



Defined Benefit Member Guide | October 2019

Caulfield Grammar

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1. Introduction

This Guide has been prepared to assist you in understanding your defined benefits in the Caulfield Grammar School defined benefit sub-plan (**sub-plan**) of Prime Super (**Fund**).

The information in this Guide describes the benefit to which you or your dependants are generally entitled, however, this Guide does not override or replace the provisions of the Trust Deed or Insurance Policy.

The sub-plan is closed to new Defined Benefit Members.

You should read and consider this Defined Benefit Member Guide in conjunction with the **Product Disclosure Statement – Education Division**. The information contained in this Defined Benefit Member Guide is of a general nature only and does not take into account your personal financial situation, needs or objectives. You should seek independent personal financial advice if you have any queries. Information contained in this Guide is accurate at the time of publication and may change from time-to-time. Prime Super also does not guarantee the performance of your investment, or any particular rate of return on contributions made to the Fund (which may impact the solvency of the sub-plan). An up-to-date copy of these documents is available at primesuper.com.au or by calling 1800 675 839.

Prime Super has arrangements with Link Advice Pty Limited ABN 36 105 811 836 AFSL 258145 and PGW Financial Services ABN 15 123 835 441 AFSL 384 713 for them to provide personal financial advice to you. Prime Super is not licensed to provide, and does not provide, personal financial product advice and does not have any liability for, or guarantee, the advice provided to you by Link or PGW.

call 1800 675 839
visit primesuper.com.au
email administration@primesuper.com.au



primesuper
surprisingly straightforward

2. About Prime Super

Prime Super is an independent profit-to members super fund and our members are at the heart of everything we do.

We take the complexity out of super and investments so that you can get on with what matters to you. Prime Super offers straightforward super solutions to empower you to grow, manage and protect your wealth and retirement income.

Prime Super has been providing super products and services for more than 25 years.

Prime Super is open to everyone and has a range of investment and insurance options to choose from. Prime Super manages super benefits approaching \$5.0 billion in funds under management for approximately 130,000 members.

Prime Super is managed by a trustee company, Prime Super Pty Ltd (Trustee) and its Board of Directors (Prime Super Pty Ltd ABN 81 067 241 016 AFSL 219723 RSE L0000277 as Trustee of Prime Super ABN 60 562 335 823 RN 1000276).

Prime Super is governed by a Trust Deed which sets out the entitlements of members and the obligations of the Trustee. Further details about the Trust Deed, the Board and Prime Super's operations are available at primesuper.com.au/governance.

3. How super works – Defined Benefit members

The Defined Benefit sub-plan provides Defined Benefit Members with retirement benefits computed using a formula that considers some factors. For example:

- How long you have worked for your employer or been a Member of the sub-plan.
- A percentage of your final average salary for each year of service.
- Your average salary over a specified number of years, at the relevant time, such as on retirement.

The advantage of Defined Benefits is that your retirement payment is aligned to your recent salary earnings, rather than investment earnings of a fund over a period of years, thereby giving you the potential to plan for your retirement.

Nominating beneficiaries

Who receives your Death benefit when you die depends on the law and what you instruct us to do. You have two options:

- Do nothing, in which case the law requires us to pay your benefit to your dependants or legal personal representative (being the executor or administrator of your estate) or to another person as required by law, or
- Complete a Nomination of beneficiaries form which enables you to make either a 'preferred' or 'binding' nomination with regards to who receives your benefit in the event of your death, subject to nominating a permitted beneficiary under super law.

Preferred beneficiaries

These are people who you would prefer to receive your Death benefit should you die while a member of Prime Super. The Trustee will take your preference into account when making a payment but ultimately decides who should receive your Death benefit according to super law.

Binding beneficiaries

If you would like more certainty over who will receive your Death benefit, you should make a binding nomination. A binding nomination is legally binding and sets out the dependants and/or legal personal representative that you would like to receive your Death benefit. This means that upon your death, your benefit will be paid to the beneficiaries you want to receive it, as long as your nomination is valid, and the people you have nominated qualify as dependants or your legal personal representative (as defined under super law) at the time the benefit is paid.

A binding Death benefit nomination is only valid for three years and overrides any preferred nomination that you may have made. Prime Super will notify you in writing when your nomination is due to expire, so that you have the chance to update or change your nomination prior to your existing nomination expiring by completing a new Nomination of Beneficiaries form.

You will need to inform us in writing if you would like to cancel your binding beneficiary nomination.

Who is a dependant?

Under super law, a dependant includes:

- A spouse (including same-sex partners), regardless of whether the spouse is financially dependent on you. A spouse also includes a de facto partner, meaning a person who although not legally married to you, lived with you on a genuine domestic basis at the time of your death
- A child including a biological, adopted, or step-child, regardless of whether the child was financially dependent on you
- Any person who was financially dependent on you at the time of death
- A person with whom you have an interdependent relationship. Two people may have an interdependent relationship if:
 - They have a close personal relationship
 - They live together
 - One or each of them provides the other with financial support, and
 - One or each of them provides the other with domestic support and personal care.

An interdependent relationship may also exist where there is a close personal relationship between two people who do not satisfy other criteria because either or both of them suffer from a physical, intellectual or psychiatric disability. Examples of interdependent relationships may include:

- Siblings who reside together
- An adult child who resides with and cares for an elderly parent.

Accessing your super

Your super is money put aside or 'preserved' for your retirement and rules apply as to how and when you can access it (conditions of release). Generally, you can gain access to your super once you have reached your preservation age (see table below) and retired from the workforce. Your preservation age is based on your date of birth.

You will be eligible to access your super when you meet one or more of the following criteria or any other condition of release:

- You have reached age 65 (regardless of your employment status)
- You have reached age 60 and ceased an employment arrangement that meets the relevant requirements
- You have reached your preservation age and have permanently retired from the workforce
- The portion of your super you wish to access is classified as unrestricted non-preserved
- You meet the criteria for early release of your benefit

Date of birth	Preservation age
Prior to 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

Classification of super benefits

The classification of your super benefits also plays a role in determining when you can access your benefits.

Preserved benefits

These include all contributions (as well as any voluntary contributions you make) and earnings paid or accrued since 1 July 1999. Preserved benefits may only be accessed when you reach preservation age and have retired or meet a relevant condition of release.

Restricted non-preserved benefits

Contributions made to your account prior to 1 July 1999 may be classified in this way. These funds are not preserved but cannot be withdrawn until you leave your job with your current employer or are otherwise eligible to take a benefit from Prime Super.

Unrestricted non-preserved benefits

These moneys can be paid out to you on request and there are no restrictions concerning age, work or financial situation.

Administration, insurance, & investment expenses

All administration and insurance expenses are met from the sub-plan.

4. Benefits of investing with Prime Super

We are committed to helping you grow, manage and protect your wealth and retirement income, and we have product to suit you at every stage of your life.

Communications

As a member of Prime Super, you can expect to receive regular communications about Prime Super and your super account to help you manage your retirement savings. Prime Super from time-to-time may deliver communications and disclosure documents electronically and will notify its members when those documents are available. In addition, you will also be provided with access to the following yearly publications.

Each year Prime Super produces an Annual Report detailing Prime Super's performance, management and operations for the previous financial year. The latest Annual Report is available at primesuper.com.au, or call us on 1800 675 839 to have a copy sent to you.

Your annual benefit statement provides an overview of your membership for the financial year, detailing your transactions for the year, your insurances, investment performance and the beneficiaries to your account.

We will notify you of any significant or material changes that occur to your rights and benefits within Prime Super, or to the participating employers. Notification may be included in the Annual Report, a newsletter, a new Defined Benefit member guide or through a significant event notice. All significant event notices will be posted on Prime Super's website. If fees increase, you will be provided with at least 30 days' written notice. Insignificant or immaterial changes will be advised through our website, newsletter or the Annual Report.

Financial advice

As a Prime Super member, you have access to advice relating to your super, insurances and your overall financial position.

Your individual circumstances will determine which type of advice you require – general, limited or full advice. General advice and limited advice are provided at no additional cost to members, however fees may apply for full advice. Contact us on 1800 675 839 for more information.

General advice

General advice is guidance we offer in relation to your super membership. This type of advice is of a general nature only and will not take into account your personal objectives, financial circumstances or needs. This type of advice would generally be provided by our customer service staff or our relationship managers.

Limited advice

Limited advice is available at no additional charge from qualified financial advisers over the phone by calling 1800 675 839. They can assist you with making decisions about your super membership, for example, making contributions to your Prime Super account. Our limited advice service is provided under an arrangement with Link Advice Pty Limited (AFSL 258145), who will provide you with a Statement of Advice.

Full financial advice

More detailed personal advice covering your financial position as a whole is provided by licensed financial planners usually during a face-to-face meeting. They can assess your finances, insurances, investments and assets and provide advice to help you reach your personal and financial goals. Licensed financial planners employed by Prime Super are authorised representatives of PGW Financial Services Pty Ltd (PGW) AFSL 384713, ABN 15 123 835 441. Contact us on 1800 675 839 to make an appointment.

If you are provided with personal financial advice you will receive a document called a Statement of Advice which will provide you with information about the advice given to you, the basis upon which that advice was given, information relating to commissions, fees, charges and any relationships that may exist which could potentially influence the advice provided. The licenced financial planners only charge you a fee for this service, and do not accept commissions or fees from Prime Super.

5. Contributions

Am I required to contribute?

You will be required to contribute by pay-roll deduction the percentage of your Annual Salary specified in the Schedule until your Normal Retirement Date specified in the Schedule. These contributions will cease when you cease employment with your employer or at your Normal Retirement Date even if you remain employed with a relevant employer. You can elect to continue to contribute to the defined benefit sub-plan and continue to accrue your defined benefits after your Normal Retirement Date up to the actual date of your retirement. These contributions can be made from your pre-tax salary as part of your remuneration.

Can I make additional contributions?

You can make additional contributions by either:

1. Additional deductions from taxable salary

Further contributions may be made by deduction from your after-tax salary (non-concessional contributions). You may vary the amount of these contributions with the consent of your employer.

These contributions will be credited to your accumulation account, but will not form part of your Defined Benefit sub-plan.

2. Remuneration arrangements with your employer

You may arrange with your employer for your employer to make additional contributions as part of your remuneration, i.e. additional contributions from your before-tax salary (concessional contributions).

These contributions will be credited to your accumulation account, but will not form part of your Defined Benefit sub-plan.

3. Concessional and non-concessional contributions

Refer to the *Member Guide – Education division* for further information on making additional concessional and non-concessional contributions to super.

Employer contributions

Your employer contributes an amount which, when added to Member contributions, will be sufficient to provide the benefits and meet the expenses of administration and insurance.

The amount of your employer's contributions is influenced by the sub-plan's rates of investment return and your salary growth and will vary over time. The contributions of your

employer do not directly determine your retirement benefit entitlements, as your retirement entitlements are generally formula based and linked with your final average salary, being a defined benefit based on your Retirement Benefit Factor.

Your employer may also make additional Award and SG Top-Up contributions to the Fund on your behalf, (refer to the Schedule for further information on the applicable contribution rates).

6. Benefits

The benefits described in this section are before any deduction for tax.

What benefit do I receive at retirement?

The Normal Retirement Date and Early Retirement Date are set out in the Schedule.

The following description of the Retirement Benefit analyses how the benefit is calculated and the method of payment.

Calculating benefit payments

Retirement after attaining age 55

A benefit payment is generally calculated as follows:

Retirement Benefit Factor X Final Average Salary

Please refer to the Schedule for full details.

Payment of the benefit

On satisfying a relevant condition of release, such as reaching age 65, you can elect to receive your benefit as a super lump sum.

Where you retire after preservation age, but before age 65, you can elect to receive your benefits as a super lump sum or transfer your benefits to an accumulation account in a complying super fund.

You should obtain advice from a professional personal financial adviser before making a decision on payment of your super benefits.

If you continue employment after age 65 you may request payment of your benefit at age 65. If your benefit is not paid out at age 65, you can elect to continue to contribute to the defined benefit sub-plan and will continue to accrue your defined benefits up to the actual date of your retirement. Your defined benefits, however, cannot exceed an amount equal to 6 times your Final Average Salary (less the amount of any tax surcharge account payable).

7. How is super taxed?

Tax File Numbers (TFNs)

The Trustee is authorised by law to collect your TFN under the *Superannuation Industry (Supervision) Act 1993 (Cth)*. The Trustee will only use your TFN for lawful purposes, including identifying or finding your lost super benefits, merging accounts within Prime Super, calculating tax on payments and providing information to the Australian Taxation Office (ATO). These purposes may change in the future as a result of legislative change. By law, we may disclose your TFN to another super fund, when your benefits are being transferred, unless you request otherwise in writing.

It is not an offence to withhold your TFN, however if we do not have your TFN we may have to pay extra income tax on contributions your employer makes for you (including any salary sacrificed contributions) and may take this extra money out of your super account. Further, we may not be able to accept some contributions.

Your annual member benefit statement shows whether you have supplied us with your TFN. If you have not supplied us with your TFN and you would like to do so, call us on 1800 675 839.

Tax on contributions

Concessional contributions

Concessional 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. Concessional contributions attract 15% tax at the fund level.

Concessional contribution caps

Contributions made to the Fund by an employer in respect of defined benefit members are generally not referable to a particular member. As such, Prime Super will determine the notional taxed contributions for each member with a defined benefit interest for each financial year and report them as notional taxed contributions to the ATO. These contributions will count towards your concessional contributions cap (currently at \$25,000).

Grandfathering arrangements in relation to calculating a member's notional taxed contributions may apply in respect of a member who had a defined benefit interest in the Fund or a "previous fund" for grandfathering purposes prior to 12 May 2009. Prime Super will determine which accounts are eligible for grandfathering.

Where an account is eligible, the amount of notional taxed contributions will be capped at the Member's concessional contribution cap and there are special rules to determine their notional taxed contributions. This may mean that members' notional taxed contributions may be taken to be at, but not in excess of, the maximum level of their concessional contributions cap.

If grandfathering arrangements do not apply to a member, the notionally taxed contributions are not capped at the member's concessional contributions cap.

Tax on benefit payments

Tax payable on a super benefit payment (or withdrawal) is deducted from the benefit before it is paid to a member. Super benefits are made up of two components – a tax-free and a taxable component.

Tax free component

The tax-free component is money that is tax free when withdrawn from your super. Usually this is where the contribution was made from money you have paid income tax on (unless you have claimed a tax deduction for it).

Taxable component

The taxable component is money that is taxable when withdrawn from your super. The taxable component is further broken down into two other parts:

- A taxed element – where tax has already been paid on the money in the fund, and
- An untaxed element – generally a super benefit containing an untaxed element is most commonly paid by a public sector super fund for Commonwealth, State and Territory government departments. A super death benefit may also have an untaxed element where the benefit includes an amount from an insurance policy and tax deductions have been claimed by the fund in respect of the insurance premiums on the policy.

If you are eligible to make a withdrawal from your super, the amount of tax you pay will depend on your age, the components of your benefit, whether you withdraw your benefit as a lump sum or an income stream and whether your super fund has already paid tax on the withdrawal amount.

Age (years)	Taxable component of taxed element	Maximum tax rate	Taxable component of untaxed element	Maximum tax rate
60 and above	Non-assessable non-exempt income	0%	First \$1.515 million (untaxed plan cap)	15%
			Balance over \$1.515 million (untaxed plan cap)	45%
Preservation age to 59	First \$210,000 (low rate cap)	0%	First \$210,000 (low rate cap)	15%
	Balance over \$210,000 (low rate cap)	15%	\$210,000 (low rate cap) to \$1.515 million (untaxed plan cap)	30%
			Balance over \$1.515 million (untaxed plan cap)	45%
Below preservation	Whole component	20%	First \$1.515 million (untaxed plan cap)	30%
			Balance over \$1.515 million (untaxed plan cap)	45%

The rates above do not include the Medicare levy and are shown for the 2019-20 financial year.

The Untaxed plan cap amount:

- Limits the concessional tax treatment of benefits that have not been subject to contributions tax in a super fund
- Applies to each super fund from which a person receives super lump sum member benefits
- Is used to calculate the excess untaxed roll-over amount.

Low rate cap

The Low Rate Cap is an amount that applies if you reach your preservation age but are under age 60. It is a limit on the amount of taxable components (taxed and untaxed elements) that can be taxed at a concessional (lower) rate. It is a lifetime cap, which is reduced by any taxable component you receive from a super fund after you reach your preservation age. Once you reach the low rate cap, any further money you withdraw as a lump sum is taxed at a different rate.

Tax on Death, TPD & Terminal Illness benefits

If your lump sum Death benefit is paid to a person who is considered a dependant for tax purposes, the payment is tax-free. However, where it is paid to a non-dependant, tax is payable on the taxable component of the lump sum at 15% plus the Medicare levy. Any untaxed element of the benefit will be taxed at 30% plus the Medicare levy. This amount is deducted from the Death benefit before it is paid to the non-dependant.

Terminal Illness benefits paid to members are tax-free.

Tax on Income Protection benefit payments

Tax rules apply to the treatment of Income Protection benefit payments. Contact the ATO on 13 28 65 for details.

8. Additional information

Privacy

Privacy laws regulate, among other matters, the way we collect, use, disclose, keep secure and give access to personal or sensitive information. You or your employer will provide personal and/or sensitive information about you to Prime Super for the purpose of establishing and administering your membership in Prime Super. This personal and/or sensitive information may include your name, address, date of birth, telephone number, email address, tax file number, health condition and your nominated beneficiaries if these details have been provided. The Trustee may use your personal and/or sensitive information for related purposes and may disclose your information to ensure the efficient management of your membership in Prime Super. From time-to-time we may collect personal or sensitive information about you from a third party such as your employer or another entity involved in activities related to your membership in Prime Super. We will only use your personal or sensitive information for the purpose of administering, or for purposes related to the efficient management of, your membership in Prime Super.

The Trustee may conduct direct marketing or send out promotional material that it believes may be of interest to you as a member. You may tell us anytime if you do not wish to receive such material by contacting us. Full details of how we collect and disclose your personal or sensitive information are in a Privacy Policy published by the Trustee. A copy of this Privacy Policy can be obtained free of charge from primesuper.com.au. In summary, the Privacy Policy contains information about how:

- The Trustee collects, holds, uses and discloses personal or sensitive information
- You can access your personal or sensitive information that is held by the Trustee
- You can correct your personal or sensitive information
- You can lodge an enquiry or complaint about a breach of the Australian Privacy Principles (APPs) and how the Trustee deals with these.

The Trustee collects personal or sensitive information about you that is reasonably necessary for the functions and activities of Prime Super, including for the purpose of:

- Processing your benefits in Prime Super (in accordance with the *Superannuation Industry (Supervision) Act 1993 (Cth)*)
- Administering and managing your membership in Prime Super including processing your super and insurance benefits, investing Prime Super assets, processing your death benefit should you die, and assessing claims or complaints related to your benefits in Prime Super
- Correcting your personal or sensitive information
- Managing your participation in Prime Super and communicating with you about Prime Super
- Providing you with information about other products or services that may be of assistance to you
- Using and disclosing personal, but not sensitive, information for direct marketing, and
- Facilitating business operations, including the fulfilment of any legal requirements.

If you do not provide the personal or sensitive information sought from time to time, it may mean that your enrolment or a request relating to your benefits in Prime Super cannot be processed, or that services cannot be provided to you. In general, the Trustee may disclose your personal or sensitive information (as reasonably necessary):

- To its agents, contractors, or third party service providers that provide administrative, custodial or other services in connection with the operation of Prime Super or its business (eg, Prime Super's Administrator)
- To an insurer where insurance services are arranged in connection with Prime Super
- To any new Trustee as may be appointed from time-to-time
- To any party which holds amounts on your behalf which will be transferred to Prime Super
- Where a court/tribunal order or the law requires or permits us to do so (eg, to Regulators and law enforcement agencies)
- To offshore locations only for the purpose of administering your membership in Prime Super, where our service providers have offices or agents situated overseas, including (where applicable) the United States, Canada, France, Germany, Singapore, India, Ireland, South Africa, Hong Kong, and
- Under any circumstances that are permitted or required under the APPs.

For more information on privacy or to obtain a copy of the privacy policy contact us at administration@primesuper.com.au or call 1800 675 839.

Trust Deed

Prime Super is governed by a Trust Deed which, amongst other things, sets out the entitlements of members and the obligations of the Trustee. A copy of our Trust Deed is available at primesuper.com.au/governance.

Anti-Money Laundering and Counter Terrorism Financing

The Trustee is obligated to comply with the *Anti-Money Laundering and Counter Terrorism Financing Act 2006 (Cth)* (AML/CTF). In this regard, the Trustee is required to maintain a program that identifies, mitigates and manages money laundering and counter-terrorism risks associated with its business. As a result:

- We may require you to provide additional information to verify your identity before providing services to you
- Transactions may be delayed or refused where there are reasonable grounds to believe that the transaction breaches AML/CTF or any other Australian law, and
- Where transactions are delayed or refused, we are not, subject to applicable law, liable for any loss you suffer howsoever caused.

From time-to-time, we may be legally required to disclose the information provided by you to regulatory and law enforcement agencies, including the Australian Transaction Reports and Analysis Centre.

Trustee liability insurance

The Trustee has liability insurance to protect it and the Directors against any losses arising as a result of a claim for a breach of their duties.

Conflicts of interest

The Trustee has established procedures to ensure that any conflict of interest in respect of the Directors is disclosed and appropriately dealt with.

Service providers

The Trustee uses a range of service providers to look after Prime Super and its investments. Information on each of the material service providers is detailed in the Prime Super Annual Report.

Change of contact details

It is important that you let us know when you change your contact details. We can only send you information about Prime Super and your membership if we have your current contact details. Update your personal details by calling us on 1800 675 839.

Management of Prime Super

The Trustee is responsible for managing Prime Super. The Directors of the Trustee meet regularly to discuss the management of Prime Super and determine important policies and procedures. Directors receive fees and are reimbursed for travelling expenses for attending Board and committee meetings. Directors are nominated and appointed by the Board of the Trustee.

The Trustee has a constitution containing rules for the appointment and removal of Directors. The current Directors and their dates of appointment are outlined below. **Note:** Prime Super Directors may change from time-to-time.

Alan Bowman	Chairman	26 January 2001
David Cooper	Director	1 July 2009
Duncan Fraser	Director	25 August 2010
Martin Day	Director	28 October 2014
Jacqueline Kelly	Director	24 February 2015
Gerard Parlevliet	Director	22 June 2017
Gary Bonello	Director	1 January 2019
Brett Lazarides	Director	1 January 2019
Ray Russell	Director	1 January 2019
Matthew Scholten	Director	1 January 2019
Gavin Watson	Director	1 January 2019

Enquiries and complaints

If you wish to lodge a complaint about the Fund or its administration, please direct your communication to:

The Complaints Officer
Prime Super
Locked Bag 5103
Parramatta NSW 2124
Phone 1800 675 839 International +61 2 9374 3967
Email administration@primesuper.com.au
Web primesuper.com.au

We try to respond to all queries and any complaints as efficiently as possible and aim to respond to you within 15 days for straightforward issues. For more complex matters, we aim to resolve your complaint within 90 days and will update you every 28 days on the progress of your complaint.

Should you be unsatisfied with our response to your enquiry or complaint or if you do not receive our reply within 90 days, you may be able to contact the Australian Financial Complaints Authority (AFCA) to have your concern reviewed.

Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001
Phone 1800 931 678 (free call)
Email info@afca.org.au
Web afca.org.au

The AFCA is an independent body established to resolve super and advice complaints of members and beneficiaries. AFCA provides fair and independent financial services complaint resolution that is free to consumers. Please note that there are some time limits for lodging certain complaints. This includes complaints about the payment of a death benefit. If you're unhappy with our proposed distribution you must lodge an objection with us within 28 days. If you're unhappy with our final distribution decision you must complain to AFCA within 28 days of being notified of the final decision to pay the death benefit.

9. Schedule

Caulfield Grammar School Defined Benefit Sub-Plan

Item 1 – Contributions

The following contributions are generally payable in respect of members of the specified sub-plan, subject to the governing rules of the Fund.

(a) Member Basic contributions

Subject to the Fund deed, each defined benefit Member will contribute 5% of their Annual Salary as determined from time to time from their after-tax salary. With the agreement of the School, your contributions of 5% of your Annual Salary can be made from your before-tax salary (salary sacrifice) as part of your remuneration. Where these contributions are made from before-tax salary, the amount deducted from your before-tax salary will be 5.88% of your Annual Salary to allow for the 15% tax payable on contributions from before-tax salary when received by the sub-plan.

(b) Employer contributions

Employer Basic Contributions of 7.5% of your Annual Salary will be used in calculating your Minimum Accumulation Benefit.

Subject to the Fund deed, the School will generally contribute as determined by the actuary from time to time.

(c) Award contributions

In addition to the contributions required to provide the defined benefits, the School will make Award contributions of 3.0% of Ordinary Time Earnings (OTE) for each member to the Fund or another fund. The Award contributions, less tax on contributions, will be credited to your accumulation account to accumulate with investment earnings (which may be positive or negative) at rates declared by the Trustee from time to time, to be payable in addition to your defined benefit. These contributions do not form part of the Defined Benefit sub-plan.

(d) Superannuation Guarantee (SG) Top-Up contributions

The School will also make SG Top-Up contributions of 9.5% of the excess of OTE over Annual Salary during any periods that OTE exceeds Annual Salary. The SG Top-Up contributions, less tax on contributions, will be credited to your accumulation account to accumulate with investment earnings (which may be positive or negative) at rates declared by the Trustee from time to time, to be payable in addition to your defined benefit. These contributions do not form part of the Defined Benefit sub-plan.

Item 2 – Retirement Dates

(a) Normal retirement date

Under the Fund, Members reach their Normal Retirement Date on the thirty-first day of December in the year of their 65th birthday.

For female Members who joined the Fund prior to 1 July 1994, the Normal Retirement Date is on the thirty-first day of December in the year of their 60th birthday.

(b) Early retirement

Means retirement prior to the Normal Retirement Date through:

- Member's Option Between 55 years old and Normal Retirement Date
- Serious Ill-Health
- Retrenchment
- Special or Exceptional Circumstances

Item 3 – Retirement Benefit Factor

Member Category	Benefit Multiple for Each Year (Calendar Months Count Pro-Rata) of Eligible Service
Defined Benefit Members	15%

Retirement Benefit Factor is calculated as:

15% for each year (months count pro-rata) of Eligible Service

Final Average Salary means the highest average Annual Salary during any three consecutive years of your employment with the Employer.

Annual Salary means the annual amount of remuneration certified by the School to be the member's Salary as if the member was employed on a full time basis.

Ordinary Time Earnings (OTE) means earnings in respect of ordinary hours of work. It is generally the same as Annual Salary but may be higher than Annual Salary where allowances are paid for part of a year and not included in Annual Salary.

Eligible Service means the period of membership of the sub-plan in years (complete months count pro-rata) but in the event of Death or Permanent Incapacity before Normal Retirement Date, the period of membership is between the date of becoming a Member of the sub-plan and the Member's Normal Retirement Date. Membership of previous funds also counts.

Minimum Accumulation Benefit means

- Member Basic Contributions made by you or on your behalf (including those paid by salary sacrifice), less any contribution tax and surcharge; plus
- the amount of the Employer Basic Contributions at 7.5% of your annual salary; plus
- investment earnings (which may be positive or negative) on these amounts at rates declared by the Trustee from time to time.

The Minimum Accumulation Benefit is also commonly referred to as 2½ times your member contribution with investment earnings.

What benefit do I receive if I retire?

Your Retirement Benefit is calculated as:

The greater of:

- Retirement Benefit Factor x Final Average Salary; and
- Your Minimum Accumulation Benefit

subject to a maximum of 6 times your Final Average Salary (less the amount of any tax surcharge account payable).

You would also receive the total balance of your accumulation accounts made up of any voluntary contributions, Award contributions, SG Top-Up contributions and rollover benefits, less tax on contributions, with investment earnings (which may be positive or negative) on these amounts at rates declared by the Trustee from time to time.

What benefit do I receive if I resign or am dismissed?

If you leave the employment of the Employer at any time before 55 years of age, your benefit at the time of termination will be your Minimum Accumulation Benefit as described above.

You would also receive the total balance of your accumulation accounts made up of any voluntary contributions, Award contributions, SG Top-Up contributions and rollover benefits, less tax on contributions, with investment earnings (which may be positive or negative) on these amounts at rates declared by the Trustee from time to time.

What benefit do I receive if my role is retrenched?

If you or your employment position should be subject to retrenchment while you are still a contributing Member of the sub-plan, a lump sum benefit will be payable. This benefit is calculated in the same way as your retirement benefit as applicable to you at the time of retrenchment.

Are my benefits affected if I am absent on approved unpaid leave?

If you intend to be absent from the Employer for an extended period either with or without pay or if you are travelling overseas, you should contact the Head of Finance to determine the effect your absence will have on your super benefits or your insurance cover.

How are benefits adjusted to account for part-time employment?

Where you are employed on a part-time basis, your membership period in the sub-plan is reduced on a proportionate basis to reflect your remuneration during the relevant period of part-time employment as compared with the Annual Salary you would have earned had you been working full-time. For example, a year of membership as a part-time employee earning 50% of your Annual Salary if you were working on a full time basis is treated for benefit purposes as 6 months' membership.

What benefit would be payable in the event of my death?

If you should die while a contributing member of the Fund, a lump sum benefit will become payable. The benefit will be the amount that you would have received had you retired on your Normal Retirement Date and your current Annual Salary had remained unchanged.

You would also receive the total balance of your accumulation accounts made up of any voluntary contributions, Award contributions, SG Top-Up contributions and rollover benefits, less tax on contributions, with investment earnings (which may be positive or negative) on these amounts at rates declared by the Trustee from time to time.

What benefit would I receive if I became permanently disabled?

If you should become Totally and Permanently Disabled while you are still a contributing member of the Fund, a lump sum benefit will be payable. This benefit is calculated in the same way as your death benefit but is subject to acceptance of a claim by the Fund insurer.

What benefit would I receive if I became temporarily disabled?

If you should become Temporarily Disabled while you are still a contributing member of the Fund as defined under the relevant insurance policy, you will be entitled to receive 100% of your salary for 3 months which is payable by your employer, and 75% of your salary plus 10% superannuation contribution for a maximum of 24 months. Your benefits will commence to be paid after a waiting period of 3 months.

The benefit will cease to be paid on the earlier of the following events occurring:

- you cease to satisfy the definition of temporarily disabled under the insurance policy;
- you reach age 65 or die;
- the 24 month payment period expires.

The benefits payable will be reduced by any other payments you are entitled to receive, such as Workers Compensation payments.

Continuation of insurance protection

On leaving the sub-plan, your member account will be transferred to the Prime Super accumulation plan unless otherwise advised by you.

Unless you advise otherwise, your insurance cover at the date of leaving service will be maintained (subject to work tests for disability cover) and premiums will be deducted from your Accumulation Account.

The value of your Lump Sum insured benefit on your last day of service (Calculation Date) will be matched through the allocation to the nearest number of whole Units of cover (rounded up). Your Insured Benefit amount (Converted Cover) will be no less than Insured Benefit you had at the Calculation Date.

The value of your Salary Continuance insured benefit on your last day of service (Calculation Date) will be match rounding up to the nearest \$100 per month). Your Insured Benefit amount (Converted Cover) will be no less than Insured Benefit you had at the Calculation Date.

Further details will be provided by the Fund when you leave service.

If you have an accumulation account with Prime Super you may cancel the insurance cover at any time by notifying the Fund in writing.

If you subsequently transfer all of your accumulated benefits out of Prime Super to another super fund, all insurance cover provided by Prime Super will cease.

Refer to the *Member Guide – Education division* for further information on your insurance benefits and coverage.

We recommend you obtain financial advice specific to your circumstances prior to leaving the sub-plan.