

Short-Form Product Disclosure Statement – Retirement income streams

Date of publication: 3 January 2012



IMPORTANT INFORMATION

About this Short-Form Product Disclosure Statement (Short-Form PDS)

This *Short-Form PDS* is a summary of significant information you should consider before deciding whether to invest in Prime Super's:

- Allocated Superannuation Income Stream (allocated income stream); or
- Non-commutable Allocated Superannuation (transition to retirement (TTR)) income stream.

It contains a number of references to additional, important information (each of which forms part of the *Short-Form PDS*) which are marked with a ✓.

This additional information is contained in the *Prime Super's retirement options brochure* (3 January 2012), which – as is the case with this *Short-Form PDS* – is available free of charge by calling us on **1800 675 839** or visiting our website at www.primesuper.com.au and selecting *Tools & resources/Publications*.

The information contained in this *Short-Form PDS* is of a general nature only and does not take into account your personal financial situation or needs. We recommend you seek financial advice tailored to your personal circumstances.

Prime Super Pty Ltd (Trustee) does not guarantee repayment of your capital, the performance of your investment, or any particular rate of return. Subject to relevant law, the Trustee reserves the right to change the terms and conditions described in this *Short-Form PDS*. Some changes, such as an increase in fees, can only occur after members have been provided with advance notice. Where advance notice is not required or is otherwise impossible, information on changes will be provided as soon as practicable after a change occurs.

You can request a copy of this *Short-Form PDS* or the *Prime Super's retirement options brochure* (3 January 2012) by contacting the Trustee on the numbers below.

Contact

Phone

Freecall: **1800 675 839**

Calling from overseas: **+61 2 9374 3967**

Email

administration@primesuper.com.au

Website

www.primesuper.com.au

Postal address

Prime Super Locked Bag 5103 Parramatta NSW 2124

Issued by the Trustee:

Prime Super Pty Ltd ABN 81 067 241 016

AFSL No. 219723 RSE Licence No. L0000 277

Prime Super ABN 60 562 335 823 RN 1000276

1. About Prime Super

Prime Super is Australia's only nationally-operating industry super fund for rural and regional Australians.

We are not-for-profit, which means all profits are returned to members. We are also eligible for concessional tax treatment, and remain complying and regulated.

We allow you to invest your super savings in a low cost, tax-effective environment which is professionally managed and easy to understand.

Prime Super has over 130,000 members and more than \$1.2 billion in assets under management (as at 30 June 2011).

A range of individuals can establish a retirement income stream with Prime Super – membership isn't restricted to existing members. Any Australian resident can join as long as they have:

- \$10,000 or more in super funds to invest;
- reached age 65, or have retired and reached their preservation age;
- met another condition of release such as becoming totally and permanently disabled; or
- an unrestricted, non-preserved lump sum to invest.

Prime Super offers two income stream products.

Allocated income stream

This product allows you to convert your super into a regular income *on retirement*. It provides easy access to your savings and may offer tax advantages.

TTR income stream

If you have reached your preservation age, this product allows you to draw an income from your super *while you're still working*.

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If you choose to reduce your working hours for example, you can then use your super to supplement your income while salary sacrificing a portion of your salary into super. By doing so you may reduce your income tax payable, while increasing your super savings.

Eligibility conditions apply.

2. How super works

Super is a means of saving for retirement which is, in part, compulsory.

Different types of contributions can be made into super (pre-retirement) – for example, employer Superannuation Guarantee (SG) contributions, voluntary contributions (before and after-tax) and Government co-contributions – which have certain limitations – as do withdrawals from super.

Most people have the right to choose into which fund their employer should direct their SG contributions.

In Australia, super investments receive special tax concessions provided by the Government which aren't available for other types of investments. That's why super is such a powerful tax savings vehicle.

Depending on your personal circumstances, a pension in super may be a tax-effective way to provide a regular flow of money to live on when you retire or reduce your working hours pre-retirement.

Here's how Prime Super's income stream products work:

- Your lump sum super amount (minimum, \$10,000) is used to establish an account and is invested in your choice of investment option or mix of options. You can change these options at a later stage.
- This amount (plus or minus investment earnings, minus lump sum drawdowns (if allowed), minus Government taxes and other fees and charges) is used to pay you an income in retirement (allocated income stream option) or supplement your employment income (TTR income stream option).
- You choose how much and how often you are paid, subject to the annual limit(s) set by the Government. You can vary how much you receive each year.
- You can withdraw lump sum amounts from your account (\$1,000 minimum) – unless you have a TTR income stream option in which case lump sum withdrawals are generally not permitted.
- You will continue to receive payments as long as there is money in your account.
- If you die before your account balance runs out, the balance will be paid to your beneficiaries either as a lump sum or in ongoing payments, until the money runs out.

✓ You should read the important information about how super works before making a decision to invest with Prime Super. Go to Section 2 of Part 2 of the *Prime Super's retirement options* brochure (3 January 2012) or the Prime Super website at www.primesuper.com.au

The material relating to how super works may change between the time you read this *Short-Form PDS* and the day you sign the application form or when you acquire the product.

3. Benefits of investing with Prime Super

Prime Super offers income stream members many benefits and services including:

- the ability to choose from two income stream products and transfer your super into them – at no cost;
- a choice of nine different investment options;
- a choice of payment options – you can have your benefit paid monthly, quarterly, half-yearly or yearly;
- the ability to transfer super money from external funds into your income stream account prior to commencement;
- with the TTR income stream option, you have the ability to stop payments at any time and move your money back into your super account;
- access to discounted financial planning services;
- a not-for-profit industry fund status, meaning we are run only to benefit members;
- low fees;
- no commissions paid to financial planners;
- a website featuring tools and information, including a secure member section for online transacting; and
- free, nationwide education and financial planning seminars.

Through Prime Super's alliance with HCF, you can access a special range of corporate health insurance options. You may also claim straight away on extras benefits usually requiring two and six month waiting periods.#

✓ You should read the important information about the benefits of investing with Prime Super before making a decision to invest with Prime Super. Go to Section 3 of Part 2 of the *Prime Super's retirement options* brochure (3 January 2012) or the Prime Super website at www.primesuper.com.au

The material relating to investing with Prime Super may change between the time you read this *Short-Form PDS* and the day you sign the application form or when you acquire the product.

4. Risks of super

Like all investments, super carries some level of risk and the level of risk you are willing to expose your super investments to will depend on a range of factors, including:

- your age;
- your investment timeframe;
- where your savings outside of super are invested and the value of those investments; and
- your risk tolerance.

This is known as your 'risk profile'.

You should also consider how long you want your income stream to last – a factor which may impact the level of risk you're willing to take.

#Reduced waiting periods do not apply for pre-existing illnesses or ailments, obstetric conditions or to benefits that have longer waiting periods. This offer applies to a combined hospital & extras cover.

Super funds invest in a range of assets which are generally categorised as either 'growth' or 'conservative' assets, and typically include, but are not limited to:

- shares (growth asset);
- listed and unlisted property (growth asset);
- fixed interest (conservative asset); and
- cash (conservative asset).

Depending on the investment strategy chosen, and the assets that make up that strategy, different levels of risk may apply. For example, assets which aim for higher returns over the longer-term may carry the highest level of risk in the short-term.

Broadly, the risks that apply to super funds, including Prime Super, can be categorised as investment risk or operational risk.

Investment risk

Generally, investment risk means:

- the value of your investment will vary;
- the level of returns will vary from those anticipated as rates of return are not guaranteed. This means you may lose some of your money; and
- future returns may differ from past returns.

Factors that may cause the value of your investment to rise or fall in value include, but are not limited to:

- investment market conditions;
- movements in exchange rates;
- movements in interest rates;
- changes in super and taxation laws;
- decisions made by fund managers retained by Prime Super; and
- the possibility of rising inflation.

Operational risks

Operational risks include, but are not limited to the possibility of:

- changes in Government policies and laws, including super and taxation laws, that affect your benefit or ability to access your benefit;
- shifts in the economic, technological, political or physical climate;
- events being excluded from insurance cover e.g. if declared a terrorist act; and
- changes in insurance terms.

It's important to realise that a **significant**, overall risk is that the value of your super savings may not be enough to provide an adequate income in your retirement, or last as long as you expect.

The Trustee has developed a risk management plan to help manage risks. You can obtain a copy of the plan by contacting Prime Super on **1800 675 839**.

✓ You should read the important information about the risks associated with super before making a decision to invest with Prime Super. Go to Section 4 of Part 2 of the *Prime Super's retirement options* brochure (3 January 2012) or the Prime Super website at www.primesuper.com.au

The material relating to the risks associated with super may change between the time you read this *Short-Form PDS* and the day you sign the application form or when you acquire the product.

5. How we invest your money

The investment options available to Prime Super members are made up of a combination of asset classes. The combinations differ to suit a variety of risk profiles.

You can determine your own investment strategy by choosing which investment option or mix of options you would like to invest your super in.

Prime Super offers members a choice of nine different investment options, made up of four pre-mixed options and five sector options.

Pre-mixed options

1. Default
2. Managed Growth
3. Conservative
4. Target Return

Sector options

1. Australian shares
2. International shares
3. Property
4. Fixed interest
5. Cash

Warning

You must consider the likely investment return, the investment risk and your investment timeframe when choosing an option in which to invest.

If you don't make an investment choice, you will be placed in the Default option.

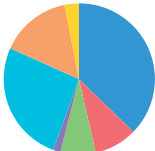
As the majority of our members are quite young with many years until retirement, our Default option contains a higher weighting to growth assets than most typical default options.

Given you are at an age where you are considering your retirement, our Default option may therefore not be appropriate for your needs.

Failing to choose an investment strategy that is appropriate for your circumstances and preferences is a significant investment risk.

Prime Super's Default option

Default option – a pre-mixed investment option

Investment return objective	To outperform the Consumer Price Index (CPI) (after tax and investment expenses) by at least 4% over the medium-term. To limit the likelihood of a negative return to approximately 4 in 20 years.	
Suitability	For a member who seeks moderate to high returns over the medium to long-term and is prepared to accept some fluctuation in returns over the short-term. This option invests in a diversified range of investments.	
Time horizon	5 or more years	
Risk level	Medium – High	
Target asset allocation	 <ul style="list-style-type: none"> ■ Target Return Portfolio ■ International shares ■ Overseas fixed interest ■ Emerging markets ■ Cash ■ Australian shares ■ Australian fixed interest 	
Target Return Portfolio		
Asset class	Ranges (%)	Target (%)¹
Property	0.0 - 20.0	–
Private equity	0.0 - 15.0	–
Natural resources	0.0 - 5.0	–
Credit opportunities	0.0 - 10.0	–
Infrastructure	0.0 - 20.0	37.5
Market Return Portfolio		
Asset class	Ranges (%)	Target (%)
Cash	0.5 - 30.0	6.5
Aus. fixed interest	0.0 - 15.0	7.5
Int. fixed interest	0.0 - 15.0	1.5
Aus. shares	5.0 - 40.0	25.5
Int. shares	5.0 - 35.0	16.5
Emerging markets	0.0 - 10.0	5.0
		62.5
		100.0

Returns	
Year ending	
30 June 2011	11.70%
30 June 2010	5.40%
30 June 2009	-18.24%
30 June 2008	-8.44%
30 June 2007	12.69%
5 year average	-0.14%

¹ There is no specific target in each of the asset classes in the Target Return Portfolio due to the illiquid market in which these assets are sourced. Furthermore, flexibility is required so attractive investment opportunities can be added to the portfolio when they present themselves.

✓ You should read the important information about Prime Super's investment options before making a decision to invest with Prime Super. Go to Section 5 of Part 2 of the *Prime Super's retirement options* brochure (3 January 2012) or the Prime Super website at www.primesuper.com.au

The material relating to our investment options may change between the time you read this *Short-Form PDS* and the day you sign the application form or when you acquire the product.

6. Fees and costs

Consumer Advisory Warning

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns. For example, total annual fees and costs of 2% of your fund balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000). You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs. You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the Trustee or your financial adviser.²

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission (ASIC) website (www.moneysmart.gov.au) has a super fee calculator to help you check out different fee options.

Fees and costs for Prime Super's Default option

The table below shows the fees and other costs that you may be charged for investing in our Default option.

Fees and costs can be paid directly from your member account, deducted from investment returns or from the assets of Prime Super (the Fund) as a whole.

The information in the table below can be used to compare costs between different super products.

Type of fee or cost	Amount
Fees when your money moves in or out of the Fund	
Establishment fee	Nil
Contribution fee	Nil
Withdrawal fee	\$70 for the first withdrawal. \$35 for subsequent withdrawals ³
Termination fee	Nil

² Please note that the content of this table is prescribed by law. The fees charged by the Trustee are not negotiable.

³ Is charged when a full or partial withdrawal is processed unless the payment is a retirement, death, total and permanent disability, compassionate or hardship benefit payment.

Management costs	
The fees and costs for managing members' investments	<p>A member fee of:</p> <ul style="list-style-type: none"> \$1.00 per week (\$52.00 p.a.); and 0.5% p.a. of your account balance to \$100,000, then nil on amounts over \$100,000, <p>plus the Investment Option ICR⁴ Cost (including a PBF⁵), being a percentage of your account balance depending on the investment option chosen. The ICR cost for the Default option is 0.68% p.a.⁴ (including a PBF of 0.13%⁵).</p>

Note: Contributions can only be made if you invest in a TTR income stream.

Example of annual fees and costs – the Default option

The table below provides an example of how fees and costs in the Default option can affect your investment over a one year period. You should use this table to compare this product with other super products.

Example – the Default option ⁶	Fee	Balance of \$50,000 with total contributions of \$5,000 during the year
Contribution fees	Nil	For every \$5,000 you contribute, you will be charged \$0
Plus Management costs	1.18% ⁷ + \$52 (\$1 per week)	And , for every \$50,000 you have in the Fund (up to a maximum of \$100,000) you will be charged \$590 each year plus \$52 in administration fees, regardless of your balance
Equals Cost of Fund	<p>If you put in \$5,000 during the year and your average monthly balance was \$50,000, then for that year you would be charged fees of \$642.⁶</p> <p>The total cost to you will depend on the investment option you choose and the fees you negotiate with your fund or financial adviser.²</p>	

Note: Contributions can only be made if you invest in a TTR income stream.

4 ICR = Indirect Cost Ratio. This is the ICR figure calculated at 30 June 2011.

5 PBF = Performance Bonus Fee. This is the PBF figure calculated at 30 June 2011.

6 Additional fees may apply. Establishment Fee – Nil; Switching Fee – \$60 per switch made after the first switch in any year. And, if you leave the Fund early, you may also be charged withdrawal fees of between \$35-\$70 unless the payment is a retirement, death, total and permanent disability, compassionate or hardship benefit payment.

7 This percentage is made up of 0.50% Trustee fee and 0.68% Default option ICR. ICR may change from year to year as actual costs change.

Other fees and costs

Other fees and costs apply to the Default option and our other investment options.

Prime Super has the right to change fees without members' consent. Fees disclosed in this *Short-Form PDS* will not be changed without providing members with at least 30 days' written notice.

Warning – Financial planner fees

The Trustee **does not** pay commissions to planners. However if you choose to have a financial plan prepared in relation to your interest in the Fund, a fee may be paid from your member account.

Payment of the fee is conditional upon completion of a *Payment request form*, the advice being confined to your relevant super interests and provided through Industry Fund Financial Services.

Super calculator

To calculate the effect of fees and costs on your account balance, you can use the super calculator provided by ASIC at www.moneysmart.gov.au

✓ You should read the important information about Prime Super's fees and costs in relation to our other investment options before making a decision to invest with Prime Super. Go to Section 6 of Part 2 of the *Prime Super's retirement options* brochure (3 January 2012) or the Prime Super website at www.primesuper.com.au

The material relating to our fees and costs may change between the time you read this *Short-Form PDS* and the day you sign the application form or when you acquire the product.

7. How super is taxed

Super is one of the most tax-effective savings vehicles available in Australia.

When you open a Prime Super income stream product, your money stays invested in the super system and you continue to receive the associated tax benefits.

Tax laws are complex and subject to change however, so to make the most of your super you might like to consult an accountant or tax adviser. This advice may be particularly useful as you approach retirement and need to decide how and when to withdraw your super.

Warning – Providing your Tax File Number (TFN)

You should provide us with your TFN when you become a member of the Fund. It is not an offence to withhold your TFN, but there are negative tax consequences if *you are able* to make contributions into your account (this applies to TTR account holders only). If we do not hold your TFN, all concessional contributions you may make, will be taxed at the highest marginal tax rate. We will also be unable to accept non-concessional contributions.

Tax on transferral into an income stream product

Most people pay no tax on the money they transfer into a retirement income stream product.

However, some people (mostly Government employees) will receive an un-taxed post-30 June 1983 component as part of their payment when they leave their super fund. If this is rolled into an income stream product, we are required to deduct 15% from this component.

If we are contacted by the Australian Taxation Office (ATO) and informed that a member of either income stream has an unpaid super surcharge liability, the amount of the surcharge liability will be deducted from that member's account and paid to the ATO.

Tax on payments and withdrawals

Tax payable on a super benefit payment is deducted from the benefit before it is paid to a member.

Super benefits are divided into a tax-free component and a taxable component. Payment to you from the Fund must include a tax-free and taxable component (where they both exist) in portions reflecting the make-up of your total benefit.

The tax-free component is the part of your benefit that is tax-free.

The taxable component is the part of your benefit that is taxable and may include two parts:

1. A taxed element – where tax has already been paid on the benefit in the Fund.
2. An untaxed component – where tax has not been paid in the Fund.

If you wish to receive a payment or make a withdrawal from your retirement income stream account, the amount of tax you pay will depend on your age and the components of your benefit (as above).

If you are under age 55

The taxable component of your payment is taxed at your marginal tax rate plus the Medicare levy, and is considered assessable income. This means you must report it as income when you lodge a tax return.

If you are between age 55 and 59

The following rules apply:

- the taxable component of your payment is subject to tax at your marginal tax rate plus the Medicare levy; and
- you are entitled to a 15% superannuation pension rebate (tax offset).

If you are age 60 or over

All payments are generally tax-free. Payments do not have to be declared as assessable income when you lodge a tax return.

Tax on investment earnings

Investment earnings on your income stream account are tax-free. This means that the investment returns on income stream accounts, if positive, are slightly higher than for other accounts in the Fund.

Tax on death benefits

If you die whilst invested in a Prime Super income stream product, the following tax treatments apply depending on who receives your benefit and how the benefit is paid.

Any tax payable on a death benefit is deducted from the benefit before it is paid to the recipient.

Dependants

Your age on death	Death benefit	Age of beneficiary	Taxation*
Any age	Lump sum	Any age	Tax-free
60+	Income stream	Any age	Taxable component Tax free Untaxed component Taxed at marginal rates and a 10% offset applies
Under 60	Income stream	60+	Taxable component Tax free Untaxed component Taxed at marginal rates and a 10% offset applies
		Under 60	Taxable component Taxed at marginal rates and a 15% offset applies Untaxed component Taxed at marginal rates

Non-dependants

Your age on death	Death benefit	Age of beneficiary	Taxation*
Any age	Lump sum	Any age	Taxable component Taxed at 15% Untaxed component Taxed at 30%
Any age	Income stream	Any age	n/a**

* Medicare levy of 1.5% should be added to all tax rates on taxable income.

** From 1 July 2007, non-dependants can only receive a Death benefit as a lump sum.

Tax on contributions

This section only applies where you invest in a **TTR income stream product**, and you are therefore able to continue to make contributions into your super account.

Tax payable on contributions is paid out of contributions when they are received by the Fund, and before they are allocated to a member's account.

Contributions received by a super fund are classified as either concessional or non-concessional for tax purposes.

Concessional

Concessional contributions, also known as **before-tax** contributions, include all contributions made from your before-tax salary, including salary sacrifice contributions and employer SG contributions. They are contributions for which a tax deduction has or will be claimed.

All concessional contributions are taxed in the Fund at 15%.

Non-concessional

Non-concessional contributions, also known as **after-tax** contributions, are contributions made from after-tax money. They include personal and spouse contributions. They are contributions for which **no** tax deduction can be claimed.

No tax applies to these contributions in the Fund, as it has already been paid.

We cannot accept a non-concessional contribution unless we have your TFN. If a contribution is received, we will attempt to source your TFN and if unsuccessful, we will return the contribution to you in the time period specified by law.

Contribution limits

Both types of contributions are subject to annual limits (known as 'caps') as set by legislation. If these limits are exceeded, additional tax must be paid.

Concessional contributions cap

Subject to the next paragraph, the limit for concessional contributions in the 2011-12 year is \$25,000. This limit is indexed.

If you are age 50 or above

If you are age 50 and above (up to 30 June 2012), you can contribute up to \$50,000 for 2011-12 without incurring excess tax. From 1 July 2012, if you have less than \$500,000 in super, you can contribute up to \$50,000 p.a. without incurring excess tax

Warning – exceeding the concessional cap

Any contribution in excess of the concessional cap will be taxed at an additional 31.5%. This excess contribution will also be considered non-concessional and will count towards the non-concessional contributions cap for the same financial year.

Non-concessional contributions cap

If you are under age 65

The limit for non-concessional contributions in the 2011-12 year is \$150,000. This limit is indexed.

At any time during the year however, you can bring forward two years' of contributions and therefore contribute up to \$450,000 at any time over three years.

If you are age 65 or above

The annual limit is \$150,000 however you must satisfy a 'work test' in order to make after-tax contributions.

The work test specifies you must have been gainfully employed (either employed or self-employed) for at least 40 hours within 30 consecutive days in the financial year the contributions are made.

Warning – exceeding the non-concessional cap

Any contribution in excess of the non-concessional cap will be taxed at the top marginal tax rate plus the Medicare levy (46.5%). This applies even if your contributions have been made across a number of funds.

Generally, the Fund pays all tax relating to your benefit and, where applicable, can deduct it from your account balance – this includes in the case where either cap has been exceeded.



You should read the important information about how super is taxed before making a decision to invest with Prime Super. Go to Section 7 of Part 2 of the *Prime Super's retirement options* brochure (3 January 2012) or the Prime Super website at www.primesuper.com.au

The material relating to taxation may change between the time you read this *Short-Form PDS* and the day you sign the application form or when you acquire the product.

8. Insurance in your super

This product does not offer insurance cover within your income stream account. Please see Section 3 for details on the health insurance cover available to you.

9. How to open an account

Application form

If you would like to open a retirement income stream account, please complete the *Retirement income streams – Member application form* enclosed with this *Short-Form PDS*.

By signing the form, you are confirming you have received this *Short-Form PDS* and had an opportunity to read it.

When completing the form, you will be asked to nominate a reversionary beneficiary or preferred beneficiary/ies, to receive your benefit when you die. You will also be asked to make an investment choice which best suits your circumstances.

Also attached to this *Short-Form PDS* is a *Retirement income streams – Rollover your super form*. Please use this form to roll any external funds you may have, into your income stream account.

Please take the time to read each form and where relevant, complete and send the form into us at:

Prime Super
Locked Bag 5103
Parramatta NSW 2124

These forms, plus many more, are available online at www.primesuper.com.au or by calling us on **1800 675 839**.

Before you join

If you have multiple super accounts, it's a good idea to consolidate them before transferring your money into one of Prime Super's income stream products.*

Consolidating your super accounts can reduce tax and the total fees you pay on managing your super. It can also help simplify record-keeping for investments, tax and social security purposes.

Complete the *Retirement income streams – Rollover your super form* attached to this *Short-Form PDS* and return it to us.

Cooling-off period

When you apply to join either income stream product, you have 14 days ('cooling-off period') in which you can cancel your application, beginning on the earlier of:

- the day on which you receive confirmation that your application has been accepted by the Trustee; or
- the end of the fifth day after the day on which you become a member of Prime Super.

If you cancel your application during this time, no management or transaction charges will be deducted.

However, any Government taxes and charges paid or payable by the Fund as a result of your application will be deducted. Any contributions paid will also be adjusted to reflect any investment earnings (positive or negative) on your investment before being refunded.

As a result, the amount returned to you under the cooling-off period may be more or less than your original amount.

If preservation rules apply, the refund will either be transferred to your Prime Super account (if possible under the circumstances) or a complying super fund of your choice.

Any request to cancel your membership must be made in writing to:

Prime Super
Locked Bag 5103
Parramatta NSW 2124

Please note: the cooling-off period ceases once you have exercised a right in respect of membership – for example, making an investment choice.

✔ You should read the important information about how to open a Prime Super account before making a decision to invest with Prime Super. Go to Section 9 of Part 2 of the *Prime Super's retirement options* brochure (3 January 2012) or the Prime Super website at www.primesuper.com.au

The material relating to how to open an account in the Fund may change between the time you read this *Short-Form PDS* and the day you sign the application form or when you acquire the product.

Enquiries and complaints

If you have an enquiry or complaint, you can contact us on freecall **1800 675 839** or write to us at:

The Enquiries and Complaints Officer

Prime Super
Locked Bag 5103
Parramatta NSW 2124

Fax: 1800 023 662

Email: administration@primesuper.com.au

Complaints will be responded to within 14 days of receipt and you will receive a formal reply to your complaint within 90 days. If you are not satisfied with the outcome, you may be able to have your complaint heard by the Superannuation Complaints Tribunal (SCT). The SCT is an independent body set up by the Commonwealth Government to hear complaints by members and beneficiaries against certain types of decisions made by trustees of super funds. The SCT can only consider your complaint if you have already approached the Trustee.

There are certain time limits that you need to comply with to lodge a complaint with the SCT. For more information on these time limits, please visit the SCT website (www.sct.gov.au).

Members can contact the SCT toll free on **1300 844 114** from anywhere in Australia, or write to them at:

The Superannuation Complaints Tribunal

Locked Bag 3060
Melbourne VIC 3001.

Contact details for super enquiries, the Trustee and the Administrator

Super enquiries

Mail: Prime Super
Locked Bag 5103
Parramatta NSW 2124

Freecall: 1800 675 839

Calling from overseas: +61 2 9374 3967

Freefax: 1800 023 662

Email: administration@primesuper.com.au

Web: www.primesuper.com.au

Trustee

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Melbourne VIC 3000

Phone: (03) 8600 9472

Fax: (03) 8600 9480

Web: www.primesuper.com.au

Administrator

Russell Employee Benefits Pty Ltd
(AFSL 220705) (ABN 70 099 865 013)
GPO Box 3279
Sydney NSW 2001

Phone: (02) 9229 5111

Web: www.russell.com

*Note: Contributions (including consolidations) can only be made into the super component of a TTR income stream account. If you establish an Allocated income stream, you can no longer make any form of contribution into your account.

SECTION 2 – PROOF OF IDENTITY

The government has introduced legislation that requires us to obtain proof of your identity before we can transfer money from your other fund account(s).

See the **'Completing proof of identity'** information in Section 9 for details of the government's identity requirements.

a. I have attached a certified copy of my driver's licence or passport

OR

b. I have attached certified copies of both: Birth/Citizenship Certificate or Centrelink Pension Card **AND**
 Centrelink payment letter or Government or local council notice (less than 1 year old) with name and address

SECTION 3 – TAX FILE NUMBER (TFN)

If you are under age 60 we recommend that you provide us with your TFN. If you do not provide us with your TFN we will be required by law to deduct PAYG tax at the top marginal tax rate from your income stream payments.

Super funds are required and authorised to ask you for your TFN under the *Superannuation Industry (Supervision) Act 1993*. Declining to quote your TFN is not an offence. However if you do not quote it, or do not tell us if you are exempt from quoting it, we will not be able to accept voluntary contributions from you and will be required to deduct tax at the highest marginal rate plus Medicare Levy from all benefits paid to you.

The Australian Taxation Office may also apply other taxes to your account, such as the Superannuation Contributions Tax, regardless of your income.

Under the *Superannuation Industry (Supervision) Act 1993*, the Trustee is also allowed to use your TFN if paying out monies, identifying and amalgamating superannuation benefits, for surcharge purposes and for other approved purposes. The approved purposes and the consequences of not quoting a TFN may change in the future. Your TFN will also be passed to another superannuation provider if your benefits are being transferred (unless you inform us in writing not to pass on your TFN).

Do you agree to provide your TFN for approved purposes? Yes No

If you agree, please provide your TFN here:

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SECTION 4 – INITIAL INVESTMENT AMOUNT

Your initial investment amount can come from two sources:

1. Super monies held with an external super fund (rollovers); and/or
2. Your existing balance in your Prime Super account.

Rollovers

If you wish to **rollover** monies held in an external fund, you will need to complete a separate *Prime Super Retirement income streams – Rollover your super form* for each rollover.

To provide us with an indication of the amount we can expect to receive into your account via a rollover, please complete the details below:

Name of paying fund	Approx. amount of rollover
1.	\$
2.	\$
3.	\$
4.	\$
5.	\$
TOTAL	\$

Existing balance

If you wish to transfer the **existing balance** in your Prime Super account into a Retirement income stream account, please complete the details below.

Full balance transfer (which includes your existing balance plus the details above)

OR

Other amount \$

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The minimum net total investment amount is \$10,000.

SECTION 7 – ESTATE PLANNING

See Section 9 for further details on reversionary and preferred beneficiaries and read the *Prime Super Short-Form PDS – Retirement income streams* and the *Prime Super's retirement* options brochure for full details on Prime Super's estate planning options.

REVERSIONARY BENEFICIARY

You can decide what happens to the remainder of your money by nominating a **reversionary beneficiary**.

If you die while invested in either income stream product, the money remaining in your account is not lost.

If you nominate a reversionary beneficiary, they will *automatically* continue to be paid from your income stream when you die, or alternatively, they may choose to withdraw your remaining balance as a lump sum.

If you die *without* nominating a reversionary beneficiary or if the person you nominate as a reversionary beneficiary does not qualify to receive payments under the law at the time you die, the Trustee will pay the balance of your account to either your preferred beneficiaries (see below), your estate or as directed or permitted by the relevant law at the time. Please note: you can only nominate one reversionary beneficiary.

DO YOU WISH TO NOMINATE A REVERSIONARY BENEFICIARY? (Please tick one) YES NO

Member Number (If a Prime Super member)

Date of Birth (DDMMYYYY)

Surname

Title

 Mr Mrs Miss Ms Dr

Given Names

Gender

 Male Female

Residential Address

Suburb/City/Town

State

Postcode

Phone Number (BH)

Phone Number (AH)

Mobile Number

Email (UPPER and lower case where applicable)

PREFERRED BENEFICIARIES

If you have not nominated a reversionary beneficiary and/or you would like to nominate additional beneficiaries to receive your benefit in the event of your death, please complete the section below.

You may wish to nominate beneficiaries to receive the balance of your income stream account as a lump sum, should you die while a member of Prime Super. Please note that if you have nominated a reversionary beneficiary, they will receive the benefit in your income stream account. Preferred beneficiaries will only be paid if there is no reversionary beneficiary or the reversionary beneficiary has died. Please refer to the *Short-Form PDS – Retirement income streams* for further information.

Having read the *Short-Form PDS*, I wish to nominate the following preferred beneficiaries to receive the balance of my income stream account should I die and there is no reversionary beneficiary eligible to receive my benefit subject to the relevant law at the time of my death.

1 Full name

Address

Suburb/City/Town

State

Postcode

Type of Dependant (see Section 9)

Phone Number (BH)

Phone Number (AH)

Mobile Number

Date of Birth (DDMMYYYY)

% of benefit

.00%

SECTION 9 – ADDITIONAL INFORMATION

COMPLETING PROOF OF IDENTITY

You will need to provide documentation with this request to prove you are the person to whom the superannuation entitlements belong.

Acceptable documents

The following documents may be used.

EITHER	OR	AND	
<p>One of the following documents only:</p> <ul style="list-style-type: none"> • driver's licence issued under State or Territory law • passport 	<p>One of the following documents:</p> <ul style="list-style-type: none"> • birth certificate or birth extract • citizenship certificate issued by the Commonwealth • pension card issued by Centrelink that entitles the person to financial benefits 		<p>One of the following documents:</p> <ul style="list-style-type: none"> • letter from Centrelink regarding a Government assistance payment • notice issued by Commonwealth, State or Territory Government within the past twelve months or local council within the past 3 months that contains your name and residential address. <p>For example:</p> <ul style="list-style-type: none"> – Tax Office Notice of Assessment – Rates notice from local council

Have you changed your name or are you signing on behalf of another person?

If you have changed your name or are signing on behalf of the applicant, you will need to provide a certified linking document. A linking document is a document that proves a relationship between two (or more) names.

The following table contains information about suitable linking documents.

Purpose	Suitable linking documents
Change of name	Marriage certificate, deed poll or change of name certificate from the Births, Deaths and Marriages Registration Office.
Signed on behalf of the applicant	Guardianship papers or Power of Attorney

Certification of personal documents

All copied pages of ORIGINAL proof of identification documents (including any linking documents) need to be certified as true copies by any individual approved to do so (see below).

The person who is authorised to certify documents must sight the original and the copy and make sure both documents are identical, then make sure all pages have been certified as true copies by writing or stamping 'certified true copy' followed by their signature, printed name, qualification (eg Justice of the Peace, Australia Post employee, etc) and date.

The following persons can certify copies of the original as **true and correct** copies. This is not a complete list. For a full list of individuals who can certify documents, go to the Prime Super website at www.primesuper.com.au:

- a Prime Super Regional Manager (RM);
- a permanent employee of Australia Post with 2 or more years of continuous service;
- a finance company officer with 2 or more years of continuous service (with one or more finance companies);
- an officer with, or authorised representative of, a holder of an Australian Financial Services Licence (AFSL), having 2 or more years continuous service with one or more licensees;
- a notary public officer;
- a police officer;
- a registrar or deputy registrar of a court;
- a Justice of the Peace;
- a person enrolled on the roll of a State or Territory Supreme Court or the High Court of Australia, as a legal practitioner;
- an Australian consular officer or an Australian diplomatic officer;
- a judge of a court;
- a magistrate; or
- a Chief Executive Officer of a Commonwealth court.

A REVERSIONARY BENEFICIARY

A reversionary beneficiary must be:

- your spouse (including de facto);
- a child (including a step-child) who is:
 - under 16;
 - between 16 and 24 (inclusive) and financially dependent; or
 - has a disability; or
- another person who is cared for by you or financially dependent on you when you die, where permitted by law.

A reversionary beneficiary has much the same rights as the original beneficiary. Amongst other things they can:

- commute their income stream and be paid a lump sum;
- set their own level of payment within the limits imposed by regulation; and
- set their own investment strategy.

However, rules relating to reversionary beneficiaries can change over time and reversionary beneficiaries should seek information and advice on their rights. Generally, where a person receiving a TTR income stream dies, the reversionary beneficiary will receive an allocated income stream in its place.

Should a reversionary beneficiary die before the account is empty, the balance will pass:

- as an allocated income stream to one or more reversionary beneficiaries that they nominate;
- as a lump sum to their estate; or
- as directed or permitted by the relevant law at the time.

You can nominate a reversionary beneficiary when you complete the application form to join either income stream or you can do it after you join. You can also change your nomination by advising us in writing (you can download a *Retirement income streams – Nomination of beneficiaries form* from our website) at any time.

PREFERRED BENEFICIARIES

Any beneficiary you nominate must be either your legal personal representative (i.e. the executor or administrator of your estate) or dependant at the date of your death.

If you nominate your estate or legal personal representative, your benefit will be paid according to your Will (or according to the law of your state or territory if you have no Will).

In terms of Superannuation Law, the people (dependants) that you are able to nominate to receive your Death benefit are:

- your spouse (including de facto of the same or different sex);
- your children (including biological, step and adopted children, or a child of your spouse);
- any person who is financially dependant on you;
- any person with whom you have an interdependency relationship including:
 - any person with whom you have a close personal relationship and live with where, one or both of you also provides ongoing financial support, domestic support and personal care; and
 - any person with whom you have a close personal relationship where, because of a disability, the above requirements of living together, financial support, domestic support and personal care are not able to be satisfied.

WHERE TO SEND THIS FORM

Once completed please return this form to us via mail, fax or email.

Mail Prime Super
Locked Bag 5103
Parramatta NSW 2124

Freecall 1800 675 839
Fax 1800 023 662
Email administration@primesuper.com.au

If you have any questions about this form or Prime Super please call us on **1800 675 839** (8.00am to 8.00pm Monday-Friday Sydney time).

Have you changed your name or are you signing on behalf of another person?

If you have changed your name or are signing on behalf of the applicant, you will need to provide a certified linking document. A linking document is a document that proves a relationship between two (or more) names.

The following table contains information about suitable linking documents.

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Certification of personal documents

All copied pages of ORIGINAL proof of identification documents (including any linking documents) need to be certified as true copies by any individual approved to do so (see below).

The person who is authorised to certify documents must sight the original and the copy and make sure both documents are identical, then make sure all pages have been certified as true copies by writing or stamping 'certified true copy' followed by their signature, printed name, qualification (eg Justice of the Peace, Australia Post employee, etc) and date.

The following persons can certify copies of the original as **true and correct** copies. This is not a complete list. For a full list of individuals who can certify documents, go to the Prime Super website at www.primesuper.com.au:

- a Prime Super Regional Manager (RM);
- a permanent employee of Australia Post with 2 or more years of continuous service;
- a finance company officer with 2 or more years of continuous service (with one or more finance companies);
- an officer with, or authorised representative of, a holder of an Australian Financial Services Licence (AFSL), having 2 or more years continuous service with one or more licensees;
- a notary public officer;
- a police officer;
- a registrar or deputy registrar of a court;
- a Justice of the Peace;
- a person enrolled on the roll of a State or Territory Supreme Court or the High Court of Australia, as a legal practitioner;
- an Australian consular officer or an Australian diplomatic officer;
- a judge of a court;
- a magistrate; or
- a Chief Executive Officer of a Commonwealth court.

ADDITIONAL INFORMATION

WHAT HAPPENS TO MY FUTURE EMPLOYER CONTRIBUTIONS?

Using this form to transfer your benefits will not change the fund to which your employer pays your contributions (if you are still working and have a TTR account with the Fund) but may terminate your membership of the fund you are transferring your benefits **FROM**.

If you wish to change the fund into which your contributions (if applicable) are being paid, you will need to speak to your employer about choice of fund. For the appropriate forms and information about whether you are eligible to choose the fund to which your employer contributions are made, visit www.ato.gov.au/super or call the Australian Taxation Office on **13 10 20**.

THINGS YOU NEED TO CONSIDER WHEN TRANSFERRING YOUR SUPERANNUATION

When you transfer your superannuation from a fund, your entitlements under that fund may cease. You need to consider all relevant information before you make a decision to transfer your superannuation from a fund. If you ask for information, your superannuation provider must give it to you. Some of the points you may consider are:

- **Fees** – your **FROM** fund must give you information about any exit or withdrawal fees. If you are not aware of the fees that may apply, you should contact your fund for further information before completing this form. The fees could include administration fees as well as exit or withdrawal fees. Prime Super does not charge establishment or contribution fees on transfer. Differences in fees funds charge can have a significant effect on what you will have to retire on. For example a 1% increase in fees may significantly reduce your final benefit.
- **Death and disability benefits** – your **FROM** fund may insure you against death, illness or an accident which leaves you unable to return to work. If you choose to leave their fund, you may lose any insurance entitlements you have. Other funds may not offer insurance, or may require you to pass a medical examination before they cover you. When considering a new fund, you may wish to check the costs and amount of any cover offered.
- If your **FROM** fund is not a public offer fund, you may not be able to rejoin that fund.

WHAT HAPPENS IF I DO NOT QUOTE MY TFN?

Under the *Superannuation Industry (Supervision) Act 1993*, your superannuation fund is authorised to collect your TFN, which will only be used for lawful purposes.

These purposes may change in the future as a result of legislative change. The trustee of your superannuation fund may disclose your TFN to another superannuation provider, when your benefits are being transferred, unless you request in writing to the trustee of your superannuation fund that your TFN not be disclosed to any other superannuation provider.

It is not an offence not to quote your TFN. However giving your TFN to your superannuation fund will have the following advantages (which may not otherwise apply):

- your superannuation fund will be able to accept all types of contributions to your account(s);
- the tax on contributions to your superannuation account(s) will not increase;
- other than the tax that may ordinarily apply, no additional tax will be deducted when you start drawing down your superannuation benefits; and
- it will make it much easier to trace different superannuation accounts in your name so that you receive all your superannuation benefits when you retire.

Your TFN will otherwise remain confidential.

WHERE TO SEND THIS FORM

Once completed please return this form to us via mail, fax or email.

Mail Prime Super
Locked Bag 5103
Parramatta NSW 2124

Freecall 1800 675 839
Fax 1800 023 662
Email administration@primesuper.com.au

If you have any questions about this form or Prime Super please call us on **1800 675 839** (8.00am to 8.00pm Monday-Friday Sydney time).