non-concessional contributions.

Members under age 65 on 1 July can make non-concessional contributions up to \$450,000 averaged over three years. Members aged 65 or over on 1 July can only make non-concessional contributions up to \$150,000 in that year and each subsequent year to age 75. The non-concessional contributions cap will be calculated as six times the level of the concessional contributions cap.

The Trustee is prevented by law from accepting a non-concessional contribution that is greater than three times the non-concessional cap. The Trustee is required by law to refund the excess contribution and is entitled to deduct an administration fee and any transaction costs and premiums that have been paid in relation to insurance cover for a specific period.

For more information on the contribution caps please contact your plan's financial adviser.

Other contributions

Other contributions the Fund may accept include:

Government co-contributions	Payments made by the government to super accounts of certain low income earners who make non-concessional personal contributions and who are either employees or who generate at least 10% of their income from business activities.
Rollovers or transfers from other super funds	If you are entitled to a benefit from another super fund, deferred annuity, Retirement Savings Account (RSA) or approved deposit fund, you may choose to roll over the amount and consolidate your super benefits under this Fund. This may also be the simplest and most cost-effective approach to keep track of your super benefits.
Transfers from overseas funds	The Fund is eligible to accept overseas transfers. For more details please contact your plan's financial adviser.

Government co-contributions

Simple Super and Tailored Super can accept government co-contributions from the Australian Taxation Office (ATO). To be eligible for the co-contribution you must:

- make personal (non-concessional) super contributions to a complying super fund
- have total income (assessable income plus reportable fringe benefits and salary sacrifice contributions) within prescribed government limits. For the current limits refer to the ATO website at www.ato.gov.au
- earn 10 per cent or more of your total income from eligible employment or business activities
- not hold an eligible temporary resident visa at any time during the year
- lodge an income tax return for the year of income, and
- be less than 71 years old at the end of the year of income.

Section 1 What type of contributions can be made?

Rollovers or transfers from other super funds

Consolidation of previous super accounts

You can choose to consolidate everything into this Fund to save on fees and help you to keep track of your benefits.

There are three simple steps to follow:

Step 1 Gather your statements

Locate your old super statements to obtain your policy numbers from those statements. When you have the information about your other super funds, you need to decide whether to proceed with consolidating your super. You may have significant benefits, such as insurance cover, which you might lose, or incur an exit fee in your old fund. We suggest you contact the specific super fund for further details regarding exit/termination fees and/or speak to your plan's financial adviser who can help you with this decision.

Step 2 Fill out the External rollover/transfer request form at the back of the PDS

You can photocopy the form if you have more than one super fund to consolidate.

Step 3 Return it to AXA

Customer Service Centre, PO Box 14669, MELBOURNE VIC 8001

Are you having trouble locating your previous super accounts?

AXA will provide your super member information to the ATO, including account details and tax file number (TFN), for the purposes of searching for lost super accounts via the ATO's SuperMatch system.

The ATO will check the information supplied by us against its lost members register in order to identify funds belonging to you. If funds are identified the ATO will notify you in writing. This service is provided free of charge and will help you to better manage your super for your retirement. Alternatively, you can search the lost members register by accessing the ATO website at www.ato.gov.au.

How you can contribute to super

The following table outlines the contribution standards that apply to you.

Your age	Types of contributions
Under 65	<ul style="list-style-type: none">▪ Mandated employer contributions (eg SG and award)▪ Employer voluntary contributions▪ Personal contributions (made by you or by someone else on your behalf)▪ Government co-contributions
Age 65 to 69	<ul style="list-style-type: none">▪ Mandated employer contributions (eg SG and award)▪ Employer voluntary contributions once you have been gainfully employed for at least 40 hours in a period of no more than 30 consecutive days in the financial year▪ Personal contributions (made by you or by someone else on your behalf) once you have been gainfully employed for at least 40 hours in a period of no more than 30 consecutive days in the financial year▪ Government co-contributions
Age 70 to 74	<ul style="list-style-type: none">▪ Mandated employer contributions (eg award)▪ Employer voluntary contributions once you have been gainfully employed for at least 40 hours in a period of no more than 30 consecutive days in the financial year▪ Personal contributions made by you once you have been gainfully employed for at least 40 hours in a period of no more than 30 consecutive days in the financial year▪ Government co-contributions (up to and including age 70)
Age 75+	<ul style="list-style-type: none">▪ Mandated employer contributions only (eg award)

What risks apply to investing? /

Risk versus return and your risk profile

When investing your money through Simple Super or Tailored Super you can choose from four main asset classes:

- Cash
- Fixed interest
- Property
- Shares.

Each asset class is classified as:

- conservative, moderate or aggressive growth/return
- conservative, moderate or aggressive risk.

Typically there is a relationship between the potential growth/return of an asset class and the level of risk associated with investing in that asset class.

When selecting asset classes it is important to establish your attitude towards risk.

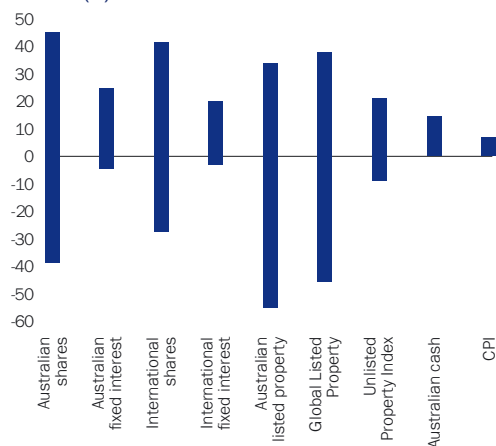
Highs and lows of asset class returns

The graph below shows the highest and lowest returns achieved for each of the main asset classes over a 12-month period for each sector.

Returns December 1990 – December 2010

Highest and lowest one-year returns range for calendar years ending 31 December 1990 to 31 December 2010

Returns (%)



Australian shares: S&P/ASX 300 Accumulation Index (ASX All Ordinaries Accum Index to March 2000)

Australian fixed interest: UBSA Composite Bond Index (All Maturities)

Cash: UBSA Bank Bill Index

International fixed interest: Barclays Capital Global Aggregate Hedged in \$A (JPM Global Government Bond (Hedged) ex-Aust prior to September 2002)

International shares: MSCI World ex Australia in \$A (unhedged)

Australian listed property: S&P/ASX 300 AREIT Accumulation Index in \$A merged (ASX Property Accum Index to March 2000)

Global Listed Property: UBS Global Investors Index in AUD Hedged Net Div

Unlisted Property Index: Mercer Unlisted Property Fund Index

CPI: Headline Consumer Price Index All Groups

Source: Bloomberg, Mercer, Iress.

Please note: Past performance is not indicative of future performance.

Fixed interest

Fixed interest, also called bonds and debt securities, is usually loans to government organisations or major companies that are to be repaid at an agreed time.

There are different types of bonds, including:

- federal, state and overseas government bonds issued by government authorities
- corporate bonds issued by companies
- bonds issued to finance infrastructure projects such as roads, or
- inflation-linked bonds usually issued by the government where the interest is based on the inflation rate.

Fixed interest produces returns via:

- interest, or
- changes in the value of bonds.

The investment features of fixed interest are:

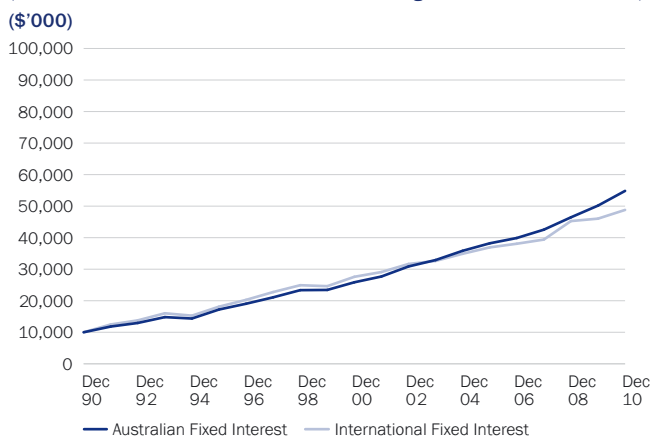
- classified as a defensive asset class
- typically earns medium investment returns over the longer term, and
- experiences medium risk.

Historical performance

The graph below shows the value of \$10,000 invested in fixed interest from December 1990 to December 2010.

Investment market returns

20 years of investment market returns to the end of December 2010 (based on an investment of \$10,000 starting on 31 December 1990)



Source: Bloomberg, Mercer, Iress.

Please note: Past performance is not indicative of future performance.

Expected rate of growth

Fixed interest is expected to have moderate growth over the long term. The average annual return before inflation over the 20-year period since 1990 for Australian fixed interest was 8.5 per cent per annum and for International fixed interest was 9.0 per cent per annum.

The average inflation rate during this period was 2.6 per cent. Generally, fixed interest offers more secure income flow and capital value with opportunity for capital gains when interest rates fall.

Section 2 What risks apply to investing?

Level of risk

Moderate. There is a medium degree of risk, but it is still subject to volatility from year to year.

Property

You can invest in property by either purchasing direct property or you can invest through the purchase of shares in a property trust, which are bought and sold on the stock market.

Property investment may earn money for its owners via:

- rental income
- increase in value and potential sale price, or
- increase in share price.

The investment features of property are:

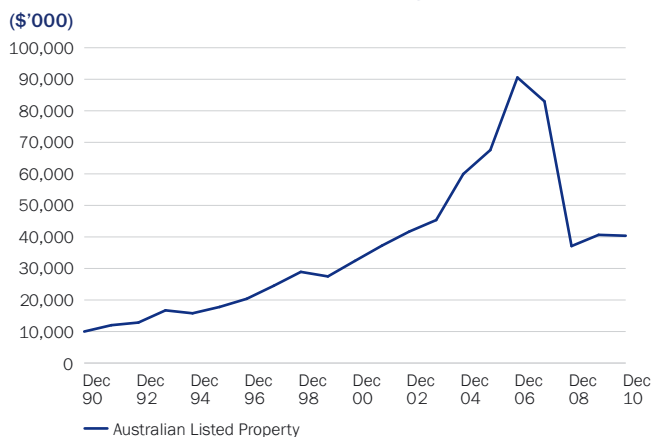
- classified as a growth asset
- typically earn medium to high investment returns over the longer term, and
- experience a medium to high degree of volatility on a year-to-year basis.

Historical performance

The graph below shows the value of \$10,000 invested in property from December 1990 to December 2010.

Investment market returns

20 years of investment market returns to the end of December 2010 (based on an investment of \$10,000 starting on 31 December 1990)



Source: Bloomberg, Mercer, Iress.

Please note: Past performance is not indicative of future performance.

Expected rate of growth

Property is expected to have moderate to higher growth/returns over the long term than other asset classes. The average annual return was 9.5 per cent per annum before inflation over the 20-year period since 1990. The average inflation rate during this period was 2.6 per cent per annum.

Level of risk

Moderate to aggressive. The property market has a medium to high volatility from year to year.

People who invest in property should be prepared to invest for the long term to gain the higher returns that are generally produced.

Shares

Investments in shares, sometimes called equities, are investments in companies. The value of the shares will be determined by the stock market.

The investment features of shares are:

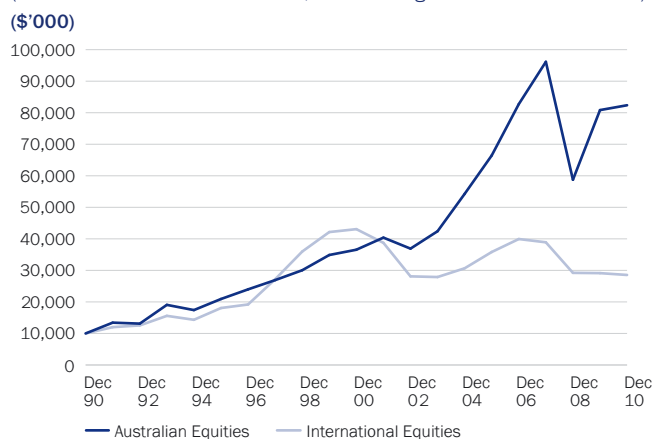
- classified as a growth asset
- typically earns higher investment returns over the longer term, and
- experiences short-term volatility based on the ups and downs of the stock market and the company's performance.

Historical performance

The graph below shows the value of \$10,000 invested in Australian and international shares from December 1990 to December 2010.

Investment market returns

20 years of investment market returns to the end of December 2010 (based on an investment of \$10,000 starting on 31 December 1990)



Source: Bloomberg, Mercer, Iress.

Please note: Past performance is not indicative of future performance.

Expected rate of growth

There may be high growth over the longer term for shares.

The average annual return before inflation over the 20-year period since 1990 for Australian shares was 12.8 per cent per annum and for international shares was 6.8 per cent per annum. The average inflation rate during this period was 2.6 per cent per annum.

Generally, shares are expected to have a higher growth/return over the long term than most other asset classes.

Level of risk

Aggressive. There is high volatility within the stock market from year to year.

People who invest in shares should be prepared to invest for the long term to gain the higher returns that are generally produced over a longer period.

Section 2 What risks apply to investing?

Time of investment

It is generally advisable that the more volatile or riskier the asset, the longer it should be held. This allows for short-term downward fluctuations, with the prospect of recovery and growth over the longer term.

If you have a long time until retirement, an investment strategy with a higher risk may be appropriate. You will have time to 'ride out' short-term fluctuations in returns as a trade-off for expected better longer-term returns. Your plan's financial adviser can assist you.

If you are about to retire, you may want to protect your retirement savings with a more conservative investment strategy.

Additional risks

The general sources of investment risk can be split into several categories such as:

Market risk

This is the risk of falls in the prices of assets within a particular market. Movements in interest and inflation rates and changes in government taxation, legislation and market sentiment can be more volatile due to systematic risks associated with global or local political, economic and social policies. Market risk may apply to all of the investment portfolios.

Currency risk

The risks that movements in foreign currency will adversely affect the domestic value of a portfolio's overseas investments and the income from these investments. This includes portfolios investing in international fixed interest and international equities. In some instances, hedging – the protection of an investment by taking an offsetting currency position to insure against adverse currency movements – is used by some investment managers to protect against currency risk.

Security or share-specific risk

This is the risk that applies to an individual investment within an investment portfolio. Examples may include the unforeseen entry of a new competitor into the market.

Securities lending risk

This is the risk that the borrower may default on the repayment of the loan, may become insolvent or may be unable to, or refuse to, honour its obligations to return the loaned assets. In such instances, the portfolios may experience delays in recovering loaned assets or may incur a capital loss or loss of other entitlements they would have received if they had not loaned the assets.

National Mutual Funds Management Limited (NMF) and ipac will only lend to an approved list of borrowers, require the borrower to increase value of collateral if the value of the loan increases, will only accept approved collateral and can rely upon contractual guarantees.

Any cash collateral received as part of a securities lending program is subject to the general investment risks outlined here. While cash collateral is invested with the aim of generating positive returns, there may be periods where return is negative.

Legislative risk

Changes to superannuation legislation are made frequently, and may affect who can invest, what tax is to be paid and when and how money can be withdrawn.

Risk of delays in transactions

Delays in payments, switches and withdrawals may occur due to delays in the investment managers issuing unit prices or delaying or suspending withdrawals. As we invest in life insurance policies, the risk of experiencing a delay of payment or withdrawal is low when compared to investing in similar assets outside the Fund.

What are my investment options? /

Multi-manager diversified portfolios

Multi-manager diversified portfolios enable you to select a single investment option that is diversified across a range of asset classes and investment managers. This diversification helps reduce risk with the aim of improving the consistency of returns.

To ensure the ongoing quality of the portfolios, NMLA, in consultation with the Portfolio Manager, regularly reviews and assesses the suitability of strategies and asset allocations in each multi-manager diversified portfolio. From time to time, these reviews may lead to changes in any of the investment strategies or asset allocations. However, NMLA aims to keep investment strategies consistent with investment objectives.

Where such changes are made, they will be considered in the light of the potential impact on members. Changes may be made without prior notice to you; however, any changes will be described in the Trustee's annual report to members which is available for download from 31 March each year at axa.com.au.

Up-to-date information is available at axa.com.au or by contacting our Customer Service Centre on 133 056.

Please note: The cash flow into each portfolio may, at the discretion of NMFM, be invested in cash securities for up to one week before being passed to the Portfolio Manager.

Diversified portfolios

The diversified portfolios invest across a range of different investment markets. The maximum and minimum level of exposure to each market is determined by NMLA when formulating the portfolio's investment objectives, and then actively managed within stated ranges. The spread of assets across a number of investment markets reduces the risk of the portfolio's performance being significantly affected by the poor performance of a particular market.

As investment conditions change, the investment manager alters the portfolio's exposure to each market (within a previously determined range), with a view to maximise the portfolio's overall performance by trying to ensure that monies are invested in the best performing investment markets. This allows the investment manager to use its skill in asset selection, and also seek to predict and capitalise on the performance of different investment markets.

The investment market allocation benchmark gives an indication of the portfolio's risk profile. A member therefore need only select a portfolio with an appropriate investment objective.

Sector portfolios

The Fund offers a number of sector portfolios which invest only in assets from one investment sector (eg Australian Equities or Property). As sector portfolios are concentrated in the one investment sector they are likely to be significantly affected by various factors, including a downturn or rise in the relevant market and therefore may have a higher degree of volatility than the multi-manager diversified or diversified portfolios. You should consult with your plan's financial adviser before selecting a sector portfolio.

Investment manager selection process

Multi-manager portfolios

For all multi-manager portfolios, the Portfolio Manager (ipac) selects a range of external investment managers to carry out the day-to-day investment of each portfolio's assets. The Portfolio Manager conducts extensive research to ensure the most appropriate specialist investment managers are retained for the multi-manager portfolios. The Portfolio Manager then blends these managers to construct portfolios that aim to achieve the investment objectives of the relevant investment option outlined on pages 9 to 11. The Portfolio Manager then actively monitors and reviews these managers.

Further information on the investment managers currently used in the Simple Super and Tailored Super portfolios can be found at axa.com.au.

Other portfolios

NMLA utilises the expertise of a range of investment managers for the various asset classes. These managers may be part of the AMP Group.

Valuation of portfolio investments

At least once every calendar month, AXA determines the value of each investment portfolio except the external managed investments. External managers provide the value of the assets held by them for the Fund (after allowing for their investment manager fees).

Units and unit prices

Unit prices for each investment portfolio can fluctuate with changes in the value of the investments held within each investment portfolio and therefore are reflected in the unit prices, which can rise and fall as a result. For daily unit price updates please refer to our website axa.com.au.

Section 3 What are my investment options?

Securities lending

Multi-manager portfolios

ipac may from time to time participate in a securities lending program in its capacity as Responsible Entity of the underlying investment trusts which are invested into by the multi-manager portfolios. In exchange for the borrowed securities ipac will receive collateral not less than 100 per cent of the value of the assets loaned. Acceptable collateral may include cash, shares and bonds. Cash collateral will be invested in Australian or overseas cash management trusts or like funds. The collateral is surrendered on condition of the return of the borrowed security. ipac may place restrictions on the assets of the investment managers that are available to the securities lending program.

Any income (net of fees paid to the provider of the securities lending program) that is generated from securities lending will be applied by ipac to offset expenses on behalf of those portfolios. This may result in reduced expense recoveries. ipac does not retain any earnings from securities lending for its own benefit. Participation in securities lending is aimed at generating positive income but this is not guaranteed.

Individual manager portfolios

The investment manager of individual manager portfolios may participate in a securities lending program as part of their investment strategies.

Explanation of asset classes

- International Equities include shares in companies listed on major share markets in the US, UK, Japan and Western Europe, and may also include specific allocations to listed companies in emerging economies and smaller companies located throughout the world. The equities are diversified by type and location and there may also be foreign currency exposure.
- Australian Equities invest in a range of companies listed on the Australian share market that are representative of different industries within the Australian economy.
- Property may include property investments listed on the Australian share market and global securities exchanges and/or unlisted property trusts. To protect members from currency movements, any allocation made by AXA or ipac to global property will generally be fully hedged.
- Alternative Growth assets are those growth assets that fall outside the usual asset classes and are generally not accessible through listed markets or in an unbundled form, for example private equity, infrastructure and property-related debt. These assets play both a diversifying and return-seeking role in the portfolio with a similar expected return to that of shares and expected volatility between that of bonds and shares.
- Fixed Interest includes government and semi-government bonds and corporate fixed interest and floating interest rate securities issued by Australian or overseas governments or enterprises in order to provide a stable and secure income stream.
- Alternative Defensive assets include strategies that rely predominantly on manager skill, and include single strategy hedge funds and multi-strategy fund of hedge funds. These assets have a lower correlation with other asset classes and are independent of market direction, and consequently their inclusion reduces portfolio risk.
- Cash may include government and bank guaranteed securities and promissory notes issued by major corporations with acceptable credit ratings.
- The overall foreign currency exposure of the portfolio may be partially hedged back to the Australian dollar.

Section 3 What are my investment options?

Investment portfolios

Multi-manager diversified portfolios

Portfolio name	Investment objective ¹	Investment strategy ¹	Asset allocation ¹		Risk/return profile	Recommended minimum investment timeframe	
			Target %	Range %			
Multi-manager Secure	To provide a return (net of investment tax and investment management costs) over a rolling 5-year period, that exceeds the return from published benchmarks for each asset class ² and is competitive with comparable funds that have similar risk characteristics and allocation to defensive assets of 65% to 75%.	To invest in a diversified mix of predominantly defensive assets such as cash and fixed interest. Defensive assets will have a benchmark allocation of 70%. To invest using a range of complementary specialist investment managers.	Intl Equities	10	5–15	Conservative	3 years
			Aust. Equities	12	7–17		
			Property	5	0–12		
			Alternative Growth	3	0–5		
			Fixed Interest	48	30–70		
			Alternative Defensive	1	0–5		
			Cash	21	Balance		
Multi-manager Secure Growth	To provide a return (net of investment tax and investment management costs) over a rolling 5-year period, that exceeds the return from published benchmarks for each asset class ² and is competitive with comparable funds that have similar risk characteristics and allocation to growth assets of 45% to 55%.	To invest in a diversified mix of growth and defensive assets. Growth assets such as equities and property will have a benchmark allocation of 50% with the balance in defensive assets such as cash and fixed interest. To invest using a range of complementary specialist investment managers.	Intl Equities	18	13–23	Conservative to moderate	3 years
			Aust. Equities	22	17–27		
			Property	7	0–16		
			Alternative Growth	3	0–5		
			Fixed Interest	39	20–55		
			Alternative Defensive	1	0–5		
			Cash	10	Balance		
Multi-manager Balanced	To provide a return (net of investment tax and investment management costs) over a rolling 5-year period, that exceeds the return from published benchmarks for each asset class ² and is competitive with comparable funds that have similar risk characteristics and allocation to growth assets of 65% to 75%.	To invest in a diversified mix of growth and defensive assets. Growth assets such as equities and property will have a benchmark allocation of 70% with the balance in defensive assets such as cash and fixed interest. To invest using a range of complementary specialist investment managers.	Intl Equities	28	23–32	Moderate	4 years
			Aust. Equities	32	28–37		
			Property	7	0–16		
			Alternative Growth	3	0–8		
			Fixed Interest	25	5–35		
			Alternative Defensive	0	0–5		
			Cash	5	Balance		
Multi-manager Growth	To provide a return (net of investment tax and investment management costs) over a rolling 5-year period, that exceeds the return from published benchmarks for each asset class ² and is competitive with comparable funds that have similar risk characteristics and allocation to growth assets of 80% to 90%.	To invest in a diversified mix of primarily growth assets such as equities and property. Growth assets will have a benchmark allocation of 85% with the balance in defensive assets such as cash and fixed interest. To invest using a range of complementary specialist investment managers.	Intl Equities	36	32–42	Moderate to aggressive	5 years
			Aust. Equities	38	33–43		
			Property	7	0–16		
			Alternative Growth	4	0–10		
			Fixed Interest	14	0–20		
			Alternative Defensive	0	0–5		
			Cash	1	Balance		
Multi-manager High Growth	To provide a return (net of investment tax and investment management costs) over a rolling 5-year period, that exceeds the return from published benchmarks for each asset class ² and is competitive with comparable funds that have similar risk characteristics and allocation to growth assets of 95% to 100%.	To invest in a diversified mix of growth assets such as equities and property. Growth assets will have a benchmark allocation of 100% although up to 5% may be invested in defensive assets such as cash and fixed interest. To invest using a range of complementary specialist investment managers.	Intl Equities	47	43–55	Aggressive	7 years
			Aust. Equities	43	38–50		
			Property	4	0–10		
			Alternative Growth	5	0–10		
			Fixed Interest	0	0–5		
			Alternative Defensive	0	0–5		
			Cash	1	Balance		

1 To ensure the ongoing quality of the portfolios the investment objective, investment strategy and/or asset allocation benchmark may change at any time without notice.

2 The published benchmark returns will be adjusted for the estimated effect of investment tax.

Section 3 What are my investment options?

Diversified portfolios

Portfolio name	Investment objective ¹	Investment strategy ¹	Asset allocation ¹	Risk/return profile	Recommended minimum investment timeframe		
Guaranteed Plus	To guarantee net contributions, rollovers and interest credited. We aim to credit investment returns (net of investment tax) that exceed net bank bill rates as measured on an annual basis by the UBS Australian Bank Bill Index (adjusted for tax), with less variability in returns than would be expected of a non-guaranteed portfolio with similar asset allocation.	To invest mostly in fixed interest and cash. Fixed interest includes government bonds, corporate bonds and loans. Accumulated capital reserves are used to reduce variability in investment returns.	Target %	Range %	Conservative	2 years	
			Fixed Interest	70			50–90
			Alternative Defensive	0			0–2
			Cash	30			Balance
Security Plus²	To guarantee ³ net contributions, rollovers and interest credited. We aim to credit investment returns (net of investment tax) that exceed inflation over a rolling 3-year period, with less variability in returns than would be expected of a non-guaranteed portfolio with similar asset allocation.	To invest in a diversified mix of mostly defensive assets including cash and fixed interest securities with limited allocation to growth assets such as equities and property. Accumulated capital reserves are used to reduce variability in investment returns.	Target %	Range %	Conservative to moderate	3 years	
			Intl Equities	9			4–14
			Aust. Equities	12			7–17
			Property	9			4–14
			Alternative Growth	0			0–2
			Fixed Interest	45			35–60
			Alternative Defensive	0			0–2
Cash	25	Balance					
Secure	To provide a return (net of investment tax and investment management costs) over a rolling 5-year period that exceeds the return from published benchmarks for each asset class ⁴ and is competitive with comparable funds that have similar risk characteristics and allocation to defensive assets of 65% to 75%.	To invest in a diversified mix of predominantly defensive assets such as cash and fixed interest. Defensive assets will have a benchmark allocation of 70%.	Target %	Range %	Conservative to moderate	3 years	
			Intl Equities	9			5–15
			Aust. Equities	12			7–17
			Property	9			0–12
			Alternative Growth	0			0–5
			Fixed Interest	50			30–70
			Alternative Defensive	0			0–5
Cash	20	Balance					
Property Biased	To provide a return (net of investment tax and investment management costs) over a rolling 5-year period that exceeds the return from published benchmarks for each asset class. ⁴	To invest in a mix of growth and defensive assets, with a benchmark allocation of 40% to property. Growth assets including equities and property will have a benchmark allocation of 70% with the balance in defensive assets such as cash and fixed interest.	Target %	Range %	Moderate	4 years	
			Intl Equities	14			0–20
			Aust. Equities	16			10–30
			Property	40			35–45
			Fixed Interest	25			5–35
			Alternative Defensive	0			0–5
			Cash	5			Balance
Managed	To provide a return (net of investment tax and investment management costs) over a rolling 5-year period that exceeds the return from published benchmarks for each asset class ⁴ and is competitive with comparable funds that have similar risk characteristics and allocation to growth assets of 65% to 75%.	To invest in a diversified mix of growth and defensive assets. Growth assets such as equities and property will have a benchmark allocation of 70% with the balance in defensive assets such as cash and fixed interest.	Target %	Range %	Moderate	4 years	
			Intl Equities	26			23–32
			Aust. Equities	31			28–37
			Property	13			0–16
			Alternative Growth	0			0–8
			Fixed Interest	25			5–35
			Alternative Defensive	0			0–5
Cash	5	Balance					

1 To ensure the ongoing quality of the portfolios the investment objective, investment strategy and/or asset allocation benchmark may change at any time without notice.

2 The Security Plus portfolio is only available to members of plans that had assets invested in the portfolio prior to 26 April 1994 and continuously since that date.

3 The guarantee will not apply if your employer plan terminates, if you switch your investment to another portfolio or withdraw your non-preserved benefit. In these situations, your balance held in the Security Plus portfolio may be reduced to reflect its market value.

4 The published benchmark returns will be adjusted for the estimated effect of investment tax.

Section 3 What are my investment options?

Sector portfolios

Portfolio name	Investment objective ¹	Investment strategy ¹	Asset allocation ¹	Risk/return profile	Recommended minimum investment timeframe	
Cash	To provide a return (net of investment tax and investment management costs) that exceeds the return from the UBS Australian Bank Bill Index (adjusted for tax) on an annual basis.	To invest mainly in government and bank guaranteed securities and promissory notes issued by major corporations with acceptable credit ratings.	Cash	Target % 100	Conservative	2 years
Diversified Fixed Interest	To provide a return (net of investment tax and investment management costs) over a rolling 3-year period that exceeds the return from published benchmarks for Australian and international fixed interest securities issued by government, semi-government and corporate institutions. ²	To invest predominantly in a wide range of fixed income securities, including government, semi-government, corporate and credit-based securities.	Fixed Interest	Target % 100	Moderate	3 years
Property	To provide a return (net of investment tax and investment management costs) over a rolling 5-year period that exceeds the return from published benchmarks for unlisted property, Australian and global listed property securities. ²	To invest in a portfolio of unlisted property trusts, with Australian and global listed property securities held for liquidity and diversification. Listed property securities will include securities in property trusts and companies, and securities listed in connection with income generation property investments including infrastructure ventures.	Unlisted property Global property Aust. Listed property	Target % 60 20 20	Moderate to aggressive	5 years
Australian Equities	To provide a return (net of investment tax and investment management costs) that exceeds the return from the S&P/ASX 300 Accumulation Index (adjusted for tax) over a rolling 5-year period.	To invest solely in Australian equities, spreading the risk by investing in a range of companies representative of different industries.	Australian Equities	Target % 100	Aggressive	5 years
International Equities	To provide a return (net of investment tax and investment management costs) that exceeds the return from the MSCI World ex Australia Index (net dividends reinvested), currency unhedged expressed in \$A, over a rolling 5-year period.	To invest predominantly in international equities outside Australia, spreading the risk by investing in a range of companies representative of different industries. A benchmark of 50% of the portfolio's international assets will be hedged back to the Australian dollar.	International Equities	Target % 100	Aggressive	7 years

1 To ensure the ongoing quality of the portfolios the investment objective, investment strategy and/or asset allocation benchmark may change at any time without notice.

2 The published benchmark returns will be adjusted for the estimated effect of investment tax.

What fees and costs apply? /

Charges that may be applied in Simple Super and Tailored Super and the amount of the charge at 1 October 2011 are described in this section. Unless otherwise specified, the fees and charges apply under both the Simple Super and Tailored Super plans.

To help you understand the application of contribution fees (regular and non-regular) the following definitions are provided:

- Plan – the term used to describe all the members of the Fund who are employed by the same employer. For example, the employees of ABC Pty Ltd are members of the ABC Pty Ltd Simple Super or Tailored Super plan.
- Plan expected contributions – the sum of all expected regular contributions for the plan. This is calculated and applied effective 1 March each year, based on the most recent information provided by your employer.
- Regular contributions – a contribution that is expected to be received on a regular basis during your membership in the plan. For example, SG/award, salary sacrifice, regular member or additional regular employer contributions, including contributions from a second employer.
- Non-regular contributions – a contribution that is not expected to be received on a regular basis. For example, rollovers, transfers and one-off/special contributions.

1 Establishment fees (Simple Super only)

The establishment contribution and establishment member fees only apply for the first 13 months of membership in a Simple Super plan outside the Protection portfolio and are in addition to the contribution fee and the member fee. If your contributions are only used to purchase insurance cover and there are no contributions funding retirement, then no establishment fee is payable.

1.1 Establishment contribution fee

A fee of 1.5 to 5 per cent is deducted from each regular contribution received for the first 13 months of membership, or for the first 13 months from the date your accumulation reaches \$1,200 and is switched out of the Protection portfolio.

Should your total expected regular contributions exceed \$17,000, a further discount will be applied. The fee will be 5 per cent on the first \$17,000 plus a fee of 2.5 per cent of your expected annual regular contributions in excess of \$17,000.

This fee is charged in addition to the regular contribution fee (see 2.1 to the right).

1.2 Establishment member fee

An establishment member fee of up to \$5.70 per month is applied in the first 13 months of membership once you move out of the Protection portfolio.

If upon joining the plan, there are more than 30 members in the plan, the establishment member fee is reduced. For a worked example see '8 Member fee' on page 13.

2 Contribution fees

The overall fee payable on regular and non-regular contributions may be reduced if your plan's financial adviser has agreed with your employer to accept a reduced level of up-front commission. See page 14 for further information about adviser remuneration.

2.1 Regular contribution fee

A standard contribution fee of 1.5 to 5 per cent is applied to regular contributions received.

A contribution fee is calculated at 1 March each year and, as per the table below, may be discounted depending on the annual amount of regular contributions we expect to receive for your plan.

Expected annual plan regular contributions	Contribution fee
For the first \$79,700	5.00%
For the next \$258,000	2.50%
For the next \$410,000	1.00%
For the balance	0.50%

An average regular contribution fee based on the total amount of contributions expected to be received for your plan will be applied to each member.

Should your own total expected regular contributions exceed \$17,000, a further discount may be applied. The contribution fee charged will consist of your plan's regular contribution fee on the first \$17,000 plus a fee of between 1.5 to 2.5 per cent of your expected annual regular contributions in excess of \$17,000.

While in the Protection portfolio you will not be charged a contribution fee.

If you are an insurance only member (ie there are no contributions funding retirement), then the contribution fee will always remain at 5 per cent.

Example of the establishment and regular contribution fees (based on a contribution fee of 5 per cent for a member not in the Protection portfolio)

Simple Super

A \$5,000 contribution received in the first 13 months will be subject to maximum establishment and regular contribution fees of \$500, reducing the value of your contribution in the Fund to \$4,500. A \$5,000 contribution received after the first 13 months will not be subject to an establishment contribution fee but a maximum contribution fee of \$250 will apply, reducing the value of your contribution in the Fund to \$4,750.

Tailored Super

A \$5,000 regular contribution received will be subject to maximum regular contribution fee of \$250, reducing the value of your contribution in the Fund to \$4,750.

2.2 Non-regular contribution fee

A fee of up to 4 per cent is applied to transfers and rollovers from other super funds into Simple Super and Tailored Super, or any one-off/special contributions made.

Section 4 What fees and costs apply?

3 Withdrawal fee

A fee of \$85 is applied when all or part of your benefit is withdrawn from the plan. The fee will also be applied when your accumulation is transferred to the Super Directions for Business Rollover Section (see page 26 for further information).

While in the Protection portfolio you will not be charged a withdrawal fee.

4 Termination fee

This fee is only applicable on full or partial transfers out of the Security Plus portfolio. Your benefit will be the lower of the monetary value of your retirement accumulation and the underlying release value of the investments.

5 Additional service fee

If we provide additional services to you, we may charge a fee in addition to the standard charging and commission structure established for the plan. The fee must be approved by the Trustee prior to implementation and will be negotiated with you. How and when it is charged will depend on the circumstances.

6 Asset management fee

A fee of up to 1.74 per cent per annum applies for the administration of your super account. The amount payable depends upon the investment portfolios you have selected, the size of your employer's plan (total assets) and adviser remuneration. Unit prices for each portfolio are declared net of the asset management fee.

Plan assets	First \$500,000	Next \$500,000	Balance
Security Plus portfolio	Up to 1.74% pa	Up to 1.39% pa	Up to 1.39% pa
Other Diversified and Sector portfolios	Up to 1.44% pa	Up to 1.14% pa	Up to 0.54% pa
Multi-manager portfolios	Up to 1.44% pa	Up to 1.14% pa	Up to 0.54% pa

Example

For an employer plan with total assets of \$1.5 million, the asset management fee applied to an individual member's account balance of \$5,000 invested in the Multi-manager Balanced portfolio would be subject to an annual asset management fee of \$52.00 (includes maximum adviser remuneration).

7 Investment management costs

This is an estimate of the costs charged by the investment manager and is shown for each portfolio in the table on page 14. It is based on actual past costs and expenses incurred and is deducted from the earnings before the unit price is calculated. It is based on information at the date of publication and is subject to change. This is in addition to the asset management fee described above.

8 Member fee

A member fee of up to \$5.70 per month is applied to all members and deducted monthly in arrears from your account.

While in the Protection portfolio you will not be charged a member fee.

The member fee will reduce depending on the number of members in your employer's plan and is determined each year at your plan's annual review date. The fee reduces according to the following scale:

Member fee reduction

Number of members	Monthly member fee
for the first 30 members	\$5.70
for the next 20 members	\$4.85
for the next 150 members	\$2.63
for any further members	\$1.43

An average member fee based on the total number of members within your plan will be applied to each member.

Example

(for a member not in the Protection portfolio)

Simple Super

Member fees in the first year of membership are a maximum of \$11.40 per month including the establishment member fee, and a maximum of \$5.70 per month in the second and subsequent years.

If your plan had 50 members enrolled, then the member fee would be \$10.72 per month in the first year of membership and \$5.36 per month in the second and subsequent years as long as the number of members does not change.

Tailored Super

A maximum member fee of \$5.70 per month is applicable.

If your plan had 50 members enrolled, then the member fee would be \$5.36 per month as long as the number of members does not change.

9 Buy/sell margins

For all investment portfolios, except the Security Plus and Guaranteed Plus portfolios, there is a margin between the buy unit price and the sell unit price, referred to as the 'buy/sell margin' or 'transaction cost factor'. This practice ensures that members who transact infrequently do not unfairly bear the costs generated by members who transact more frequently. A portfolio's buy/sell margin is set to reflect average estimated future transaction costs that the portfolio will incur when assets are bought or sold, for example brokerage payable when shares are purchased or sold. The margins are subject to change at any time without notice (such as when brokerage rates increase or decrease).

If considered in isolation, the effect of a buy/sell margin of 0.5 per cent on a contribution of \$1,000 would result in its reduction to approximately \$995 if it was withdrawn immediately after investment. This buy/sell margin effect of \$5 represents an additional cost to the member of transacting that is reflected in the unit price and is not charged separately.

These costs are not retained by the Trustee or any investment manager.

Section 4 What fees and costs apply?

For the buy/sell margins as at 1 October 2011 on each portfolio refer to the table below.

Investment management costs, buy/sell margins

Investment portfolio	Investment management costs (% of assets under management)	Buy/sell margin ¹
Multi-manager		
Multi-manager Secure	0.65% pa	0.28%
Multi-manager Secure Growth	0.70% pa	0.37%
Multi-manager Balanced	0.76% pa	0.46%
Multi-manager Growth	0.78% pa	0.53%
Multi-manager High Growth	0.81% pa	0.58%
Diversified		
Security Plus	0.62% pa	N/A
Guaranteed Plus	0.44% pa	N/A
Secure	0.67% pa	0.18%
Property Biased	0.51% pa	0.42%
Managed	0.50% pa	0.29%
Sector portfolios		
AXA Cash	0.30% pa	Nil
AXA Diversified Fixed Interest	0.47% pa	0.08%
Property	0.60% pa	1.05%
Australian Equities	0.52% pa	0.30%
International Equities	0.56% pa	0.40%

¹ These margins are indicative only and are subject to change without notice.

Up-to-date performance reports and unit prices are available on our website axa.com.au or by contacting our Customer Service Centre on 133 056.

10 Insurance premiums

For information on insurance cover and premiums, please refer to 'What about insurance, on pages 17 to 22.

11 Family Law request for information fee

A fee of \$55 is levied on a member, non-member spouse or any eligible person who requests Family Law information. The fee must be received prior to a response to the information request being made.

12 Increases or alterations in fees and costs

Fees and costs are subject to review annually on 1 March in line with movements in Average Weekly Ordinary Time Earnings (all employees) for Australia (as published by the Australian Bureau of Statistics), or at any time following 30 days notice.

The Trustee and the Insurer can add or alter any of these charges at their discretion. You will be provided with written notice of any alteration other than indexed-related changes to the charges at least 30 days before they occur.

Under the Trust Deed, the Trustee is entitled to charge the following fees, subject to certain requirements. The Trustee does not currently charge these fees:

- Contribution increase fee
- Portfolio accounting fee
- Plan transfer fee
- Leaving the service fee, and
- Expense recovery fee.

13 Taxation

The benefit of all tax deductions ordinarily available to the fund are not passed on to members in the form of reduced fees or costs. For further information refer to page 15.

14 Adviser remuneration

Role of your plan's financial adviser

Your plan's financial adviser is a valuable resource available to you. They can help you and your employer understand how super works and how to get the most from your participation in the Fund. They can also provide advice and guidance on other financial, insurance and business-related matters.

The financial adviser involved in the sale of this product will receive payment for the sale and ongoing servicing of the plan. They meet their expenses from this remuneration and also rely on it to provide them with an income.

The financial adviser's remuneration is included in the charges shown in this section (except any remuneration that the financial adviser receives by agreement directly with you or your employer as a fee for any special services provided).

The financial adviser may also receive additional remuneration from AXA, related to the sale of AXA products. This additional remuneration will be paid from AXA's own funds and will not increase the fees or charges you pay.

Register for alternative forms of remuneration

From time to time, we may decide to provide financial advisers with non-monetary benefits (such as training or entertainment). This is in addition to the commission your plan's financial adviser may receive, as detailed earlier in this document. When we do this, it does not represent a charge or cost to you. We maintain a register of the non-monetary benefits that we provide to advisers from time to time. If you would like a copy of the register contact our Customer Service Centre on 133 056.

How is my super taxed? /

The following information is based on present laws. We recommend you check with your plan's financial adviser or taxation professional as individual circumstances may differ and the following information may change in the future.

Tax deduction for contributions made

Members may be eligible to claim a tax deduction for their personal contributions up to and including the age of 74. We recommend you seek tax advice to determine your eligibility.

Contributions tax

All employer contributions paid to the Fund (including salary sacrifice contributions) and any contributions for which you claim a tax deduction are currently taxed at a rate of 15 per cent.

A deduction of the tax will be made from the employer contributions as they are received into the Fund. For member contributions, tax will be deducted only if you are claiming the contributions as a tax deduction.

This 15 per cent contributions tax may be reduced by deductions (available to the Fund) for items such as insurance premiums and tax offsets.

Tax on excess concessional contributions

Excess concessional contributions are taxed at the top marginal rate which includes the 15 per cent contributions tax. The excess concessional tax is imposed on the individual who may pay the liability themselves or withdraw some or all of the liability from their super fund.

If you incur this additional tax, you may elect to have it paid by way of a deduction from your account with the Fund. To do so, you will need to complete a 'release authority form' which will be provided to you by the ATO at the relevant time and forward it to the Fund.

Tax on excess non-concessional contributions

Non-concessional contributions in excess of this cap will be taxed at the top marginal rate. This tax is imposed on the individual, who can withdraw from their super fund an amount equal to their tax liability. To do so, you will need to complete a 'release authority form' which will be provided to you by the ATO at the relevant time and forward it to the Fund.

Surcharge tax

Prior to 30 June 2005 the government imposed a surcharge to certain contributions made or super benefits rolled over to super. This surcharge was abolished after that date. Nonetheless, you may still receive a surcharge assessment after 1 July 2005 for contributions made and/or employer termination payments rolled over in previous years.

Tax on investment earnings

Earnings on your net investment in the Fund are taxed at a maximum rate of 15 per cent, which is generally lower than other (ie non-super) forms of savings.

Tax on insurance premiums and payments

Insurance premiums paid through a super fund are considered to be super contributions and receive the same tax concessions as other super contributions (see 'Contributions tax').

Total but Temporary Disablement benefits which are paid as monthly income benefits to a member will be treated as assessable income and PAYG tax will be deducted by the employer before payment to the member.

TFN notification

Your TFN is confidential. Before you provide your TFN we are required to notify you of the following:

- 1 TFNs are collected under the Superannuation Industry (Supervision) Act 1993, Retirement Savings Accounts Act 1997, the Privacy Act 1988 and taxation acts (including the income tax and superannuation surcharge tax acts).
- 2 The Trustee and Fund Administrator will only use your TFN for super purposes, including:
 - finding or joining together your super benefits
 - calculating the correct tax on eligible termination payments
 - passing it to the trustee of another super fund or provider of a retirement savings account when transferring your benefits. You may give us written instructions not to pass it on before any transfer
 - passing it on to the ATO:
 - if we have paid you a benefit
 - to report contributions, or
 - if you have unclaimed super money after reaching the aged pension age.

These purposes may change in the future as a result of legislative changes.

Tax on lump-sum benefits

The way any lump-sum benefit is taxed depends on your age and the make-up of your lump-sum benefit (ie the proportion of tax-free and taxable components).

For members under age 60, the taxable component is determined by factors such as the source of the contributions and whether a tax deduction has been claimed for the contribution. Usually, the taxable component consists of contributions made to the Fund by employers and by members (to the extent a deduction has been claimed for those contributions), together with any earnings on those contributions. If tax is payable on your benefit, the Trustee is required to withhold the tax before your benefit is paid. You will be provided with a 'PAYG payment summary - superannuation lump sum' to include in your next tax return.

For members aged 60 and over, super benefits from a taxed source, whether in the form of a super lump-sum benefit or income stream payments are tax free and are not required to be declared on your tax return.

The actual tax rates and the levels at which they apply are determined by the ATO and can change each year. The table over the page is a summary of the different components and how they are taxed as the law currently stands. As you may not be making a withdrawal for a number of years this material is provided for general information only and you should check with your financial adviser or the ATO before you make a withdrawal. Further information on current rates and thresholds is available from www.ato.gov.au.

Section 5 How is my super taxed?

Tax on death benefits

Payments of death benefits in the form of a lump sum, pension or annuity are tax free when paid to a beneficiary who is a financial dependant (as defined in tax legislation) of the deceased. A beneficiary who is not a financial dependant or has a non-dependant relationship with the deceased can only receive a lump-sum death benefit and the payment will be subject to tax.

Anti-detriment Payment

Under the Income Tax Assessment Act, following the death of a member of the fund, the benefit payable may be increased to take account of the tax paid in respect of the contributions credited to the member's account. In effect the contributions tax is refunded by the ATO to the deceased member's dependant spouse, former spouse* or child. Anti-detriment payments can also be made to the estate of the deceased member but only if the beneficiary of the estate is one of the persons aforementioned. It should be noted that financial and interdependent beneficiaries are not entitled to the benefits of the anti-detriment payment.

Current component (ie post 30 June 2007)	Source	Taxation
Taxable component – taxed element	Benefits relating to service or membership accrued after 30 June 1983, excluding the tax-free component.	If you are under preservation age, all of this amount is subject to tax at 21.5% (including Medicare levy). If you are between preservation age and 59 years, an amount up to a threshold will be tax free and the amount over this will be subject to tax at 16.5% (including Medicare levy). If you are aged 60 years or over, any super benefits paid to you are tax free.
Taxable component – untaxed element	Benefits relating to service or membership accrued after 30 June 1983 being paid directly from an employer or unfunded super scheme.	Any taxable component – untaxed element rolled over to this Fund will be subject to 15% contributions tax upon receipt and will then convert to a taxable component – taxed element. Other tax rates apply if a taxable component – untaxed element is paid to you in the form of a lump sum or a pension. As this Fund is a taxed fund, these tax rates will not be relevant to you when your super benefits are paid to you or your dependants.
Tax-free component	Contributions other than those made by an employer, for which a tax deduction has not been claimed by the member.	Tax free
	Payments made before 1 July 1994 as a result of a bona fide redundancy, invalidity or approved early retirement scheme.	Tax free
	Benefits relating to service or fund membership accrued before 1 July 1983.	Tax free
	Payments made since 1 July 1994 as a result of invalidity.	Tax free
	Proceeds from a sale of a small business elected to be contributed to super and which are exempt from CGT up to \$1.155 million.	Tax free

Withdrawals

The following is a summary of how withdrawals from super are taxed depending on your age at the time of payment.

Age	Superannuation lump sum	Superannuation income stream
60 years and above	Tax free (not assessable, not exempt income).	Tax free (not assessable, not exempt income).
Preservation age to 59 years	0% up to low rate threshold (indexed). Any amount above low rate threshold is subject to 16.5% tax (including Medicare levy).	Marginal tax rates and 16.5% tax offset may apply (including Medicare levy).
Below preservation age	Taxable component is subject to 21.5% tax (including Medicare levy).	Marginal tax rates (no tax offset). ¹

¹ A disability super income stream also receives a 15% tax offset.

* Under SIS laws, a former spouse must also be a dependant (such as a financial dependant or interdependent) in order to be eligible to receive a death benefit from the fund.

What about insurance?

This section has been prepared to give you additional information about the insurance cover (cover) that your employer has arranged on your behalf or that you can request.

This section describes the benefits provided by the group policy issued by the Insurer to the Trustee. An employer plan can only obtain cover after an application is made to the Trustee and is subsequently accepted by the Insurer.

This section sets out the general terms of the policy. No cover is provided unless:

- there is a legally binding contract of insurance between the Insurer and the Trustee
- the Trustee has paid the premium when due, and
- where required, the Insurer agrees to provide cover for you as an insured member.

How to obtain cover

Provided you meet the eligibility for your employer's plan, you can obtain cover via either:

- automatic acceptance terms
- transfer terms
- underwriting terms.

If you are self-employed or not supported and apply for cover, you will need to be fully underwritten.

Automatic acceptance

When your employer establishes their plan, the Insurer may agree to provide an Automatic Acceptance Limit (AAL). If your employer's plan qualifies for automatic acceptance, and you meet the automatic acceptance conditions and your cover is less than the AAL for your plan, you may not be required to provide a Personal statement.

Provided you are an employer supported member, you may qualify for automatic acceptance of one unit of \$1 per week Death and Total and Permanent Disablement (TPD) cover even if your plan does not have an AAL provided you satisfy the plan's eligibility criteria.

To qualify for an automatic acceptance, your employer must enrol you as a member of the Fund within 120 days of you becoming eligible, a contribution must be remitted and a premium paid. You must also:

- be at work properly performing all the normal and usual duties of your usual paid employment on the day you first satisfy the eligibility criteria
- join the plan in accordance with the applicable eligibility criteria
- be an Australian resident and reside in Australia
- satisfy any other automatic acceptance terms that apply to your employer's plan.

Automatic acceptance is also conditional upon all mandated contributions in respect to a particular employer being paid to Simple Super or Tailored Super on a default basis.

If you are not eligible for the automatic acceptance or cover is not accepted under 'Transfer terms' (see to the right), then the only way you can obtain cover is by making an application under the 'Underwriting terms' as defined on the right. Please note AALs may not be applicable to your plan. Certain terms and conditions apply.

Transfer terms

Transfer terms only apply where your employer plan has transferred directly from another fund.

Transfer terms may be available if your employer's previous super fund had similar cover and your employer chose to transfer this when joining Simple Super or Tailored Super.

If transfer terms apply, all eligible persons who are covered under the former policy will be covered for the insured benefit for Group Life from policy start date. Transfer terms are subject to the following limitations:

- your employment status
- the period during which you are unable to work due to disablement between ceasing employment and the new policy commencing
- similar restriction, limitations and any premium loadings that applied under the former policy, even if the automatic acceptance limit terms were higher under your former policy
- for underwriting terms, transfer terms apply when cover is higher than the equivalent cover under your former policy, to the amount which exceeds the automatic acceptance
- the maximum amount of cover will be provided where your previous cover was subject to underwriting terms of your previous insurer
- if automatic acceptance terms are applied from the previous policy, and
- other limitations that may be considered.

Please note: Should your employer plan not be eligible for transfer terms, any insurance you have that is not able to be automatically accepted (eg above the AAL) will require health and other underwriting evidence to be submitted (see below).

Transfer terms only apply where your employer plan is transferred directly from another fund.

Underwriting terms

You will be required to submit a Personal statement when:

- automatic acceptance terms do not apply to your employer's plan
- you are not eligible for automatic acceptance
- you require cover in excess of the AAL
- you require cover in excess of your underwriting limit
- transfer terms do not apply or you are eligible for cover in excess of the amount accepted by the previous insurer and transferred to AXA
- you are self-employed or not receiving employer support
- you are applying for voluntary insurance cover
- an increase in cover is not as a result of your employer's plan predetermined benefit formula
- an increase in cover in any 12-month period is greater than 30 per cent, or
- your cover stops under the policy for any reason, and you wish to reinstate cover.

Section 6 What about insurance?

Increases in cover provided

An increase in the cover provided as a result of a salary increase does not generally require health evidence to be provided. However, the Insurer may request health evidence or other information for the following reasons:

- if an increase in cover of more than 30 per cent in any 12-month period is due to salary increases
- if the benefit basis that determines the level of cover is changed, or
- when cover reaches a predetermined limit.

The benefits in detail

For information on your benefits and level of cover please refer to the welcome letter sent to you upon joining the Fund, or your Simple Super or Tailored Super annual statement.

Death

Death cover provides a lump-sum benefit in the event you die.

The maximum benefit amount available under the policy for a full-time permanent employee or a permanent employee working more than 15 hours a week is \$5 million.

The maximum benefit amount available to a permanent employee working less than 15 hours per week or a casual employee is a unit of cover of \$2 per week and the corresponding amount of cover dependent on your age.

TPD

The maximum benefit amount available under the policy for a full-time permanent employee or a permanent employee working more than 15 hours a week is \$2 million.

Under the insurance policy you will be considered totally and permanently disabled if either:

- you have been absent from employment with your employer through injury or illness for six consecutive months and, in the Insurer's opinion (after consideration of medical evidence satisfactory to the Insurer) you have become incapacitated to such an extent as to render you unlikely ever to engage in or work for reward in any occupation or work for which you are reasonably qualified by education, training or experience
- you have suffered the loss of two limbs or the sight of both eyes or the loss of one limb and the sight of one eye where 'limb' means the whole hand or the whole foot.

TPD sum insured reduction

Where the benefit basis used to determine your TPD benefit does not reduce your TPD benefit to nil by age 65, an over-riding reducing formula will be automatically imposed. The reducing formula will result in the TPD sum insured reducing progressively from age 55 to zero at age 65.

TTD

A monthly income will be paid for up to two years if you have TTD cover and if:

- you are absent from employment with your employer through illness or injury for three consecutive months, and
- after consideration of medical evidence satisfactory to the Insurer, you have become incapacitated to such an extent as to render you unable for the time being to resume work in your former occupation.

The Insurer will periodically reassess your medical condition.

Terminal Illness benefit

If you become terminally ill, the Insurer will pay the Trustee the Terminal Illness benefit. This is an advance payment of the insured Death benefit up to \$1 million and means that on your subsequent death, the amount then payable will be the remainder of the Death benefit if the total Death benefit exceeds \$1 million.

The amount of the Terminal Illness benefit the Insurer pays is the amount of the insured Death cover that applies when you are diagnosed as being terminally ill, up to a maximum of \$1 million.

If you have Death cover, the Insurer will pay a Terminal Illness benefit if you become terminally ill:

- while this policy is in force
- before your cover ends, and
- before you reach the benefit expiry age for the death benefit.

You are regarded as terminally ill where:

- 1 you are diagnosed by two registered medical practitioners as being terminally ill, one of which must be nominated by the Insurer
- 2 that illness stops you working, and
- 3 in the Insurer's opinion you are not expected to live more than 12 months.

The registered medical practitioner cannot be a family member, business partner, your employee or employer.

If a Terminal Illness claim is admitted, the Insurer will pay the insured amount to the Trustee. Then, subject to your having satisfied a condition of release, the Trustee will make the proceeds available to you.

The benefit is payable for Terminal Illness if you are covered for a Death benefit. If the Trustee determines that you are entitled to receive your benefit from the Fund, the benefit will be available to you as a lump sum.

The restrictions

Death

The Insurer reserves the right to vary the benefit or premium basis in the event of war, whether declared or undeclared.

Leave of absence

Your Death cover under this policy may continue if you are on unpaid leave subject to the following conditions:

- before the unpaid leave begins you must request and the Insurer must agree to continue your cover and any changes to the terms of the cover, and
- cover will stop on the date following two years from the date your leave began.

Please note: Insurance premiums must continue to be paid during this time.

Section 6 What about insurance?

TPD

The Insurer reserves the right to vary the benefit or premium basis in the event of war, whether declared or undeclared.

Leave of absence

Your TPD cover under this policy may continue if you are on unpaid leave subject to the following conditions:

- before the unpaid leave begins you must request and the Insurer must agree to continue your cover and any changes to the terms of the cover, and
- cover will stop on the date following two years from the date your leave began.

Please note: Insurance premiums must continue to be paid during this time.

The exclusions

TTD

The benefit will not be payable if your total but temporary disablement is deemed by the Insurer to be:

- wholly or partially attributable to, or a consequence of, intentional self-injury, or
- wholly attributable to normal and uncomplicated pregnancy, childbirth or miscarriage.

Occupational ratings (Tailored Super only)

An averaged occupation rating classification is determined for each Tailored Super plan with insurance and applied to each of the plan's insured members using the following ratings:

Occupation code	Occupation rating %
A: Professional	0.65
B: White collar	0.75
C: Light manual	1.10
D: Heavy manual	1.40
E: Hazardous	1.40

This classification is referred to as the Plan Rating Factor.

The Insurer will undertake a tri-annual review of your employer's Tailored Super plan. A part of this review is to update the occupation profile of your employer's plan. If there is a change to the occupation profile of insured members, this may result in a change in the Plan Rating Factor, which will result in a change to the premiums you pay for your insurance cover. If your Benefit Formula is K then your premium will remain \$1 or \$2 per week; however, your sum insured will change in line with the Plan Rating Factor.

Premiums

The Group Life benefit amount

Your employer will generally decide on the benefit basis used to calculate the amount of your Death benefit and/or TPD benefit, subject to a maximum of \$5 million Death cover and \$2 million TPD cover.

The benefit formula options available are:

- units (\$1 and \$2 per week) of cover (formula K)
- nominated amount
- nominated amount linked to CPI
- multiple of salary, and
- X per cent of salary multiplied by term to age 65, (subject to a maximum multiple of Y times salary).

Group Life units of cover – \$1 and \$2 per week

The following tables are to be used when Benefit basis K is selected or where there is no defined cover and you are enrolled by your employer.

The amount of cover is dependent on your age and the premium you choose to pay or is the default level of cover for your employer's plan.

For Tailored Super, the amount of cover is also dependent on the plan rating factor.

The cost of Death only cover is 75 per cent of the cost of Death and TPD cover.

Tailored Super

Age last annual review	Death & TPD sum insured \$1 per week	Death & TPD sum insured \$2 per week	Age last annual review	Death & TPD sum insured \$1 per week	Death & TPD sum insured \$2 per week
14-20 incl	50,000	100,000	47	10,000	20,000
21-25 incl	52,000	104,000	48	9,000	18,000
26-30 incl	53,000	106,000	49	8,000	16,000
31	44,000	88,000	50	7,000	14,000
32	42,000	84,000	51	6,000	12,000
33	40,000	80,000	52	5,000	10,000
34	38,000	76,000	53	4,500	9,000
35	36,000	72,000	54	4,000	8,000
36	34,000	68,000	55	3,500	7,000
37	32,000	64,000	56	3,000	6,000
38	30,000	60,000	57	2,500	5,000
39	27,000	54,000	58	2,000	4,000
40	24,000	48,000	59	1,800	3,600
41	21,000	42,000	60	1,600	3,200
42	19,000	38,000	61	1,400	2,800
43	17,000	34,000	62	1,200	2,400
44	15,000	30,000	63	1,000	2,000
45	13,000	26,000	64	800	1,600
46	12,000	24,000	65	N/A	N/A

The premium rates above are standard rates and cover amount is based on an occupational rating of 1.00.

Section 6 What about insurance?

Simple Super

Age last annual review	Death & TPD sum insured \$1 per week	Death & TPD sum insured \$2 per week	Age last annual review	Death & TPD sum insured \$1 per week	Death & TPD sum insured \$2 per week
14-20 incl	37,000	74,000	47	10,000	20,000
21-25 incl	45,000	90,000	48	9,000	18,000
26-30 incl	50,000	100,000	49	8,000	16,000
31	44,000	88,000	50	7,000	14,000
32	42,000	84,000	51	6,000	12,000
33	40,000	80,000	52	5,000	10,000
34	38,000	76,000	53	4,500	9,000
35	36,000	72,000	54	4,000	8,000
36	34,000	68,000	55	3,500	7,000
37	32,000	64,000	56	3,000	6,000
38	30,000	60,000	57	2,500	5,000
39	27,000	54,000	58	2,000	4,000
40	24,000	48,000	59	1,800	3,600
41	21,000	42,000	60	1,600	3,200
42	19,000	38,000	61	1,400	2,800
43	17,000	34,000	62	1,200	2,400
44	15,000	30,000	63	1,000	2,000
45	13,000	26,000	64	800	1,600
46	12,000	24,000	65	N/A	N/A

Group Life premium rates per \$1,000 sum insured

The following premium rates are to be used when a formula other than Benefit basis K is selected.

Tailored Super

Age last annual review	Death	TPD	TTD	Age last annual review	Death	TPD	TTD
14	0.35	0.11	0.17	40	1.70	0.59	0.83
15	0.35	0.11	0.17	41	1.91	0.68	0.97
16	0.53	0.13	0.27	42	2.15	0.80	1.07
17	0.76	0.15	0.30	43	2.40	0.92	1.23
18	0.88	0.19	0.37	44	2.69	1.08	1.37
19	0.91	0.17	0.43	45	3.04	1.23	1.57
20	0.91	0.19	0.40	46	3.40	1.44	1.77
21	0.88	0.20	0.43	47	3.79	1.72	2.03
22	0.80	0.24	0.40	48	4.23	2.07	2.30
23	0.74	0.25	0.37	49	4.72	2.51	2.67
24	0.70	0.25	0.33	50	5.25	3.04	3.07
25	0.66	0.26	0.33	51	5.85	3.61	3.47
26	0.65	0.26	0.37	52	6.56	4.20	3.97
27	0.66	0.26	0.40	53	7.30	4.89	4.47
28	0.69	0.29	0.37	54	8.08	5.84	5.13
29	0.72	0.30	0.37	55	8.94	7.06	5.83
30	0.76	0.35	0.40	56	9.91	8.43	6.70
31	0.78	0.40	0.43	57	10.97	10.03	7.70
32	0.81	0.42	0.43	58	12.13	12.12	8.90
33	0.88	0.39	0.47	59	13.38	14.72	10.30
34	0.96	0.38	0.47	60	14.74	17.81	11.90
35	1.05	0.39	0.50	61	16.26	21.35	13.77
36	1.14	0.44	0.57	62	17.94	25.48	15.90
37	1.26	0.43	0.60	63	19.61	30.42	18.33
38	1.39	0.42	0.63	64	21.43	36.03	21.10
39	1.54	0.48	0.73	65	23.46	N/A	N/A

The premium rates above are standard rates based on occupational rating of 1.00.

Simple Super

Age last annual review	Non-smoker			Smoker		
	Death	TPD	TTD	Death	TPD	TTD
14-20 incl	1.09	0.27	0.47	1.25	0.31	0.60
21	1.03	0.28	0.47	1.19	0.33	0.53
22	0.91	0.28	0.43	1.06	0.32	0.50
23	0.82	0.27	0.40	0.94	0.33	0.43
24	0.75	0.24	0.40	0.87	0.29	0.43
25	0.69	0.24	0.37	0.79	0.28	0.43
26	0.67	0.25	0.33	0.78	0.29	0.37
27	0.67	0.26	0.37	0.78	0.30	0.40
28	0.70	0.28	0.33	0.80	0.34	0.43
29	0.72	0.29	0.37	0.83	0.35	0.40
30	0.74	0.35	0.40	0.86	0.40	0.47
31	0.76	0.39	0.43	0.92	0.45	0.50
32	0.78	0.41	0.47	0.97	0.48	0.53
33	0.83	0.40	0.47	1.05	0.47	0.53
34	0.89	0.39	0.47	1.17	0.46	0.60
35	0.94	0.41	0.47	1.30	0.47	0.67
36	1.02	0.45	0.53	1.41	0.54	0.70
37	1.09	0.46	0.57	1.55	0.53	0.77
38	1.18	0.42	0.60	1.71	0.49	0.83
39	1.29	0.51	0.63	1.90	0.58	0.93
40	1.40	0.61	0.70	2.09	0.71	1.03
41	1.51	0.74	0.83	2.30	0.88	1.17
42	1.63	0.89	0.93	2.55	1.06	1.30
43	1.77	1.03	1.07	2.82	1.25	1.50
44	1.93	1.23	1.13	3.14	1.48	1.70
45	2.10	1.42	1.30	3.50	1.73	1.93
46	2.31	1.69	1.47	3.83	2.09	2.17
47	2.52	2.05	1.70	4.20	2.51	2.50
48	2.76	2.48	1.93	4.60	3.06	2.77
49	3.03	3.03	2.20	5.04	3.74	3.20
50	3.30	3.67	2.57	5.50	4.54	3.70
51	3.67	4.33	2.97	6.08	5.37	4.20
52	4.10	5.08	3.37	6.75	6.28	4.77
53	4.54	5.93	3.83	7.43	7.32	5.40
54	5.00	7.07	4.43	8.15	8.71	6.17
55	5.50	8.49	5.13	8.92	10.43	7.10
56	6.16	10.06	5.90	9.89	12.31	8.17
57	6.87	11.88	6.87	10.95	14.47	9.33
58	7.66	14.21	8.03	12.10	17.26	10.77
59	8.52	17.09	9.37	13.35	20.66	12.47
60	9.46	20.48	10.97	14.72	24.67	14.47
61	10.58	24.39	12.83	16.25	29.28	16.70
62	11.82	28.95	14.93	17.90	34.66	19.30
63	13.09	34.33	17.40	19.58	40.98	22.20
64	14.49	40.47	20.13	21.39	48.17	25.50
65	16.06	N/A	N/A	23.24	N/A	N/A
66	17.42	N/A	N/A	25.40	N/A	N/A
67	19.01	N/A	N/A	27.72	N/A	N/A
68	20.71	N/A	N/A	30.20	N/A	N/A
69	22.54	N/A	N/A	32.87	N/A	N/A

Section 6 What about insurance?

The payment of Group Life Insurance benefits

Death benefits

The Insurer will pay the Death benefit if you die:

- while the policy is in force
- before your cover ends, and
- before you reach the benefit expiry age for Death cover.

Estate planning is an important aspect of any financial plan. In the event of your death, effective estate planning can help to ensure that your family's needs are catered for and that your estate is administered or distributed in accordance with your wishes.

In the case of super assets, if a Death benefit becomes payable it will consist of:

- your super accumulation benefit, plus
- the proceeds of any insurance claim paid by the Insurer.

The Death benefit may also include an anti-detriment component that effectively represents a refund of tax paid on contributions.

The Trustee must generally ensure that the benefits are paid to your dependants as defined in the Fund's Trust Deed and applicable superannuation law and/or your legal personal representative.

For more information on how the benefit will be paid upon death please refer to page 24.

TPD benefits

If the Insurer admits your claim, the insured amount will be paid to the Trustee. Then, subject to you having satisfied a condition of release, the Trustee will make the proceeds available to you.

Upon acceptance of a TPD claim, your account balance will be switched to the Guaranteed Plus portfolio.

If the Trustee determines that you are entitled to receive your benefit from the Fund, the benefit will be available to you as a lump sum. Please note, any insurance benefit will need to be approved by the Insurer.

You can choose to retain some or all of the benefit in the Super Directions for Business Rollover Section or withdraw the benefit in cash. You may also roll over the benefit to another super fund or a deferred or immediate annuity or pension. This latter option may have some tax or other benefits which you can discuss with your plan's financial adviser.

TTD benefits

If a claim is admitted, the Insurer will pay the insured amount to the Trustee. The Trustee will then make the proceeds available to your employer.

A monthly income will be paid for up to two years if you have TTD insurance cover.

The amount of your monthly income will be the lesser of either:

- 1/12 of 30 per cent of your total and permanent disablement insurance cover
- 1/12 of 75 per cent of your annual salary, less any other income benefits received as a result of the disablement, or
- 1/12 of the total of 75 per cent of the first \$134,000 of your annual salary plus 1/12 of 50 per cent of the next \$67,000.

The dollar amounts are subject to review on 1 March annually.

Salary means: Your current remuneration as advised by your employer (calculated as an annual amount) excluding any non-recurring component but including any regular or recurring components.

Offsets include:

- any income paid by your employer at the same time as you receive a benefit from the Insurer at its absolute discretion
- benefit payments you receive from any industrial award or agreement other than by means of the policy alone
- any benefits which are payable as disability income benefits under other insurance policies, or
- benefit payments you receive from, or are required to be paid under legislation such as workers' compensation, accident compensation, social security payment or otherwise.

Payment of the monthly income will also be subject to the following conditions:

- 1 The Insurer may, at any time while you are receiving temporary disablement insurance payments, require you to provide further medical evidence as the Insurer considers necessary. If you do not provide this evidence your insurance payments will stop.
- 2 If you start work again with the same employer and within six months are considered by the Insurer to be totally but temporarily disabled as a result of the same or related injury or illness as before, then:
 - your new disablement period will start from the date on which you stop working again
 - the Insurer will treat the two-year maximum benefit payment as starting on the date on which your first period of TTD first started. However, it will be extended by the length of time that you returned to work, and
 - if you return to full-time work for at least six months, the claim will be treated as a separate claim.

All insurance premiums in relation to your insurance benefit will be waived while a TTD benefit is being paid to you. If desired, employer and member contributions may continue to be paid.

When do TTD benefits cease?

Subject to the two-year maximum payment period, the TTD benefit will cease to be paid as soon as one of the following happens:

- you cease to be employed by your current employer
- you resume active employment with any employer
- you cease to be totally but temporarily disabled
- you receive a TPD benefit
- you receive any other benefit under the Fund
- you reach the age of 65, or
- you die.

Section 6 What about insurance?

Continuation option

If your cover ends because you no longer satisfy the eligibility criteria for reasons other than injury or illness and you have ceased employment, you may be eligible for a continuation option.

A continuation option gives you the opportunity to continue the level of Death and TPD cover you enjoyed under your membership by purchasing an AXA individual policy provided you:

- are an Australian resident
- reside in Australia
- terminated your employment for reasons other than total and permanent disability
- did not cease to be eligible for cover because of injury or illness and are not disabled, nor in a waiting period, or eligible to receive insurance benefits under your membership or any other policy issued by AXA providing similar benefits
- are not commencing employment with another employer associated with the former employer
- provide AXA with all information requested for the purpose of assessing the application, and
- are not covered under insurance arrangements through another super or group insurance facility.

Cover is not provided for the time between cover ending under your membership and starting under the new AXA policy.

In addition, the premium rates for a new AXA policy may be different than under your membership and will be determined by, among other things, your gender, occupation and smoking status.

There is no continuation option for TTD benefits.

As the continuation option must be issued within 60 days of us being notified you have left your employer you should contact your plan's financial adviser as soon as possible to discuss your continuing insurance needs.

Before we can issue a continuation option form to you, we must be notified by your employer of your employment termination.

Please note that for you to exercise the continuation option, the Insurer must receive your continuation option form and individual insurance application form within the 60 days after you leave employment.

If a new policy is issued by AXA it will also be subject to:

- the maximum cover limits of the individual policy. The individual policy will have standard terms and premium rates. If any special terms or premium loadings were applied to your Simple Super or Tailored Super policy, the equivalent will continue to apply under the new policy, and
- the minimum premium requirements of the individual policy. If the amount of cover previously provided for you under Simple Super or Tailored Super results in a premium payable under the individual policy that is less than the minimum premium, you will need to apply for a higher amount of cover and provide evidence of health.

You may not apply for an individual policy under this clause if:

- you have previously taken out an individual policy with AXA, under a continuation option contained in a Group Life policy, or
- transfer your membership from one business super product* to another, or
- risk only group insurance plan, or
- you are self-employed or not receiving employer support.

Please note that for you to exercise the continuation option, the Insurer must receive your continuation option form and individual insurance application form within the 60-day requirement.

The following age and employment conditions also apply:

- Death:
 - you must be aged less than 65.
- TPD:
 - you must be aged less than 50, and
 - you must be working at least 25 hours per week.
- As the continuation option must be exercised within 60 days of us being notified by your employer that you have left your employment, you should contact your plan's financial adviser as soon as possible to discuss your insurance needs.

The terms and conditions of the continuation options are not guaranteed by the Insurer and may be varied at any time. If this happens the Trustee will notify you in writing of the new terms and conditions.

* Simple Super, Tailored Super, Super Directions for Business

When can I access my super? /

Preservation rules and conditions of release

Preservation age is determined by your date of birth as shown in the following table:

Date of birth	Preservation age
Before 1 July 1960	55
1 July 1960 to 30 June 1961	56
1 July 1961 to 30 June 1962	57
1 July 1962 to 30 June 1963	58
1 July 1963 to 30 June 1964	59
After 30 June 1964	60

Your super benefit can be released as a non-commutable income stream after reaching your preservation age but before retirement.

Preserved benefits can also be rolled into another complying super fund, retirement savings account, deferred annuity or approved deposit fund.

Preserved benefits may (and in some cases, must) be used to pay any excess contributions tax liability you may have. If you have such a liability, you will be provided with a 'release authority' by the ATO – which you can (and in some cases, must) provide to the Fund so that an appropriate amount can be withdrawn from your super account to pay the tax.

Restricted non-preserved benefits must remain in a super fund until you meet one of the conditions of release for preserved benefits, or if your employer has made contributions to the Fund on your behalf, until you are no longer employed by that employer (conditions apply).

Unrestricted non-preserved benefits can be cashed at any time. Please note, this may be subject to tax.

We recommend that you talk to your plan's financial adviser for more information on the preservation rules and conditions of release.

Some further conditions of release include:

- Reaching age 65.
- Upon your death. In the event of a death benefit being paid to a dependant or a deceased's estate, the Trustee may pay an anti-detriment benefit, which will effectively represent a refund of tax paid on contributions to the deceased's super account; refer to 'Tax on death benefits' on page 16 for further information.

- Specified compassionate grounds as approved by Medicare Australia. **Note:** As of 1 July 2011 Australian Prudential Regulation Authority (APRA) delegated their authority to Medicare Australia.
- Financial hardship. You must satisfy the criteria to the satisfaction of the Trustee. A maximum of \$10,000 gross per year may be redeemed.
- Permanent departure from Australia, if you are a temporary resident. This does not apply to New Zealand residents.
- Termination of employment (where your preserved benefits in your account are less than \$200).
- If you have been deemed as a lost member and have a balance of less than \$200 and have made contact with us.
- Terminal medical condition, as defined by the Superannuation Industry (Supervision) Regulations 1994 (see below).
- Other conditions of release specified by law.

Partial payments and partial rollovers

Where you elect to receive part of your benefit as a payment or transfer into another regulated super fund, the amount paid will be proportional across your investment portfolios. Should you want to take the amount from a specific portfolio, you will need to make this request in writing at the time of application for payment.

Terminal medical condition

The Trustee can release the super benefit to you if you have a terminal medical condition. A terminal medical condition exists if:

- two registered medical practitioners have certified, jointly or separately, that you suffer from an illness, or have incurred an injury, that is likely to result in your death within 12 months of the date of certification
- at least one of the registered medical practitioners is a specialist practising in an area related to the illness or injury, and
- for each of the certificates, the certification period has not ended.

If the Trustee determines that you are entitled to receive your benefit from the Fund, the benefit will be available to you as a lump sum.

How will the benefit be paid upon Death?

Upon notification of a death claim and receipt of official documentation, your account balance will be switched to the Guaranteed Plus portfolio. Generally, death benefits will be paid in the form of a lump sum when the claim has been admitted and the Trustee has made a decision as to who the benefit is to be paid.

In the event of a death benefit being paid to a dependant or your estate, the Trustee may pay an anti-detriment benefit which will effectively represent a refund of tax paid on contributions to your super account.

Who is a dependant?

A dependant is defined as:

- the spouse
- each child (including an adopted child, step-child or an ex-nuptial child) of a member, or the child of a member's spouse
- any person who is, or was at the relevant time, in the opinion of the Trustee in an interdependency relationship with the member (generally a close personal relationship between two people who live together, where one or both provides the other with financial support, domestic support and personal care)
- any person who in the opinion of the Trustee is, or was at the relevant time, financially dependent in whole or in part upon the member, and
- any other person treated for the purposes of superannuation law as a dependant.

The beneficiary of your death benefit can ask to receive the payment as a lump sum.

Who is a spouse?

A spouse is a person who is legally married to the member, or a person who, although not legally married to the member lives (or lived at the time of the member's death) with the member on a genuine domestic basis in a relationship as a couple and includes a same-sex partner.

It is essential that you keep the Trustee fully informed of your current preferences for the payment of your benefits in the event of death.

As a member of a Simple Super or Tailored Super plan you may choose from one of the following options for nominating how a death benefit would be paid in the event of your death. The death benefit will include your accumulation and any death insurance benefit (where applicable).

The options are:

1 Binding death benefit nomination

A binding death benefit nomination gives you certainty about who will receive your super benefit in the event of your death.

The Trustee is bound to pay your benefit to the person(s) you have nominated as long as your nomination:

- is valid
- has been made in the prescribed manner
- is received by the Trustee before your death
- has not expired, and
- the nominated person(s) is a dependant at the time of your death and/or your legal personal representative.

If your nomination is no longer valid or has expired, the Trustee will have discretion to determine whom your death benefit is paid to.

To be valid, you must complete the Death benefit beneficiary nomination form whereby:

- you nominate one or more dependants and/or your legal personal representative and provide the percentage of the death benefit for each nominee to receive in the event of your death. The proportional entitlements must total 100 per cent
- it must be signed in the presence of your witnesses
- you have the form witnessed by two people who are aged 18 years or over and neither of whom are nominated on the form. Each witness must sign and date the Witness declaration section, and
- you date the form as at the date of completion.

Your nomination expires after three years. We strongly recommend that you review your nomination regularly and update it as your personal circumstances change. It is your responsibility to keep your nomination up-to-date and review it every three years. You may update your nomination by completing a new Death benefit beneficiary nomination form at any time.

If your binding death benefit nomination expires and is not replaced by a new binding death benefit nomination, your benefit will be paid as if a non-binding death benefit nomination had been made.

If you wish to revoke a binding death benefit nomination, you must complete and sign the revocation in the presence of two witnesses who are aged 18 years or over and neither of whom were nominated on the form. Each witness must also sign and date the witness declaration section.

If you nominate your legal personal representative as your beneficiary, please make sure that you have a valid and up-to-date Will. You should seek independent advice in relation to your specific estate planning needs.

Payment to a legal personal representative may also take longer to effect as it is necessary for a Grant of Probate or Letters of Administration to be issued before the benefit can be paid.

You should note that by directing payment to your legal personal representative you may be exposing the benefit to claims by creditors of your estate.

To make a binding death benefit nomination please complete the Death benefit beneficiary nomination form at the back of the PDS.

Section 8 How will the benefit be paid upon Death?

2 Non-binding death benefit nomination

If this option is chosen, the Trustee will consider the nomination provided by you but has discretion to pay your benefit to one or more of your dependants and/or your legal personal representative in proportions it determines.

To make a non-binding death benefit nomination please complete the Death benefit beneficiary nomination form at the back of the PDS.

3 No nomination

In the event that no nomination is made, your benefit will be paid at the discretion of the Trustee to one or more of your dependants and/or your legal personal representative.

Your financial adviser can assist you in assessing your estate planning options.

Regardless of the option chosen, the Trustee must generally ensure that the benefits are paid to your dependants (as defined in the Fund's Trust Deed and under applicable superannuation law) and/or your legal personal representative.

If there are no dependants or legal personal representative the Trustee is required to pay the benefit to another suitable person – for example, a parent or other close relative.

Please note you may only complete one type of nomination.

Should we receive both a binding death benefit nomination and a non-binding death benefit nomination, the binding death benefit nomination made on the Death benefit beneficiary nomination form will override the non-binding death benefit nomination.

What is the Super Directions for Business Rollover Section?

The Super Directions for Business Rollover Section (Rollover Section) is for members of Super Directions for Business, Simple Super and Tailored Super and is part of the Super Directions Fund. Your accumulation will be automatically transferred to the Rollover Section when we are notified by your employer that you have ceased employment. You will be a member of the Super Directions Fund in your own right and not a member of an employer plan.

The automatic transfer saves you the inconvenience of organising a new super membership every time you change jobs. You do not need to apply for entry into the Rollover Section.

When you are transferred to the Rollover Section, you will receive a Transaction statement summarising your accumulation and insurance cover (if applicable) at that time. You will then receive a welcome letter which includes a Membership summary for the Rollover Section detailing your benefits.

What are the benefits of the Rollover Section

The Rollover Section provides you with the following benefits:

- the ability to consolidate amounts you have accumulated in other funds into the one account
- the ability to make and receive ongoing contributions of any type, such as SG, salary sacrifice, personal and spouse contributions and government co-contributions
- automatic continuation of the amount of cover for Death and TPD upon ceasing employment
- the ability to increase your Death and TPD cover (where cover is transferred)
- the opportunity to apply for Death and TPD cover, and
- access to a selection of 21 investment portfolios so that you can tailor an investment strategy that meets your needs.

It means you can retain your benefits in the Rollover Section throughout your working life.

What fees and costs apply in the Rollover Section

The fees and costs in the Rollover Section are different to the fees and costs that apply under your employer's plan.

Contribution fee

There are no contribution fees in the Rollover Section.

Withdrawal fee

A fee of \$28 is applied when all or part of your benefit is withdrawn from the Rollover Section. This fee is not levied if all of your benefit is withdrawn within 90 days of the date of transfer into the Rollover Section.

Management cost

The management cost has two components:

- 1 Investment management cost. This is an estimate of the costs charged by the investment manager. It is based on actual past costs and expenses incurred and is deducted from the earnings before the unit price is calculated. Unit prices for each portfolio are declared net of the investment management costs. The amount applicable to your investment will depend on your investment choice and range from 0.30% pa to 0.96% pa.

- 2 Asset management fee. This fee is 1.53 per cent per annum for all portfolios except Security Plus. The fee for Security Plus is 1.83 per cent per annum. Unit prices for each portfolio are declared net of the asset management fee.

Member fee

The member fee is \$0.85 per preservation component for each calendar month (counting any part month as a full month), and is deducted at the end of each quarter or on earlier withdrawal. There can be up to two preservation components on which the member fee can be charged: preserved and unrestricted non-preserved. Upon transfer, the preservation components you have can be found in the Transaction statement under the heading 'Withdrawal benefit components'.

Administration fee

The administration fee is 0.18 per cent per month for the first \$6,000 of accumulation, reducing to 0.08 per cent per month for the balance. This fee is calculated and deducted quarterly or when all of your benefit is withdrawn from the Rollover Section.

Investment switching fee

Transfers of money between investment portfolios are known as 'switches'. The first six switches in an annual review year are not subject to a switching fee. The seventh and any subsequent switches will attract a fee of 2 per cent of the amount switched.

Buy/sell margins will apply to all switches.

The annual review period is the period covered by your annual statement, ie 1 July to 30 June.

Buy/sell margins

For all investment portfolios, except the Security Plus and Guaranteed Plus portfolios there is a margin between the buy unit price and the sell unit price, referred to as the 'buy/sell margin' or 'transaction cost factor'. This practice ensures that members who transact infrequently do not unfairly bear the costs generated by members who transact more frequently. A portfolio's buy/sell margin is set to reflect average estimated future transaction costs that the portfolio will incur when assets are bought or sold, for example brokerage payable when shares are purchased or sold. The margins are subject to change at any time without notice (such as when brokerage rates increase or decrease).

If considered in isolation, the effect of a buy/sell margin of 0.5 per cent on a contribution of \$1,000 would result in its reduction to approximately \$995 if it was withdrawn immediately after investment. This buy/sell margin effect of \$5 represents an additional cost to the member of transacting that is reflected in the unit price and is not charged separately.

These costs are not retained by the Trustee or any investment manager.

A buy/sell margin is not applied to amounts transferred into the Rollover Section from an employer plan, as the investments are transferred to the same portfolio. Additional contributions or rollovers, and future investment switches will attract the normal buy/sell margin that applies at the time.

Section 9 What is the Super Directions for Business Rollover Section?

Continuation of Death only or Death and TPD

The Rollover Section provides you with the opportunity to continue with, increase or apply for Death and TPD cover.

If you have Death only or Death and TPD cover on the date that your accumulation is transferred to the Rollover Section, and we have your current address, the amount of your Death and TPD cover will continue (subject to eligibility). If we do not have your current address, your cover will cease on transfer to the Rollover Section.

You may apply for an increase to the cover you already hold; however, health checks will apply. If you don't already have cover, you may apply for cover subject to health checks and other eligibility criteria.

If you exercise a continuation option to purchase a separate AXA individual policy then your insurance cover under the Rollover Section will cease.

The full terms and conditions of your cover (ie exclusions and restrictions) are the same as in Simple Super or Tailored Super, with the exception of the TPD definition which is detailed below.

To apply for cover or for an increased amount of cover, complete the Change to member preferences form and the Personal statement which are available at axa.com.au.

Total but Temporary Disablement (TTD)

TTD cover is not available in the Rollover Section. If you have TTD cover it will cease to apply on the date we are notified you have ceased employment with your employer.

Premiums

The premiums charged for insurance may be higher than those applied under your employer plan, depending on your age. This is because cover under your employer plan may have been subject to discounts that do not apply to the Rollover Section.

The benefits

Death cover

Death cover provides a lump-sum benefit in the event of your death.

TPD cover

TPD cover provides a lump-sum benefit in the event that you become totally and permanently disabled.

If in the unfortunate circumstance of you needing to claim TPD insurance (where provided), you will be eligible under any of the three parts (a), (b) and (c) of the TPD definition below, provided that immediately preceding the date you became disabled you were permanently employed to work for an employer 15 hours or more per week. If you do not satisfy this requirement, you may claim under parts (b) or (c) of the TPD definition only.

The TPD definition that applies under the Rollover Section differs from that in Simple Super and Tailored Super.

TPD defined

You will be considered totally and permanently disabled according to the following three-part definition:

Part (a) – Unable to work

Part (b) – Specific loss

Part (c) – Future care.

You need only satisfy one part.

Part (a): Unable to work

(Only applies if you were permanently employed to work 15 or more hours per week immediately preceding the date you became disabled)

When all of the following apply to you:

- an injury or sickness has stopped you working in your usual occupation continuously for six months, and
- after considering all the evidence which the Insurer believes is necessary to reach their view, that you, in its opinion are unable ever again to work in any business occupation or regular duties for which you are reasonably qualified by education, training or experience.

or

Part (b): Specific loss

You have suffered an injury or sickness, which first becomes apparent while you were insured and as a result of the injury or sickness have suffered the total loss of (or total loss of the use of):

- both hands or feet, or
- one hand and one foot, or
- the sight of both eyes, or
- one hand or foot and the sight in one eye,

in circumstances where the loss will never be regained.

or

Part (c): Future care

You must satisfy all the following conditions:

- you have suffered an injury or sickness which first occurs while you are a person insured, and
- because of that injury or sickness, in the Insurer's opinion, you are permanently unable to perform at least two of the five activities of daily living listed below, without assistance:
 - bathing/showering
 - dressing/undressing
 - eating/drinking
 - using the toilet to maintain personal hygiene
 - getting in and out of bed, a chair, a wheelchair or moving from place to place by walking, a wheelchair or with a walking aid.

Opting out of insurance cover

If you do not want your cover to continue you can choose to opt-out by notifying us. If we receive notification within 30 days of your transfer into the Rollover Section, there will be no charge for the cover during the first 30 days. If you choose to opt out, you will need to complete the Change to member preferences form at axa.com.au.

Continuation of investment strategy

The investment strategies that are currently in place in your employer's plan will be continued in the Rollover Section. Your instructions for the investment allocation of future contributions will also be maintained.

As a member of the Rollover Section, you will also:

- have access to an additional range of investment options, and
- be able to choose up to six portfolios for your accumulation (minimum of \$1,000 in each portfolio).

Any amount in the Protection portfolio prior to transfer to the Rollover Section will be switched to the default (Multi-manager Balanced) portfolio or your nominated portfolio (provided your nomination was made within the past 12 months) upon transfer.

Section 9 What is the Super Directions for Business Rollover Section?

Contributing to your account in the Rollover Section

You can continue to contribute to your super in the Rollover Section. The following types of contributions are accepted:

- employer contributions (includes salary sacrifice)
- member contributions
- rollovers/transfers from other super funds or approved deposit facilities
- overseas transfers
- spouse contributions (not available to you in Simple Super or Tailored Super)
- government co-contributions, and
- credits from the ATO.

Continuity of relationship with your plan's financial adviser

Your relationship with your plan's financial adviser will continue when you move to the Rollover Section. Your membership details will be provided to your plan's financial adviser who will be able to assist you with your future financial planning needs such as advice on super, investments, insurance, comprehensive financial planning and ongoing review services. Should you wish to cease this relationship please advise us in writing.

Commission on contributions and assets held

Your financial adviser will not receive any commission from contributions paid or amounts held in your account while you are a member of the Rollover Section.

Insurance premium commission

Your financial adviser can receive up to 20 per cent of any insurance premiums.

For more information on the Super Directions for Business Rollover Section please refer to AXA's Business Super Rollover Section Product Disclosure Statement at axa.com.au.

What other information do I need to know?

Distribution of the Plan Reserve account

The Trust Deed states the Trustee's preferred method for distributing the Plan Reserve account and will be the default method where an alternative method is not requested by an employer. The preferred method seeks to apportion a member's share of the Plan Reserve account balance according to the relative proportion of member assets compared to total plan assets. Other formulae may be created, but must be reasonable and require Trustee approval.

In accordance with the Trust Deed, any balance in the Plan Reserve account may at the Trustee's discretion be distributed, once a year, usually at each annual review.

Where a principal employer's Reserve account is not divided into sub-accounts, the Trustee will invest the monies of the Reserve account in the Guaranteed Plus portfolio and will distribute the balance in the account at least once a year in the same manner.

Further information on the Plan Reserve account is available in the Trustee's annual report to members.

Lost members

If a piece of written communication has been sent to you and has been returned unclaimed, we will consider your account 'lost'. This means that we will need to advise the ATO that you are lost and may transfer your benefits to an Eligible Rollover Fund (ERF) selected by the Trustee.

If this occurs, any insurance cover you had in the Fund will cease and insurance cover will not continue under the ERF.

In the event that your benefits are transferred to the ERF, the contact details of the fund are:

AMP Eligible Rollover Fund
AMP Life Limited – ERF
Locked Bag 5400
PARRAMATTA NSW 1741

Telephone: 1300 300 288
Fax: 1300 301 267

Once your benefit is transferred to the ERF you become a member of the ERF and cease to be a member of this Fund.

The ERF does not charge administration fees in excess of the earnings allocated to the member's account so the account will be protected from erosion by these fees. The ERF has a conservative investment strategy and does not provide death or disability cover.

A member, or a dependant, can recover the super benefit by contacting the ERF in writing at the above address.

Simple Super and Tailored Super policy committee

Super legislation requires that certain super plans may need to establish a body known as a policy committee.

The Policy committee must consist of an equal number of employee and employer representatives.

Policy committee functions are generally of an advisory or consultative nature and in no way reduce the powers and responsibilities of the Trustee. The Policy committee's role is to act as a channel of communication between members, their employer and the Trustee.

For plans with 50 or more members the Trustee must take all reasonable steps to ensure they have a policy committee. Plans with 5 to 49 members must have a policy committee if at least 5 members ask for one in writing.

Policy committees should meet at least once in any 12-month period. A formal record of the meeting needs to be kept in the form of minutes, and a copy of these minutes are to be sent to the Trustee soon after each meeting.

Usually the member representatives of a policy committee are appointed by means of an election and removed by means of an election or by leaving the plan.

Full details of your plan's appointment and removal procedures can be obtained from you policy committee or your plan's financial adviser.

Information about whether your employer plan has a policy committee and who the employer and member representatives are can be obtained from your employer or your plan's financial adviser.

Keeping you informed

We recognise that keeping you informed of your super benefits, and also of any changes in superannuation legislation, is an important part of our role. Once every year, we will provide you with the following information:

Member information

Annual statement – Your Simple Super or Tailored Super annual statement will show the current balance in your accounts, your current insurance cover (if any) and a summary of transactions that have taken place over the year. You will receive only one report no matter how many investment managers you have invested with.

Member online access – As a member of Simple Super or Tailored Super, you can also access information via our online member facility available through axa.com.au. You can view your super balance and investment returns as well as request statements, download forms and brochures, alter your personal details and investment choice and find out more about other AXA products and services.

Fund information

The Trustee's annual report to members will provide you with information on the management and financial condition of the Fund and on the Fund's investment performance. The Trustee will also advise of any material changes to the Trust Deed.

The Trustee's most recent annual report is available online at axa.com.au.

The Trustee may also communicate with you in other special circumstances, eg if there is a significant change in relation to the Fund.

Requests for additional information can also be made via your plan's policy committee (if one is in place), by contacting your plan's financial adviser or our Customer Service Centre on 133 056.

Section 10 What other information do I need to know?

Trust Deed

Simple Super and Tailored Super are governed by the Super Directions Fund Trust Deed. The Trustee must operate the Fund in accordance with the provisions of the Trust Deed and the law relating to super.

Members' entitlements are determined by the provisions of the Trust Deed. The investments of the Fund are held by the Trustee on behalf of all of the Fund's members and no member has entitlement to any individual asset within the Fund.

In administering the Fund the Trustee is obliged to act in the interests of the members of the Fund as a whole. While it has the power to amend the provisions of the Trust Deed, the Trustee cannot do so in a way that reduces the members' accrued entitlements without their consent. The Trust Deed has special provisions relating to how and when the Fund can be wound up and how members are to be treated if this occurs.

As the Trustee currently invests the assets of the Fund in life insurance policies issued by NMLA, members' entitlements are calculated in accordance with the terms of the applicable policy and made available to the Trustee when a benefit is payable.

A copy of the Trust Deed is available upon request.

Family law and super

The law allows for the splitting of your super by agreement or by court order with your spouse if you are permanently separated/divorced.

Important information

This publication has been prepared to provide you with general information only and must be read in conjunction with the PDS for the relevant product. It is not intended to take the place of professional advice and you should not take action on specific issues in reliance on this information. In preparing this information, we did not take into account the investment objectives, financial situation or particular needs of any particular person. Before making an investment decision, you need to consider (with or without the assistance of an adviser) whether this information is appropriate to your needs, objectives and circumstances. You should obtain a copy of the relevant Product Disclosure Statement (PDS) before making a decision to invest in any financial product. Copies of our PDSs can be obtained from your adviser or by calling our Customer Service Centre on 133 056. Applications for investment in AXA Australia products will only be accepted on receipt of an application form accompanying a current PDS. Detailed information about the product is contained in the PDS. The National Mutual Life Association of Australasia Limited and its associates derive income from issuing interests in the products, full details of which are contained in the PDSs. This information is provided for persons in Australia only and is not provided for the use of any person who is in any other country.

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