

PortfolioCare Elements Super/Pension

Product Disclosure Statement
PART 1 – general information
Issue date: 1 July 2007

Closed to all members



PortfolioCare Elements – Super/Pension Product Disclosure Statement (PDS)

Issue Date: 1 July 2007

With *PortfolioCare* your financial planner can help you choose the investment mix that best suits your investment style and financial goals. Together with your financial planner, *PortfolioCare* makes it easy to manage your investments through leading edge technology, consolidated reporting and streamlined administration. This is because you only have one statement to read (instead of many from various fund managers) and one for taxation purposes.

Through *PortfolioCare*, you can access information about your accounts anywhere, anytime over the internet through *Investor Online* – a leading technology solution that allows you to easily view details of your:

- account balances
- investments
- transactions
- asset allocation

PortfolioCare takes care of your investments, so that they take care of you.

PortfolioCare Elements Super/Pension is available through the Super Service, the Allocated Pension Service and the Term Allocated Pension Service.

In this PDS:

- 'account' or 'accounts' refers to either the *PortfolioCare* Elements Super Account, *PortfolioCare* Elements Allocated Pension Account or *PortfolioCare* Elements Term Allocated Pension Account.
- 'deposit' includes a contribution or rollover.
- 'rollover' refers to a rollover superannuation benefit (formerly Eligible Termination Payment or ETP)
- 'managed investment' includes a cash product.
- 'pension', 'pension account' and 'pension accounts' refer to either/both the *PortfolioCare* Elements Allocated Pension Account and *PortfolioCare* Elements Term Allocated Pension Account.
- 'super' and 'super account' refer to the *PortfolioCare* Elements Super Account
- 'superannuation law' includes the Superannuation Industry (Supervision) Act and regulations made under that Act and the Corporations Act and regulations made under that Act
- 'TAP' refers to the *PortfolioCare* Elements Term Allocated Pension Account
- 'we', 'us' and 'our' are references to the Trustee

The PDS for *PortfolioCare* Elements Super, *PortfolioCare* Elements Allocated Pension and *PortfolioCare* Elements Term Allocated Pension (*PortfolioCare* Elements – Super/Pension) consists of two parts:

- PART 1 (this document) sets out general information about *PortfolioCare* Elements – Super/Pension.
- PART 2 – Investment Selection sets out information on the managed investments available through the *PortfolioCare* Elements – Super/Pension Account.

You should read both PART 1 and PART 2 – Investment Selection before making an investment decision.

Asgard Capital Management Ltd ABN 92 009 279 592 AFSL 240695 RSE Licence L0001946 (Asgard) has prepared this PDS on 12 June 2007, but the Issue Date is 1 July 2007. Asgard is the Trustee of the *PortfolioCare* Elements Super Account, *PortfolioCare*.

Elements Allocated Pension Account and *PortfolioCare* Elements Term Allocated Pension Account (RSE R1055610).

The main distributor of *PortfolioCare* Elements Super/Pension is Hillross Financial Services Limited (Hillross Financial) ABN 77 003 323 055. Hillross Financial is a wholly owned subsidiary of AMP Limited (AMP) ABN 49 079 354 519.

The offer or invitation to which this PDS relates is only available to persons receiving this PDS in Australia.

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Updating the information in this PDS

This PDS is up to date as at the time of preparation. From time to time we may change or update information in this PDS that is not materially adverse to your interests (or as otherwise permitted under superannuation law), provided we give you a means of finding out about these changes. You can do this by calling the *PortfolioCare* Contact Centre on 1800 646 234 or, if you are an existing *PortfolioCare* investor, by checking *Investor Online*. You can also obtain a paper copy of the updated information free of charge by contacting your financial planner or the *PortfolioCare* Contact Centre.

Important information

Hillross Financial Services Limited ABN 77 003 323 055 (Hillross Financial) has joined with the Trustee to promote *PortfolioCare* Elements – Super/Pension.

This PDS has been prepared in accordance with our obligations under superannuation law and its terms do not form the basis of contractual relations between you and us, except where this is specifically intended to be the case (for example, in 'Investor declarations, conditions and acknowledgements', pages 44 to 46, and in relation to any other acknowledgements and representations you make to us in the forms).

Other than as specified by legislation, including superannuation law, this PDS does not confer on you any additional rights. We reserve the right to change the features and provisions relating to this product as contained in this PDS, but will provide you with notice of any such change or the ability to access such information pursuant to superannuation law (see 'Keeping you informed' on page 29 to generally find out more about how we will keep you informed).

Your rights in relation to *PortfolioCare* Elements Super/Pension Account are governed by the Retirement Plan – Trust Deed dated 13 November 1995 as amended from time to time (Trust Deed) (which overrides any provisions in this PDS), superannuation law and the general law.

An investment in the super and pension accounts is not a deposit or liability of St. George Bank Limited ABN 92 055 513 070 (St. George). The super and pension accounts and the investments you select are subject to investment risk, including possible delays in repayment and the loss of income and capital invested. Neither Hillross Financial, nor any company in the AMP Group, Asgard Wealth Solutions Limited or St. George, nor any member of the St. George Group, in any way stands behind or guarantees the capital value and/or the performance of the specific investments you select or the *PortfolioCare* Super Account, *PortfolioCare* Allocated Pension Account and *PortfolioCare* Term Allocated Pension Account generally.

The provision of the investments available through the super and pension accounts or any other investment information, example or statements in this PDS should not be taken as the giving of financial product advice by Asgard or any company in the AMP Group. The information provided in this PDS is general information only. It does not take into account your investment objectives, financial position or needs. Before acting on the information, you should consider the appropriateness of the information having regard to your personal circumstances, financial situation or needs.

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PortfolioCare

PortfolioCare Elements – Super/Pension at a glance

Applicable to super and pension accounts	
General	
Minimum initial deposit	No minimum
Minimum additional deposit	No minimum for one-off contributions or rollovers (only applicable to super accounts)
Minimum withdrawal	No minimum
Fees and other costs (inclusive of a net GST cost recovery of 2.5% where applicable) (See pages 34 to 38)	
Contribution fee (also referred to as upfront fee)	Negotiated with your financial planner (ranging from 0.00% to 5.125%)
Total management cost	1.30% to 3.16% depending on the managed investments you choose. A minimum monthly administration fee of \$10.83 applies to account balances less than \$10,000.
Switching fees	Nil
Termination fee	Nil
Keeping you informed (see page 29)	
Reporting	Investor reports Annual Report
Investor <i>Online</i>	Continuous online access to your account details via Investor <i>Online</i> – available from www.investoronline.info 24 hours a day, seven days a week.
Contact Centre	Telephone 1800 646 234 Email portfoliocare.client.services@asgardwealthsolutions.com.au

Differences between the super and pension accounts		
	Super account	Pension accounts
Who can invest?	<p>Generally, individuals who:</p> <ul style="list-style-type: none"> • are under 65 • are aged between 65 and 75 and gainfully employed on at least a part-time basis • are aged 75 and over (for compulsory employer contributions only) <p>For more information see the table on page 14 'Circumstances in which contributions can be made and the types of contributions that can be accepted by us'</p>	<p>Generally, individuals who:</p> <ul style="list-style-type: none"> • have reached their preservation age • are permanently incapacitated • have a rollover which consists entirely of unrestricted non-preserved benefits <p>For more information, see 'Accessing your money' on page 23</p>
What type of deposits can be made?	<p>The following contributions can be accepted subject to superannuation law:</p> <ul style="list-style-type: none"> • personal • employer • spouse • directed termination payment (formerly known as employer eligible termination payments) that were specified in an existing employment arrangement as at 9 May 2006 and are paid before 1 July 2012. • superannuation guarantee contributions • government co-contributions • rollover 	Restricted to a rollover
How can deposits be made?	You and your employer can make deposits of any size at any time into your Account by direct debit, BPAY® or cheque	Forward your Transfer Authority to us or arrange for your rollover cheque and documentation to be sent to us
Regular deposit plan	Yes – minimum \$100 per deposit (monthly, quarterly, half-yearly or annually)	Not available
When can you access your money?	<ul style="list-style-type: none"> • You can withdraw unrestricted non-preserved benefits at any time • Your withdrawal of other benefits is subject to legislative restrictions (see page 23). 	<ul style="list-style-type: none"> • You can choose to have your pension paid to you: <ul style="list-style-type: none"> – monthly – quarterly – annually • Allocated pension – you can withdraw unrestricted non-preserved benefits as a lump sum at any time • Term allocated pension – you can withdraw lump sum amounts only in special circumstances <p><i>Note: For pre-retirement pensions you are limited to withdrawing your unrestricted non-preserved funds until you meet a condition of release (see page 23)</i></p>
Centrelink Asset Test Exemption	100% exempt where you are below Age Pension age	<ul style="list-style-type: none"> • Nil exemption for allocated pension • 50% Exemption for term allocated pension accounts that commenced before 20 September 2007
Insurance	A range of insurance options are available with premiums and associated fees deducted from your account (see the InsuranceCare PDS for more information).	Not available
Additional reporting	Not available	<ul style="list-style-type: none"> • Annual Pension Review letter informing you of your pension payment and tax information • Annual PAYG Payment Summary if you receive a payment while under 60 years of age.

PortfolioCare

About PortfolioCare Elements

PortfolioCare Elements provides you with the choice and flexibility to meet your investment needs.

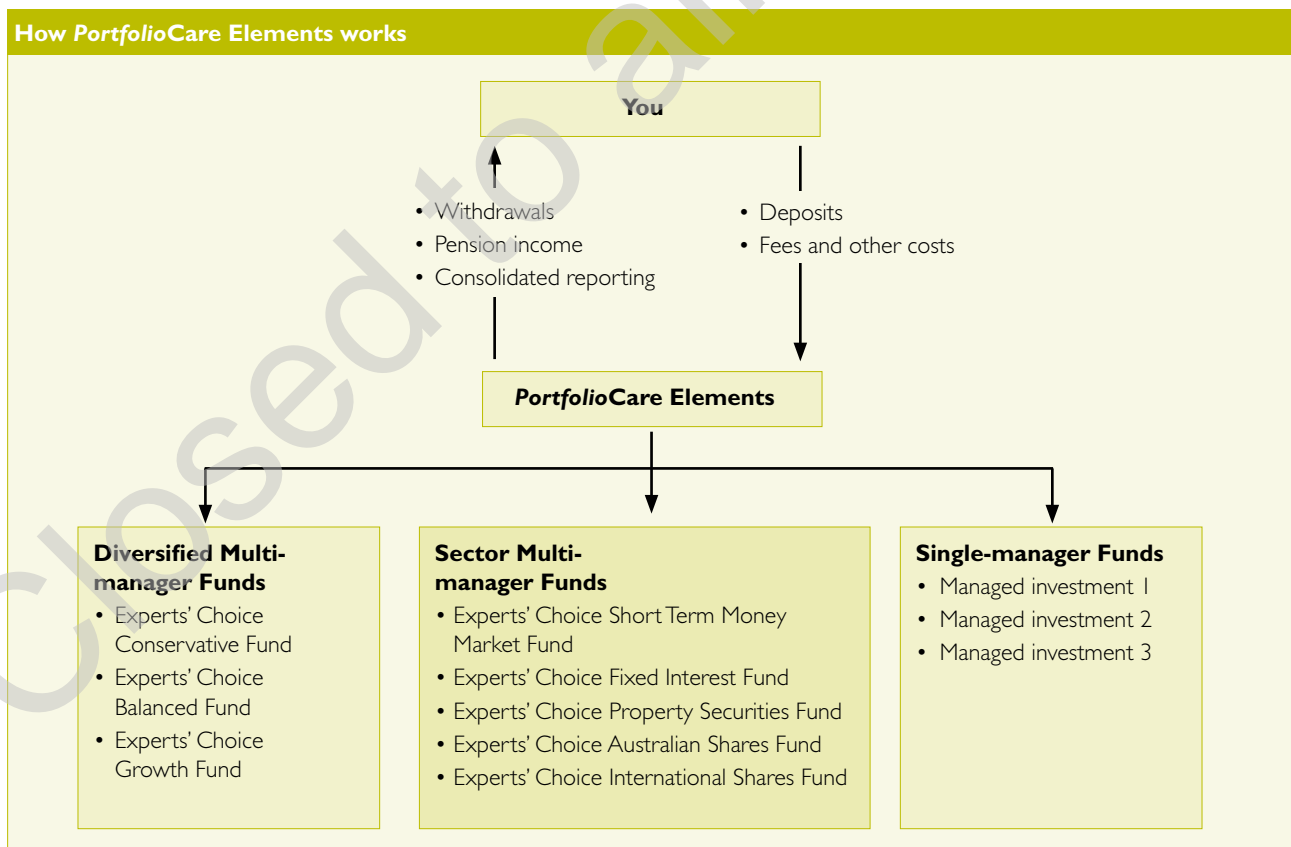
PortfolioCare Elements gives you easy access to a wide range of managed investments that are managed by a variety of leading investment managers. You also receive consolidated transaction, valuation and taxation reporting on all your PortfolioCare Elements investments, as well as the convenience of one central point of contact for all your account queries.

Investment choice, expertise and flexibility

As an investor in PortfolioCare Elements you have access to a quality investment menu (see PDS PART 2 – Investment Selection) and will benefit from the expertise of leading investment managers. Together with your financial planner, you can build an investment profile from the managed investment options that best suit your individual financial needs and objectives.

With PortfolioCare Elements you also get investment flexibility. As your investment needs or objectives change you can switch your investments at any time, quickly and easily. You can choose to either 'set and forget' your investments or with the assistance of your financial planner you can take a more active part in managing your investment profile. Refer to 'Changing your investments' on page 19 for further information.

The diagram below illustrates the types of investments available to you, including diversified and sector multi-manager options (known as Multi-manager Funds) and a range of discretionary investments (known as Single-manager Funds). From these managed investment options, you, in conjunction with your financial planner, can build an investment profile to suit your individual needs. Your investment choice is explained more fully in 'Your investment options' on page 9.



Features to make investing easy

Wholesale prices

By investing in *PortfolioCare* Elements, you can access a range of wholesale managed investments that are typically not directly available to retail investors and generally have lower investment fees than retail funds (see PDS PART 2 – Investment Selection). Fees and other costs are fully explained on pages 34 to 38.

Auto-rebalancing

We provide an auto-rebalancing facility in *PortfolioCare* Elements that ensures your investment profile is automatically maintained on a quarterly, half-yearly or annual basis, so that you don't need to constantly monitor your investment or send in manual investment instructions. This facility is only available if your financial planner submits your account application or subsequent amendment form online using adviserNET. See 'Rebalancing your account' on page 19 for further information.

Consolidated reporting for all your investments

Each year, we will send you a detailed investor report containing all your investment information as at 30 June and an Annual Report providing other important information. For more information about the reports you'll receive, refer to 'Keeping you informed' on page 29.

If you have a pension account, you'll receive an Annual Pension Review letter with details of your pension payments. If you have received a payment while under age 60 during the year, we'll also send you an Annual PAYG Payment Summary to help you complete your tax return.

You can also view your personal account details 24 hours a day, seven days a week through *Investor Online*. Just visit www.investoronline.info to logon. You'll find information on how to access *Investor Online* on page 29.

Through adviserNET, our comprehensive online facility for financial planners, your financial planner is able to provide you with extensive information on your account, including unrealised capital gains estimates on your assets (super accounts only).

Other features of the super account

Choice of fund

The *PortfolioCare* Elements Super Account is part of a complying super fund. This means that we are able to accept any superannuation guarantee contributions that you may direct your employer to pay to us (if you are eligible).

If you would like to have your superannuation guarantee contributions paid to us, you will need to complete the standard choice form in the application booklet, and submit this to your employer.

Regular deposit plan

It's easy to make deposits to your *PortfolioCare* Elements Super Account with a regular deposit plan. For as little as \$100 per month, you can use a regular deposit plan to adopt a more disciplined approach to investing for your retirement – you choose how much you want to invest, how often and for how long. Once you've established your regular deposit plan, we take care of the rest. The 'Regular deposit plan' section on page 16 explains how to establish a plan and provides a case study on the benefits of investing regularly.

Insurance

We offer a range of insurance options to help protect your lifestyle and investments in the event of a personal crisis including Salary Continuance, Life Protection and Total and Permanent Disablement Protection. With the right insurance cover, you can avoid the need to draw on your investments should you suffer a serious accident or illness. The premiums for insurance are paid directly from your cash balance in your account. For further information, or to apply for insurance cover, read the InsuranceCare PDS, available from your financial planner or the *PortfolioCare* Contact Centre.

Transferring from super to pension

When you become eligible to do so, you can transfer part or all of your benefit from an existing *PortfolioCare* Elements Super Account to a tax-effective *PortfolioCare* Elements Pension Account without selling down your managed investments. This can eliminate transfer costs. The section 'Transferring from super or pension to pension' on page 17 explains how.

Other features of the pension accounts

Access to benefits

Allocated pension account

An allocated pension provides you with flexible pension payments to suit your needs (subject to limits set by legislation) You can also choose the frequency of your pension payments, by nominating whether you prefer monthly, quarterly or annual payments. You can also access your benefits as a lump sum payment at any time. Refer to 'When you retire' on page 25 for further details.

Term allocated pension account (only available until 19 September 2007)

With a term allocated pension, your total pension payments for each year are based on the remaining term of your pension, with the frequency of payments being monthly, quarterly or annually. You may only withdraw (commute) your TAP in very limited circumstances. Refer to 'When you retire' on page 25 for further details.

Benefit from tax credits

Investment earnings in the allocated pension account and TAP account are free of tax. You should also receive the full value of any available franking credits on the investments that fund your pension. This occurs annually after the fund's tax return has been lodged. 'Tax features' on pages 30 and 33 provides further information on the implications of tax.

Transferring from one pension to another pension

You can transfer part or all of your benefits from an existing *PortfolioCare* Elements Pension Account to another *PortfolioCare* Elements Pension Account without selling down your managed investments, which can eliminate transfer costs. The section 'Transferring from super or pension to pension' on page 17 for details of how to transfer from an existing pension account to another pension account.

Choosing and managing your investments

With the range of managed investments available through *PortfolioCare Elements* you can tailor your investment profile to achieve your investment goals. PDS PART 2 - Investment Selection specifies all the managed investments available through *PortfolioCare Elements Super/Pension*.

About managed investments

Managed investments (also known as managed funds) provide you with access to the investment expertise of professional investment teams. Your money is pooled with that of other investors so you can invest in a broader range of assets. You'll have access to potentially hundreds of well-researched investments from around the world including investments which would not normally be available if you were investing on your own.

You can choose to invest in a managed investment that concentrates on one particular asset sector, or structure your investments so that you invest in a combination of asset types. The diversification you achieve by investing in a number of managed investments reduces the risk to your portfolio because you are not reliant on the performance of one particular asset or asset sector.

The range of investments available through the *PortfolioCare Super/Pension Account* has been recommended by Hillross Financial. In making a recommendation Hillross Financial take into consideration the quality of the investment managers' business, stability of their investment team, past performance and their investment management process. The status of these investments however may change over time and one or more may be closed to new investors, or not be suitable for you any longer. You should discuss the suitability of any investment options with your financial planner. While Hillross Financial currently provides us with investment selection and investment strategy advice, we retain ultimate responsibility for the *PortfolioCare Super/Pension Account*. Neither Hillross Financial nor we have taken into account any individual circumstances of clients in selecting these investments.

Investment risk and return

Before investing, you need to carefully consider how much of your capital (the amount of money that you invest) you are prepared to risk in order to achieve a potential return. Your financial planner will help you determine your tolerance to risk and your financial goals and recommend the most suitable investments for you.

Investment returns may be influenced by a variety of factors both on a local and global scale. These include economic conditions, interest rate movements, exchange rates, government policy, technological and environmental factors as well as market sentiment and business decisions. By diversifying your investments and investing for an appropriate time frame you may reduce risk.

All investments are subject to risk and their value will go up and down due to the performance of financial markets and the activities of the investment manager you invest with. Your return from a managed investment is measured by its change in capital value over time and the income distributions you receive. Sometimes investments may not generate any income and capital losses can occur.

There are two broad categories of investments - growth assets and defensive assets. Growth assets such as shares and property generally have the potential to earn higher returns compared with defensive assets, like cash, fixed interest and mortgages, but can carry higher risk over the short-term. Defensive assets provide a lower probability of capital loss, but generally earn a lower return.

In conjunction with your financial planner, you should select investments that have a level of risk that you are comfortable with and that best match your investment needs and timeframe. It is recommended that you regularly review your investment decisions with your financial planner to accommodate changes in your circumstances or market conditions over time.

Managing risk

The Trustee takes business risks seriously and has procedures in place to ensure its systems and processes work effectively.

Treatment of labour standards and environmental, social and ethical considerations

We do not take into account labour standards or environmental, social or ethical considerations in the selection, retention or realisation of investments. However, the investment managers of the available managed investments may have their own policy on the extent to which labour standards or environmental, social or ethical considerations are taken into account when making investment decisions.

For any available managed investments, any such policies will be included in the PDSs or other disclosure documents for those investments.

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Understanding asset sectors

Each asset sector has different risk characteristics and performance will differ at certain times of the economic cycle. Following is a brief description of each asset sector:

Cash

Cash investments include term deposits and bank bills that generally have short investment terms of up to 180 days. Cash provides a return of income in the form of regular interest payments. Cash is the least risky of all asset sectors but the potential for high returns over the long-term compared with other asset sectors is relatively low.

Fixed interest

Types of fixed interest investments include bonds, debentures and convertible notes. Fixed interest securities are generally issued by governments, banks or companies as a form of borrowing money. The issuers of fixed interest securities are required to make specified payments to the holder of the security over a period of time. The value of fixed interest investments may fall during periods when interest rates are rising. Currency movements may significantly affect returns of international fixed interest investments.

Property

An investment in 'bricks and mortar', property investment comprises the commercial, residential, industrial and retail property types. Other than direct ownership of property, the most common property investment is through property trusts that own a number of real property investments. Units in a

property trust are often listed on a stock exchange. The value of property investments will fluctuate according to property values, interest rates and the general economic outlook, but over time should deliver an increase in value greater than inflation. Income is paid to investors on a regular basis.

Shares

Australian and international shares represent part ownership of a company and are generally bought and sold on a stock exchange. Returns from shares may include capital growth or loss and, depending on the share, income through dividends. Share investments will generally deliver the highest return of all asset sectors over the medium to long-term, however, they also exhibit the highest fluctuations in values in the short-term. The return achieved will be influenced by factors such as company earnings, interest rates and the general economic outlook. Currency movements may significantly affect returns of international shares.

Your investment options

PortfolioCare Elements offers you choice and flexibility, with a premium range of managed investment options available (see PDS PART 2 - Investment Selection).

Diversified Multi-manager Funds

The Diversified Multi-manager Funds are managed investments that provide the benefit of diversification across investment managers and asset sectors, thus reducing the reliance of your investment on any one particular investment manager or asset sector. Each Diversified Multi-manager Fund comprises a number of professional investment managers selected for their expertise in a particular asset sector.

The managed investment you choose will depend on your attitude to risk and return and your investment time frame. The Diversified Multi-manager Funds are offered for a range of investment risk profiles, with each profile differing in its asset allocation to shares, property, fixed interest and cash. The three Diversified Multi-manager Funds are:

- *Experts' Choice Conservative Fund*
- *Experts' Choice Balanced Fund*
- *Experts' Choice Growth Fund*

Sector Multi-manager Funds

The Sector Multi-manager Funds are managed investments that each invest in one asset sector. Each Sector Multi-manager Fund comprises a number of professional investment managers selected for their expertise in that particular asset sector.

You can choose to invest in one or more Sector Multi-manager Funds. The five Sector Multi-manager Funds are:

- *Experts' Choice Short Term Money Market Fund*
- *Experts' Choice Fixed Interest Fund*
- *Experts' Choice Property Securities Fund*
- *Experts' Choice Australian Shares Fund*
- *Experts' Choice International Shares Fund*

Single-manager Funds

The Single-manager Funds are managed investments that are each managed by a single investment manager. In conjunction with your financial planner, you choose your exposure to individual investment managers and assets. You can also mix the Single-manager Funds with one or more of the Multi-manager Funds.

Available investment options

The table in PDS PART 2 – Investment Selection lists the managed investment options available through *PortfolioCare Elements Super/Pension* and the estimated management costs per annum (as a percentage of the value of your account) for each managed investment. Examples of the dollar amount you would be charged on an investment of \$10,000 and \$50,000 are also provided.

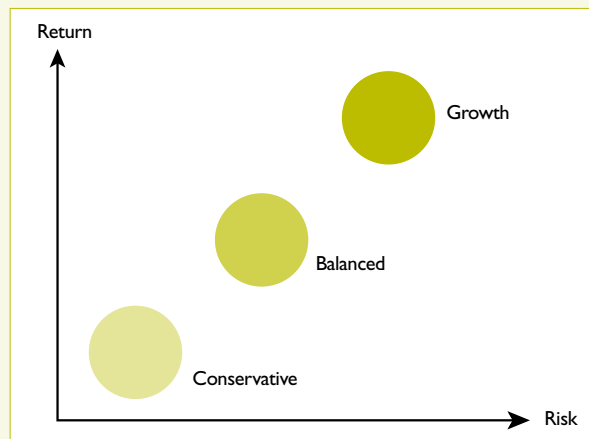
A complete explanation of the fees that will apply to your account is provided in the 'Fees and other costs' section on pages 34 to 38. Managed investment options may be updated, withdrawn, added or deleted by us at any time without notice.

You can obtain a copy of the disclosure documents for the underlying managed investment options without charge and on request from your financial planner or us.

Understanding investment risk profiles

Each of the Diversified Multi-manager Funds is tailored to meet specific investment risk tolerance levels. They are based on attitude to risk and financial goals. Whether you are a cautious investor or are willing to take greater risks to potentially earn a higher return on your investment, there is a Diversified Multi-manager Fund to suit you.

As the allocation to growth assets (shares and property) in the Diversified Multi-manager Funds increases, so too does the level of risk and potential for higher returns as illustrated in the chart below.



Managed investment options – PDSs and other disclosure documents

To help you and your financial planner select the most appropriate investments, there is a PDS or other disclosure document for each managed investment option available through *PortfolioCare* Elements Super/Pension – whether you are investing in a Diversified Multi-manager Fund, Sector Multi-manager Fund or Single-manager Fund – or any combination of the managed investment options available. You must receive a PDS or other disclosure document for each managed investment option you choose. These are available from your financial planner or us on request without charge.

Each PDS or other disclosure document contains a concise description of the managed investment option(s), with enough detail for you to compare a range of investment options and make an informed decision about which managed investments to invest in. A PDS sets out:

- *features of the product*
- *the benefits and risks of investing*
- *information about the investment manager*
- *fees and other costs (although these do not take into account any fee rebate negotiated by us)*
- *other information that is material to your decision to invest.*

Ask your financial planner if you have any questions about the relevant managed investments in terms of whether they suit your financial objectives, situation and needs (including about fees and risk/return) before deciding to invest. You can obtain a copy of these disclosure documents without charge and on request from your financial planner or us.

How your account works

When your account is opened

Once we've received your application and set up your account, you will become an investor in *PortfolioCare Elements* and we'll send you:

- a welcome letter to confirm your account details
- a personal identification number (PIN) to access Investor Online. For security purposes, we'll send your PIN separately to your welcome letter.

Once we process your application and receive your initial deposit, we will purchase managed investments according to your investment profile and pay any associated fees from your account. Managed investments purchased will be held in the Trustee's name.

Your account consists of your cash balance and your investment profile (the managed investments you've chosen to invest in and the percentage to be invested in each). If we don't receive your Investment Selection (PDS PART 2 – Investment Selection), all of your funds will remain in your cash balance.

Your cash balance

Your cash balance will be a percentage of your total account value and will be held in an interest bearing bank account with St.George. The cash balance will normally be between a minimum of 1% and a maximum of 2% of your account value.

All deposits to your account are automatically credited to your cash balance. After deducting any contribution fee and retaining the required minimum cash balance, we'll invest the remaining deposit in accordance with your investment instructions. If no investment instructions are received, your deposit will remain in cash until investment instructions are received. All fees, government charges, insurance premiums, taxes and pension payments (if applicable) are paid from your cash balance.

When your cash balance is higher than the required percentage

We check your cash balance regularly. When it's \$100 or more than the required percentage of your account, we use the excess to buy managed investments according to your investment profile.

Example

Sarah's total account value is \$60,000, comprising \$55,000 in managed investments and \$5,000 in her cash balance. The required cash balance for her account of \$60,000 is \$1,200 ($\$60,000 \times 2\%$) which means that \$3,800 is available for the purchase of managed investment.

The following table illustrates how the \$3,800 will be invested:

Managed investment	Investment profile	Amount
A	25%	\$950
B	25%	\$950
C	50%	\$1,900
	100%	\$3,800

When your cash balance is less than the required percentage

If your cash balance falls to less than 1% of your total account value, we'll automatically sell managed investments, using either the Priority Sell Method or the Default Sell Method to restore your cash balance to what it should be.

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Priority Sell Method

You can nominate a standing Priority Sell instruction on your managed investments specifying the order in which your investments will be automatically sold.

Example

John's *PortfolioCare* Elements Super Account value is \$100,000 and the balance in his cash balance is nil (\$2,000 below the required 2% minimum). John has instructed us to sell Managed Investment A, followed by Managed Investment B until the minimum required cash balance is achieved.

- *Managed Investment A has a value of \$1,250 and*
- *Managed Investment B has a value of \$2,500.*

To restore the cash balance, we will sell all of Managed Investment A (\$1,250) and some of Managed Investment B (\$750).

Default Sell Method

We use the Default Sell Method if we have not received any Priority Sell instructions from you (or if the net value of managed investments you nominated under the Priority Sell instruction are insufficient). Under the Default Sell Method, we will endeavour to sell your managed investments in proportion to their estimated current value, subject to price and market changes that may occur during the selling process.

Example

The balance in Paula's cash balance is \$8,000 below the required minimum. 80% of her account value is in Managed Investment A and 20% in Managed Investment B. There is no Priority Sell instruction in place.

Using the Default Sell Method, we will restore Paula's cash balance by selling from each managed investment proportionately:

Managed Investment A:	80% of \$8,000	=	\$6,400
Managed Investment B:	20% of \$8,000	=	\$1,600
Total:			\$8,000

Negative cash balance

If your cash balance goes negative at any time, we charge interest on the negative amount at the same rate as interest paid on your positive cash balance. We'll then automatically sell managed investments from your account (using one of the methods described above) to top up your cash balance to the minimum balance and recoup the interest charged.

Your investment profile

In conjunction with your financial planner, you construct a portfolio of managed investments to meet your investment needs – this is called your investment profile. PDS PART 2 – Investment Selection details the full range of managed investments available and their fees and other costs.

Your investment profile can include any combination of the Diversified and Sector Multi-manager Funds or the Single-manager Funds – ensuring that you achieve a portfolio of investments suitable for your needs.

You may also switch managed investments at any time (see 'Changing your investments' on page 19).

Transactions to change your account may not be implemented in certain circumstances, such as where we are not reasonably satisfied that you have been given (or where permitted by the Corporations Act have access to) a copy of the current PDS or other disclosure document for the relevant managed investment, which is not defective or materially adverse.

Example – Selecting an investment profile

Sarah has \$50,000 to invest. With her financial planner, Sarah selects investments for her account from the list of managed investments available through *PortfolioCare Elements*. This is her investment profile.

Sarah's investment profile determines how her initial deposit, future contributions and income distributions will be invested. For example, Sarah has selected the following investment profile for her account:

Managed investment	Investment profile
A	25%
B	25%
C	50%
	100%

In this example, Sarah's \$50,000 would be deposited into her cash balance. After allowing for the required cash balance, the remaining balance (net of any contribution fees, if applicable) is then used to purchase managed investments. This is explained in the section 'Choosing and managing your investments' on pages 7 and 8.

When you pay money into your account

When you send us money to deposit into your account, we credit it to your cash balance and hold the required percentage there.

We use the net amount (after we've taken out contribution fees, insurance premiums and pension payments, if they apply) to purchase the managed investments you've chosen for your investment profile.

Generally, we place transaction instructions with investment managers on the business day after we receive a deposit.

Example

There's \$35,000 net to invest after we've credited your cash balance. We use the \$35,000 to buy the managed investments according to the percentage you've allocated to each in your investment profile.

Your investment profile		
The managed investments you want to invest in	The percentage allocated to each	Amount
A	25%	\$8,750
B	25%	\$8,750
C	50%	\$17,500
	100%	\$35,000

Earnings

Earnings from your managed investments will be in the form of capital growth and income distributions.

- *Income distributions are automatically credited to your cash balance and invested according to your investment profile.*
- *Unrealised capital gains (and losses) are shown in your account as changes in the value of your investments.*

The account summary and transaction details screens on *Investor Online* shows the income distributions paid to your account.

Valuations

We value the investments in your account at least weekly, and in most cases daily, based on valuations provided by investment managers.

The portfolio valuation screen on *Investor Online* shows the most current valuations on your account.

PortfolioCare

Your super account

Types of deposits you can make to your super account

Deposits to your super account can be:

- **Contributions** – money deposited into your super account by you, your employer (including directed termination payments formerly known as employer termination payments) or your spouse (see table below for more information on when you can contribute and who can contribute to your super account).
- **Rollovers** – benefits you transfer from another super fund or other superannuation entity.

Circumstances in which contributions can be made and the types of contributions that can be accepted by us				
Circumstances	Personal contributions (Including those made by a self employed individual)	Mandated employer contributions (Award and superannuation guarantee contributions)	Non-mandated employer contributions (Including directed termination payments)	Eligible spouse contributions
1. You are under age 65	✓	✓	✓	✓
2. You: <ul style="list-style-type: none"> • are 65 years of age or over, but not age 70; and • (other than for mandated employer contributions) have been gainfully employed for at least 40 hours in a period of not more than 30 consecutive days during the financial year in which the contribution is made 	✓	✓	✓	✓
3. You: <ul style="list-style-type: none"> • are 70 years of age or over, but not age 75; and • (other than for mandated employer contributions) have been gainfully employed for at least 40 hours in a period of not more than 30 consecutive days during the financial year in which the contribution is made Other than for mandated employer contributions, the contribution must be received on or before the day that is 28 days after the end of the month in which you turn 75	✓	✓ (Award contributions only)	✗	✗
4. You are 75 years of age or over	✗	✓ (Award contributions only)	✗	✗

For more information about rollovers and contributions (and who can make them), contact your financial planner.

Tax on contributions

From 1 July 2007, Reasonable Benefit Limits (RBLs) are abolished. Rules relating to limits on the amount of contributions that can be made to a superannuation account will replace the RBLs.

There are limits (or caps) on the amount of super contributions you can make that receive concessional tax treatment.

- *Concessional contributions - these are contributions made to super for which a tax deduction can be claimed, for example employer contributions, personal deducted contributions or salary sacrifice contributions. You can make up to \$50,000 per year of concessional contributions to super.*

If you are 50 years of age or over, a five year transition arrangement will apply enabling you to contribute \$100,000 per year (between 2007/08 and 2011/12). If you turn 50 during this time, you will be able to take advantage of these arrangements from when you turn 50.

Excess concessional contributions will count towards the non-concessional contribution limit.

- *Non-concessional contributions – there are contributions made to super for which no tax deduction can be claimed for example personal undeducted and spouse contributions. You can contribute up to \$150,000 per year. If you are under 65 years of age during the financial year you will also be able to bring forward up to two years future entitlements allowing you to make a maximum non-concessional contribution of \$450,000 in one year, but then no further contributions in the next two years. Any entitlement brought forward on this basis affects the amount you can contribute in the next two following years.*

The following are not non-concessional contributions:

- *Subject to certain conditions, you may contribute an amount awarded to you as compensation for damages or personal injury suffered by you; and*
- *certain proceeds from the sale of a business may also be contributed to super. A lifetime indexed limit of \$1 million will apply to these proceeds.*

It is important to note that if you exceed the set limits those contributions will be subject to excess tax imposed by the Australian Taxation Office (ATO) so you should carefully consider how the limits apply to you and whether, for example, you have any arrangements in place, such as salary sacrifice contributions or regular direct debit contributions, that may need to be amended. For more information see 'Tax features' on pages 30 to 33, or ask for a copy of our flyer 'Tax and your retirement', or speak to your financial planner.

Contribution acceptance restrictions

There are restrictions that apply to our acceptance of non-concessional contributions.

One off contributions in excess of limit

If you are 64 or less on 1 July of the financial year in which the contribution is made, there is a current monetary limit of \$450,000.00 that applies to a single non-concessional contribution. If you are 65 but less than 75 on 1 July of the financial year in which the contribution is made, the contribution limit is currently \$150,000.00. Both these figures are subject to indexation.

Under superannuation law, we are required to return to you within 30 days one off non-concessional contributions we receive in excess of the relevant limit.

No tax file number (TFN)

We cannot accept any contributions (other than employer contributions) made by you, or on your behalf, if your TFN has not been quoted to us. Under superannuation law, we are required to return these contributions to you within 30 days. Refer to the 'Tax features' section on page 30 for information on further impacts when you don't supply your TFN.

How to deposit funds to your super account

Type of deposit	How it can be made
Contribution	<ul style="list-style-type: none">• by direct debit (you can also establish a regular deposit plan from your nominated bank account, see page 16)• using BPAY (when your financial planner lodges your application or additional deposit electronically)• by cheque• by forwarding your superannuation guarantee notification or other notice of entitlement to superannuation guarantee shortfall payments to us*• via Employer Online (employer contributions only)**• receipt of payments directly from the ATO (for example, government co-contributions)
Rollover	<ul style="list-style-type: none">• by arranging for your rollover cheque and documentation to be sent to us• by completing the transfer authority form in the application booklet

* These types of contributions are credited to your super account following processing by the Australian Taxation Office, which may take some time.

** Employer Online is an internet based solution that enables employers to make electronic contributions directly into an employee's super account.

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Regular deposit plan

If you want a more disciplined approach to saving for your retirement and provided you are eligible, you can set up a regular deposit plan and make regular payments by Direct Debit from your bank account.

With a regular deposit plan you choose:

- *how much you want to invest*
- *the frequency of your deposits (monthly, quarterly, half-yearly or annually)*
- *the duration of your plan.*

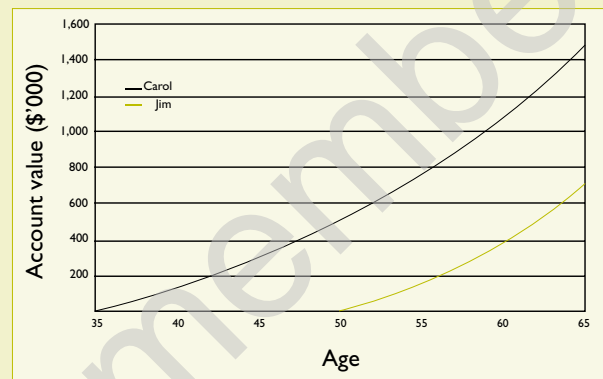
You can view the details of your regular deposit plan on the account details screen on Investor *Online*.

Where funds are not available for your regular deposit plan and we have bought managed investments on your behalf, we will reverse these transactions within a reasonable amount of time. This may result in further buy/sells differentials that may negatively affect your account balance. We will not be held liable for transactions that occur in these instances.

When you have set up a regular deposit plan, you acknowledge and agree that, at the time further investments are made by us on your behalf into a managed investment in which you already have an investment, you may not have received:

- *the current PDS for the managed investment; or*
- *information about material changes and significant events that affect the managed investment (that the responsible entity of the managed investment is required to give a person who acquired an interest in the managed investment directly, unless exceptions apply).*

Case study: Benefits of regular investing – the sooner the better



It's better to start investing small amounts today than to wait until you can invest a larger amount. The benefits of investing early are shown in the example below, where we compare two deposit plans.

Carol and Jim are both aged 35. Carol decides to deposit \$1,000 per month (after tax) for the next 30 years. Jim waits until he is 50 before he starts depositing \$2,000 per month for 15 years. It's assumed their investment will generate 8% per annum after tax, fees and costs.

The graph shows that even though Jim and Carol have both deposited a total of \$360,000, by the time they are aged 65 and ready to retire, Carol's investment has produced a higher return because of an extra 15 years of compound income.

So why the big difference?

The reason for this is compounding. Compounding occurs when income earned on your savings is reinvested, so you earn money on your initial capital, as well as on any income you have already earned.

Government co-contributions

Each year we report your contributions to the ATO so they can determine if you are eligible to receive the government co-contribution. If you are eligible and you've nominated your *PortfolioCare Elements Super Account* to receive the contribution, the ATO will send it to us automatically and we'll credit your *PortfolioCare Elements Super Account*.

To nominate your super account simply complete the ATO superannuation fund nomination form (available from us or your financial planner) and forward the form to the ATO. Alternatively, speak to your financial planner about other ways of nominating your super account.

Splitting your contributions with your spouse

You may be able to split with your spouse some of the taxable contributions you make to your super account, provided your spouse meets the eligibility rules. Those contributions that can be split include employer superannuation guarantee contributions, salary sacrificed amounts, and the deductible portion of any personal deducted contributions you have made. The maximum amount you can split is the lesser of 85% of these contributions or your concessional contribution cap.

Generally, you'll only be able to request a split of the contributions you made in the immediately preceding financial year. However, you may split your contributions in the same financial year you made the contributions, if you are closing your super account in that year and rolling over (that is, transferring the whole of your super account balance) to another fund. Please note that you will not be able to split your contributions once you transfer to a pension account.

You can only make one annual split to your spouse's super account. Once a contribution has been split, you can't change the deductibility of it.

Your financial planner can explain if this option will be of benefit to you.

Your pension account

It's important to note that generally, you can only deposit a single rollover to your pension account to commence your pension. If you have multiple super accounts and/or you have other superannuation savings with another fund and you only want to receive a single pension, you'll need to make sure you 'aggregate' (combine) all your super funds (and any other money you want to pay in) into a single super fund to enable the transfer of a single rollover to your pension account. Contact your financial planner for further details.

Transferring from super or pension to pension

When you transfer from a your *PortfolioCare Elements Super* or *PortfolioCare Elements Pension Account* to a new *PortfolioCare Elements Pension Account* through us, we can transfer your super investments without selling them, which means there is no disposal for capital gains tax (CGT) purposes (super only) and no charges associated with buying and selling investments.

The options for transferring an existing *PortfolioCare Elements Super Account* or *PortfolioCare*

Elements Pension Account to a new *PortfolioCare Elements Pension Account* are shown in the table below:

Full asset transfer	Transfer your total super or pension account balance to a single pension account by completing the relevant section in the pension application booklet or your financial planner can do this for you on adviserNET.
Partial asset transfer	Transfer part of your super or pension account to a single pension account. This allows you to choose with your financial planner which managed investments you want to transfer. You can nominate to transfer a dollar amount or an entire holding in a managed investment. (This instruction can only be submitted by your financial planner electronically on adviserNET).

Unrestricted non-preserved benefits

Unrestricted non-preserved benefits are benefits which no longer need to be preserved because a condition of release has been met and no cashing restrictions apply (see pages 23 to 24).

The rollover you use to open your pension account must be comprised only of unrestricted non-preserved benefits (or you must meet a condition of release of preserved benefits to which no cashing restrictions apply), unless you are applying for a pre-retirement pension (see pages 23 to 26).

Depositing a rollover

To deposit a rollover you can:

- *arrange for your rollover cheque and documentation to be sent to us*
- *complete the transfer authority form in the application booklet*
- *nominate to transfer part or all of your existing PortfolioCare Elements Super/Pension Account balance.*

Aggregating rollovers and contributions

You can use your super account to 'aggregate' multiple rollovers and contributions (refer to page 14 to confirm you are eligible to make a contribution), prior to opening your pension account. To give you time to complete the aggregation, you can delay your pension start date by up to three months. We'll hold all rollovers and contributions in the cash balance within your super account and then transfer the combined funds as a single rollover to your pension account on the nominated pension start date.

If you're using a super account to aggregate pre July 1994 pensions and/or annuities please note this will result in a loss of their tax status. We recommend you consult closely with your financial planner when rolling over pre '94 pensions and annuities.

Our standard fees and other costs will apply while the rollovers and contributions are being aggregated in the super account.

If you have other superannuation savings with another fund that you would like to transfer to a PortfolioCare account, contact your financial planner.

Funds received after your pension has started

Amounts under \$500

If we receive a rollover from another super provider without any instructions from you and the credit amount is less than \$500 (or such other amount as we may determine from time to time), you authorise us to return it to the super fund that paid it. You will need to contact the other super fund about accessing this money.

If investment income or other amounts (including any tax credits) of less than \$500 are credited to your super account after it's been closed and the balance transferred to your pension account, you authorise us to pay it to you (unless your account was transferred to a pre-retirement pension, in which case we will seek further instruction from your financial planner).

Amounts over \$500

If you have rollovers and credits over \$500 (or such other amount as we may determine from time to time) you authorise us to take instructions from your financial planner. There are three options for these amounts:

- *We pay the credit amount to you (unless your super account was transferred to a pre-retirement pension, in which case we will seek further instruction from your financial planner).*
- *We transfer the credit amount to another pension account, which means you will receive more than one pension.*
- *We follow the 'single pension commutation process' so that you can receive a single pension. This involves:*
 1. *Transferring your pension account balance (without selling investments) to a new pension account.*
 2. *Adding any other additional money, either rollovers or contributions, to the new pension account on the same day as the transfer. Any additional money must be added to the new pension account on the same day as the transfer. If the additional money is a contribution which you are eligible to make, we will have aggregated the funds in your PortfolioCare Elements Super Account first.*
 3. *Commencing a new pension account.*

If we need to open a new super account and/or a new pension account for you, you authorise us (if the law permits) to use the application for your existing pension account. Our standard fees and charges will apply to the super and/or pension account opened for you.

Your financial planner can recommend the best option for your circumstances.

Changing your investments

You can change your investment profile or switch from one managed investment to another at any time, free of any switching fees. We recommend you consult your financial planner before changing your investments.

Please note that if an existing purchase or sale of investments is pending on your account and you have requested to change your investments using any of these methods, this change may be affected.

If you ask us to sell 95% or more of the value of your entire holding in a managed investment, we'll sell your entire holding in that managed investment and credit the proceeds to your cash balance.

Before you make any decision in relation to rebalancing, changing your investment profile or switching, you must receive a copy of the PDS or other disclosure document for any new underlying managed investments that contains more detail in relation to these managed investments, unless there is no requirement for such a document to be provided by us in paper form (for example, the relevant information may be able to be provided to you electronically, through Investor Online or by your financial planner if permitted by law) or in another way. You can obtain these current disclosure document(s) free of charge from your financial planner or us. We recommend that you consult your financial planner before making any decision about your investment choices.

1. Changing your investment profile

You can change your investment profile by forwarding us new instructions by completing another PDS Part 2 – Investment Selection. Your financial planner can do this for you using adviserNET. We'll buy and sell managed investments in accordance with your new instructions, so that your current holdings are rebalanced to match your new investment profile. Additional funds deposited to your account will be invested according to your new investment profile.

2. Switching investments

You can switch your **total holding** in any one managed investment into another managed investment by forwarding us a completed PDS PART 2 – Investment Selection. When a total switch is made, the profile percentage of the managed investment you have switched from will be allocated to the managed investment you have switched to. Your account will not be rebalanced (that is, the other managed investments in your investment profile will not be affected).

You must receive a copy of the underlying PDS or other disclosure document for any new managed investments before submitting your instruction. We recommend that you consult your financial planner before making any decision about your investment choices.

3. Rebalancing your account

Over time, the weighting towards the managed investments you choose will change due to the different performance of those investments. Rebalancing is the process of buying and selling managed investments to restore the investment percentages you have chosen for your investment profile.

Auto-rebalance

If you choose the auto-rebalance facility your investment percentages will be rebalanced automatically to your investment profile. This can be done:

- quarterly (on or around 15 March, June, September and December)
- half-yearly (on or around 15 June and December)
- annually (on or around 15 June).

If you choose the auto-rebalancing facility, you should be aware that:

- at the time of auto-rebalancing we will check your cash balance and if necessary, restore it to the required level without notifying you
- sales arising from auto-rebalancing could result in a CGT liability being realised (super only)
- if any of the managed investments in your investment profile are closed to further investment or have sales restrictions, then those managed investments will not be included in the auto-rebalance, although the rest of your managed investments will be
- no auto-rebalancing will occur if your account is in the process of being closed or if the transactions are otherwise impeded
- for the pension accounts, the auto-rebalancing facility is not available if you choose to have your pension paid from a single nominated managed investment.

This facility is only available if your financial planner submits your account application form or a subsequent account amendment form online using adviserNET. Your financial planner must also use adviserNET to change or cancel the facility.

PortfolioCare

Transactions to rebalance your account may not be implemented in certain circumstances, such as where we are not reasonably satisfied that you have been given (or where permitted by the Corporations Act have access to) a copy of the current PDS or other disclosure document for the relevant managed investment, which is not defective or materially adverse.

Example

How auto-rebalancing affects your account.

Ben opened his account on 15 March. The table shows Ben's account six months later:

Managed investment	Investment profile as at 15 March	Actual holding as at 15 September	Actual percentage as at 15 September
A	25%	\$13,500	25.8%
B	25%	\$11,800	22.6%
C	50%	\$27,000	51.6%
	100%	\$52,300	100%

This is how Ben's account would look after rebalancing his account back to his investment profile.

Managed investment	Investment profile as at 15 September	Actual holding
A	25%	\$13,075
B	25%	\$13,075
C	50%	\$26,150
	100%	\$52,300

One-off rebalance

You can rebalance your account on a one-off basis by re-submitting your original PDS PART 2 – Investment Selection to us. Your financial planner can do this for you online using adviserNET.

Consequences of changing your investments

When managed investments are sold, you may incur a capital gain or capital loss that will affect the amount of tax paid from your account (super only). You may also be charged transaction costs known as buy/sell differentials (see 'buy/sell differential' on page 37).

Limited Authority to Operate

For your convenience, you can grant a Limited Authority to Operate to your financial planner. This allows your financial planner to buy and sell managed investments using adviserNET without the need for you to sign a PDS PART 2 - Investment Selection. Contact your financial planner if you would like to grant them a Limited Authority to operate.

Please note that this Limited Authority to Operate will apply not only to this account, but also to any other accounts you hold in exactly the same name as this account with the same account number (except PortfolioCare eWRAP Accounts).

Pension payments

Pension payments from your pension account will be funded from your cash balance. If there's not enough money in your cash balance, we'll sell your managed investments using either the Nominated Asset Method (see below), Default Sell Method or Priority Sell Method (see page 12) to fund your pension payments.

Pension payments are subject to different income tax rates depending on your circumstances. For more information see 'Tax features' on pages 30 to 33 or ask for a copy of our 'Tax and your retirement' flyer; or speak to your financial adviser.

Nominated asset

You can nominate a single managed investment to fund your pension payments and we'll fund payments from this managed investment until it has all been sold. If we need to sell more than 95% of an asset to meet a pension payment, we'll sell the entire asset.

If you don't nominate a single managed investment we'll fund your payments using either the Priority Sell Method, if instructions exist, or Default sell Method (see page 12).

Your pension payments are funded (in order) from your:

1. *unrestricted non-preserved benefits*
2. *restricted non-preserved benefits**
3. *preserved benefits.**

* applicable to pre-retirement pensions only.

Choose your payment period

You can choose to receive your pension payments:

- *monthly*
- *quarterly – in March, June, September and December*
- *annually – in June.*

You can change the frequency of your pension payments at any time – simply contact your financial planner.

We'll pay your allocated pension or term allocated pension directly into your bank account on or around the 20th of the month.

Your allocated pension account

Your minimum pension payments

Under superannuation law, we are required to pay you each year a certain percentage of your pension account balance as a minimum pension. Pension amounts are subject to an annual minimum limit. The minimum limit that applies to you is calculated using a percentage, depending on your age, and the amount you have in your account. Refer to the table below for the minimum percentage factors.

Age	Minimum Percentage Factor
Under 65	4%
65-74	5%
75-79	6%
80-84	7%
85-89	9%
90-94	11%
95 or more	14%

There is no maximum that applies (other than to pre-retirement and term allocated pensions – see the following).

When your pension starts, we calculate your pension minimum for that year on a pro rata basis. If your pension commences between 1 June and 30 June and you select a minimum, you may not receive a pension payment for that year. Otherwise, your minimum pension is calculated on the first day of each financial year (1 July).

We'll write to you each year to inform you of your pension limits or you can check them on the pension details screen on Investor Online. Your financial planner can also tell you what your likely limit will be.

You can adjust the amount of your payments at any time. To do this, simply contact your financial planner. If you rollover part of your benefits to another super fund, we must ensure sufficient funds in your account to pay your pension minimum to you. If you close your account and rollover all your benefits to another super fund, we must pay your pension minimum (which we will calculate on a pro rata basis) to you if you have not already received it. For these purposes, any lump sum withdrawals will be counted as part of your pension minimum.

Lump sum payments – withdrawal

If you have a pension that is not a pre-retirement or term allocated pension, you can withdraw all or part of your allocated pension benefits as a lump sum (commutation) at any time. Withdrawal restrictions may apply to pre-retirement and allocated pensions (refer to 'Accessing your money' on page 23). Any lump sum withdrawal may be counted as part of your pension minimum.

A lump sum withdrawal will not affect your pension payments in the financial year in which you make the withdrawal. You should consult your financial planner before you decide to take any part of your pension as a lump sum.

Also see 'Tax features' on pages 30 to 33, or ask for a copy of our flyer 'Tax and your retirement' for more information on tax and lump sum payments.

Pre-retirement pensions

In addition to the minimum pension payment requirement, a maximum pension payment limit also applies to pre-retirement allocated pensions. The maximum limit is calculated at the beginning of each financial year and equal to 10% of your account balance.

When you turn 65 or advise us that you meet another condition of release (with no cashing restrictions) this pre-retirement pension status is removed and the maximum pension payment limit will no longer apply. If you have nominated to receive the maximum pension payment we will default your new pension payment nomination to a gross dollar nominated amount equal to the annual maximum pension payment amount you were entitled to for that financial year. To adjust this nomination, contact your financial planner.

Your term allocated pension account

Only available until 19 September 2007- after this date no further TAPs will be issued.

Term allocated pensions (TAPs) provide you with a regular pension payment for the term you choose. New TAPs will continue to attract a 50% assets test exemption under social security law when they are commenced on or before **19 September 2007. After this date the exemptions for newly commenced TAPs will be removed. TAPs that commenced before this date will retain their exemption status.** For more information, contact your financial planner.

Your TAP account payments will be made over the nominated term of your pension (established at the commencement of your account).

Calculating the term

When you commence a TAP, you can elect the term of the pension to be between your (or your spouse's) life expectancy and the number of years before you (or your spouse) would reach age 100.

You can only use your spouse's life expectancy for determining the term if it is greater than yours and you have nominated your spouse as a binding reversionary pension beneficiary. (See 'Binding reversionary pension nomination' on page 28.)

Your pension payments

The pension you can draw from your TAP account is calculated on 1 July each year using a formula that takes into account your account balance and the remaining term of your pension. You can adjust the amount of your pension payments from between 90% to 110% of this annual amount at any time.

Lump sum payments

The government has restricted lump sum access to TAPs except:

- where your TAP is not funded from the commutation of a complying pension or annuity:
 - you can make a withdrawal within six months of commencement of your TAP, unless your pension was established by satisfying the pre-retirement pension condition of release, in which case you can withdraw only your unrestricted non-preserved benefits
- if you or your reversionary beneficiary dies, but:
 - if the nominated life expectancy for your TAP is based on your spouse's life expectancy, you can't commute your TAP until after both you and your spouse die, other than to purchase a new complying pension or annuity
- where the withdrawal is directly used to purchase another complying pension or annuity with comparable Centrelink treatment
- to make a non-member spouse payment split under the Family Law Act
- to ensure that a payment may be made for the purpose of giving effect to a release authority under the Tax Act.

You should consult your financial planner before you decide to take any part of your pension as a lump sum. See our taxation flyer, 'Tax and your retirement', for more information on tax and lump sum payments.

Accessing your money

You should note that due to the level of investment returns that may be earned by your investments and our fees and other costs, if you close your account within a few years of joining, you may get back less than you deposited.

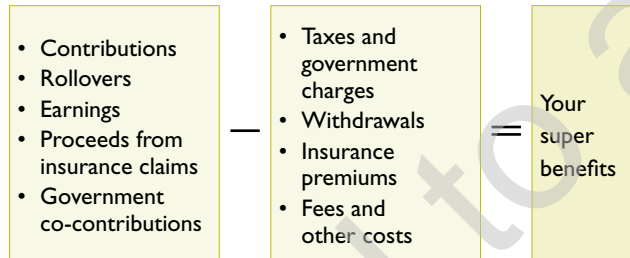
Super benefits

Your super benefits comprise:

- contributions made by you, or on your behalf
- rollovers or benefits which are transferred to your account
- investment earnings which accrue (including positive and negative returns)
- proceeds from any insurance claims

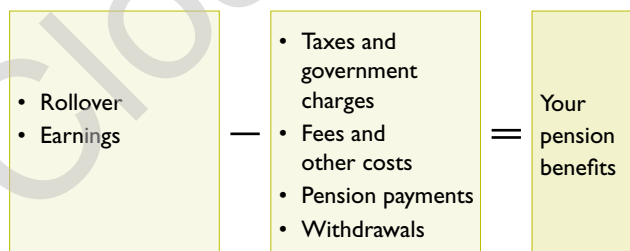
less taxes and government charges, fees, other costs, insurance premiums and any other withdrawals.

Your benefits can't be paid to you until you meet a condition of release.



Pension benefits

Your pension benefits comprise your initial rollover and investment earnings which accrue (including both positive and negative returns) less taxes, government charges, fees and other costs, pension payments already paid to you (if applicable) and any other withdrawals.



Benefit categories

There are three benefit categories applicable to both super and pension:

- *unrestricted non-preserved benefits* – you can withdraw these at any time
- *restricted non-preserved benefits* – refer to page 24 for the rules about accessing these benefits
- *preserved benefits* – refer to page 24 for the rules about accessing these benefits.

Accessing unrestricted non-preserved benefits

Once your benefits become unrestricted non-preserved you can withdraw them, transfer them to a pension account, or roll them over into another super or pension fund or retirement savings account at any time.

Accessing preserved and restricted non-preserved benefits

You can rollover these benefits to another complying super fund or retirement savings account at any time. However, you can only access these monies if you satisfy a 'condition of release'.

Where you satisfy a condition of release (see page 24) and there are no cashing restrictions (as there are with a pre-retirement pension), preserved benefits and restricted non-preserved benefits become unrestricted non-preserved benefits and can be paid to you.

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Condition of release [#]	Cashing restrictions	
	Preserved benefits	Restricted non-preserved benefits
You are aged 65 or over	Nil	Nil
You are aged 60 or over and you leave your employer	Nil	Nil
You satisfy all of the following: <ul style="list-style-type: none"> You have reached your preservation age (see 'Your preservation age' on page 25) You are not gainfully employed You can reasonably satisfy us that you never intend to work for 10 or more hours per week again. 	Nil	Nil
You reach your preservation age	Benefits can only be paid in one or more of the following ways: <ul style="list-style-type: none"> A transition to retirement income stream* A non-commutable allocated annuity A non-commutable allocated pension* A non-commutable annuity A non-commutable pension* 	Benefits can only be paid in one or more of the following ways: <ul style="list-style-type: none"> A transition to retirement income stream* A non-commutable allocated annuity A non-commutable allocated pension* A non-commutable annuity A non-commutable pension*
We are reasonably satisfied that you are permanently incapacitated**	Nil	Nil
You have compassionate grounds for applying**	A single lump sum not exceeding an amount determined by the Australian Prudential Regulation Authority	A single lump sum not exceeding an amount determined by the Australian Prudential Regulation Authority
You suffer severe financial hardship**	A single lump sum every twelve months not exceeding \$10,000	A single lump sum every twelve months not exceeding \$10,000
You are an eligible temporary resident who is leaving Australia permanently**	Nil	Nil
You die	Nil	Nil
You terminate your employment with an employer who has made contributions to your account on your behalf	Benefits can only be paid in one or more of the following ways: <ul style="list-style-type: none"> A non-commutable life pension A non-commutable life annuity 	Nil
You were a lost member and your entire benefit when released is less than \$200 [^]	Nil	Nil
We receive a Release Authority or Transitional Release Authority from you or the ATO	The amount specified in the Authority subject to any restrictions in tax law	The amount specified in the Authority subject to any restrictions in tax law

[#] More than one condition of release may apply. If so, you should consider which condition of release provides the greatest access.

* Referred to as a pre-retirement pension (also known as transition to retirement income stream).

** As provided under superannuation law.

[^] You receive the benefit tax-free provided it's paid as a lump sum and it is your entire benefit in the fund.

Your preservation age

Your preservation age depends on the date you were born.

Date you were born	Your preservation age
Before 1 July 1960	55
1 July 1960 – 30 June 1961	56
1 July 1961 – 30 June 1962	57
1 July 1962 – 30 June 1963	58
1 July 1963 – 30 June 1964	59
After 30 June 1964	60

Pre-retirement pensions and TAPs

Once you reach your preservation age you can access your super benefits as a non-commutable income stream through a pre-retirement pension. This condition of release means you can open a *PortfolioCare* Elements Pension Account and receive pension payments, even though you may still be working.

You won't be able to make lump sum withdrawals from the pension account unless you are withdrawing unrestricted non-preserved benefits or you meet another condition of release (with a no cashing restriction).

Note that lump sum withdrawals from a TAP are only allowed in limited circumstances and you won't be able to make lump sum withdrawals from a pre-retirement pension unless you are withdrawing unrestricted non-preserved benefits or you meet another condition of release of preserved benefits with no cashing restrictions.

When you retire

Once you retire, or meet another condition of release, your super benefits can be paid as either a lump sum or transferred to a pension fund.

You can transfer your money directly from the *PortfolioCare* Elements Super Account to a tax-effective *PortfolioCare* Elements Allocated Pension Account or *PortfolioCare* Elements Term Allocated Pension Account (but after 19 September 2007 no further TAPs will be issued) without selling managed investments (see the section 'Transferring from super or pension to pension' on page 17 for more details).

Withdrawals

Please read this section in conjunction with 'Accessing your money' on page 23, as some limitations apply to withdrawals.

You can generally withdraw (otherwise known as "cashing in") your super or pension monies at any time provided you meet a condition of release (with a no cashing restriction) or your benefits are already unrestricted non-preserved. TAPs are subject to additional restrictions (see 'Your term allocated pension account' on page 22 for details).

You cannot specify that your withdrawal is to be made completely from either the tax free or taxed components of your benefits. All withdrawals will be pro rated across both components and, for this purpose, if you hold more than one account in the fund (which may be across several products), these accounts will be aggregated*.

** At the date of preparation of this PDS, this measure was enacted as a matter of taxation law. However, it is possible that the government may change or omit this measure between the date of preparation and the date of issue of this PDS. For further information, please contact your financial planner.*

How does your *PortfolioCare* Elements Super/Pension Account work when you withdraw

Withdrawals are funded first from your cash balance, then from the sale of managed investments using the Priority Sell Method (if instructions exist) or the Default Sell Method (see page 12) from your account.

If there's enough in your cash balance, we'll endeavour to pay you within five working days of receipt of your payment request.

If we have to sell managed investments, we'll endeavour to pay you within five working days of receipt of the sale proceeds for those managed investments from the relevant investment managers.

The price you receive on a managed investment will depend on when the investment manager receives and processes the request.

We may also have to sell down additional managed investments to top up your cash balance to the required level, as explained on page 11.

The transaction details screens on *Investor Online* show any withdrawals that have been made from your account.

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Restrictions and delays

Some investment managers may impose withdrawal restrictions (for example, they may only permit withdrawals twice a year) or only part pay a redemption (these will be outlined in the investment manager's PDS or other disclosure document). You can obtain a copy of the PDS or other disclosure document free of charge and on request from your financial planner or us. Managed investments that are subject to these restrictions are generally those that have redemption periods greater than 21 days. For more information, see PDS PART 2 – Investment Selection.

Also, if a purchase or sale of managed investments is pending, your withdrawal request may be delayed.

For other restrictions on withdrawals from your TAP account, please refer to 'Your term allocated pension account' on page 22.

One-off withdrawals

To make a one-off withdrawal, submit a payment request form. If managed investments do not need to be sold, we will endeavour to pay the required amount within five working days of receiving an original signed request at our Perth office.

If managed investments do need to be sold, we will endeavour to pay the amount requested within five working days of receiving the proceeds from the sale of all the investments.

Example: One-off withdrawal

The table shows Ben's account, six months after it has been opened

Managed investment	% allocated to each managed investment	Actual holding	% in proportion to current account value
A	25%	\$13,500	25.8%
B	25%	\$11,800	22.6%
C	50%	\$27,000	51.6%
	100%	\$52,300	100%

Ben decides to withdraw \$12,000 of his unrestricted non-preserved benefits. To fund the payment, we'll:

- take the \$2,000 currently in Ben's cash balance
- sell units from each managed investment, in proportion to their current actual holdings, to the value of \$10,000.

Managed investment	% in proportion to current account value	Amount sold
A	25.8%	\$2,580
B	22.6%	\$2,260
C	51.6%	\$5,160
	100%	\$10,000

Because Ben's cash balance is now \$0, we'll also sell additional managed investments to top up the cash balance.

What happens if you die?

Superannuation law allows you to nominate one or more dependants or your estate to be paid the balance in your account (including any insured benefit) when you die.

Who is a dependant?	Definition under superannuation law
Your spouse	married or de facto spouse*
Your children (of any age)	Includes adopted, step and ex-nuptial children
Any person with whom you have an interdependency relationship	Two persons (whether or not related by family) have an interdependency relationship if: (a) they have a close personal relationship; and (b) they live together; and (c) one or each of them provides the other with financial support; and (d) one or each of them provides the other with domestic support and personal care (other than under an employment contract or a contract for services or on behalf of another person or organisation such as a government agency, a body corporate or a benevolent or charitable organisation). If two persons (whether or not related by family) satisfy (a) and they do not satisfy (b), (c) and (d) and the reason they do not satisfy (b) (c) or (d) is that either or both of these persons suffer from a disability, or they are temporarily living apart; they will still have an interdependency relationship. If two persons satisfy (a) (b) and (c) but not (d) and one or each of them provides the other with support and care of a type and quality normally provided in a close personal relationship, rather than by a mere friend or flatmate, they will still have an interdependency relationship.
Any other person financially dependent on you at the time of your death	A person, other than a spouse, child or person with whom you have an interdependency relationship, who is financially dependent on you.

* As defined under superannuation law, this excludes same sex couples.

Types of nomination and how benefits can be paid

There are two types of nominations – discretionary and binding. With the exception of a term allocated pension account that has been established with a binding reversionary pension nomination you can change your death benefit nomination at any time.

Discretionary

We are not bound by a discretionary nomination. Although we'll endeavour to abide by your nomination, we consider each case individually to ensure death benefits are paid appropriately.

Binding death benefit nomination

This nomination is binding on us, subject to conditions. You can nominate an eligible dependant or your estate and we will pay the death benefit in accordance with your nomination. If not revoked or renewed, a binding death benefit nomination expires after three years. Should your nomination expire and you wish to continue this form of nomination, you will need to resubmit a new binding death benefit nomination.

You can change or revoke your nomination at any time. This nomination must be witnessed by two people over the age of 18 who are not nominated beneficiaries. To make a binding death benefit nomination, complete the form in the application booklet.

Benefits can generally be paid as a lump sum or pension

Generally, (other than in relation to some TAPs (refer to 'Binding reversionary pension nomination' below) a beneficiary to whom a death benefit is to be paid will have the ability to choose to receive the death benefit as either a lump sum (subject to some restrictions) or as an allocated pension.

If you have a pension account and your death benefit nomination specified payment as a reversionary pension, the beneficiary may elect to receive the benefits as a lump sum. Where the beneficiary does choose to receive the death benefit as a pension, it is called a reversionary pension.

A death benefit cannot be paid as a pension to:

- someone who is not a dependant
- an interdependent
- a child unless the child is:
 - under 18 years of age; or
 - between 10 and 25 years of age and is financially dependent on you; or
 - over 18 years and has a prescribed disability.

In addition, where the death benefit is paid as a pension to a dependant child, the child cannot continue to receive the pension once they attain age 25 (except where they are permanently disabled) and it will be commuted and paid as a lump sum.

Beneficiary to whom death benefit is to be paid	How benefits can be paid
Spouse	Lump sum or allocated pension
Child under 18	Lump sum* or child allocated pension# ^
Child 18-25 who was financially dependent	Lump sum or allocated pension ^
Child over 25	Lump sum only
Other dependant	Lump sum or allocated pension
Non-dependant	Lump sum only

* A lump sum benefit for a child under the age of 18 will generally be paid to the child's parent or guardian on trust for the child until the child turns 18.

Complete a child pension nomination (available from your financial planner), which sets out the conditions that apply to these pensions.

^ This pension will only continue until the child turns 25, at which point they will receive the balance of the account as a lump sum payment, unless the child is permanently disabled.

Binding reversionary pension nomination

If you apply for a TAP and want the pension term based on your spouse's life expectancy, you'll need to complete the binding reversionary pension nomination form (in the TAP application). Once you've made a binding reversionary pension nomination, you can only change the nomination by commuting and recommencing your pension. This may result in various fees and other costs being deducted from your account.

You can also make a binding reversionary pension nomination for your TAP account even if the term of your pension is not based on your spouse's life expectancy.

Binding reversionary pensions are not available to allocated pension accounts.

Changing your nomination

With the exception of a TAP account established with a binding reversionary pension nomination (see 'binding reversionary pension nomination' above), you can revoke or change your death benefit nomination at any time by notifying us in writing. Call our Contact Centre or your financial planner for the appropriate form.

If you don't make any nomination

If you don't nominate a beneficiary, we have the discretion to determine who receives your benefits in accordance with superannuation law.

You can make a death benefit nomination at any time after opening your account (other than a TAP binding reversionary pension nomination) by notifying us in writing. Ask the Contact Centre on 1800 646 234 or your financial planner for the appropriate form.

Tax implications of nominations

The tax consequences of a nomination can vary depending on your choice of beneficiary and whether or not you choose a discretionary or binding reversionary nomination – see page 27. You should discuss with your financial planner the tax implications of any nomination which you are considering making.

For more information see 'Tax features' on pages 30 to 33, or ask for a copy of our tax and your retirement flyer, or speak to your financial planner.

Keeping you informed

This table summarises how we communicate with you and how you can keep up-to-date with your account.

Investor <i>Online</i>	Access information on your account anywhere, any time, over the Internet at www.investoronline.info . Once you've received your PIN, logon to <i>Investor Online</i> to view your account balance, investments held, asset allocation, transaction, pension and insurance details and relevant PDS or other disclosure documents. You can obtain a copy of these disclosure documents without charge from your financial planner or us on request. You can also view your Investor Report.
Investor report	You will receive an investor report at least annually, which provides a clear picture of all your investments, including details of your opening and closing balance, transaction history, net earnings and investment performance.
Annual Report	You receive an Annual Report for each year to 30 June which details important information for investors and contains abridged fund financial statements
Annual Review Letter and PAYG Payment Summary (pension accounts only)	Your Annual Pension Review letter advises your pension limits for the coming year and provides details of pension payments made during the past year. If you receive a payment while under 60 years of age during that year, we'll also send you a PAYG payment summary to help you complete your income tax return.
Contact Centre	Call us on 1800 646 234 or send an email to portfoliocare.client.services@asgardwealthsolutions.com.au

Communications from investment managers

All investments purchased through your account are held in our name, as Trustee, which means that we receive all investment communications including annual reports and financial statements.

Because all managed investments are held in our name, you forego direct voting rights and generally will not be able to attend investor meetings. Also, income from your investments will be paid into your cash balance and you will not have access to any Distribution Reinvestment Programs.

Electronic reporting

We're progressively increasing the range of reporting, transaction and compliance information that we send to you electronically and will notify you when we extend the range of information that we currently provide to you, or make available electronically.

When you submit your application, you agree to receive any communications (including any confirmation of any transaction or dealing notice of material changes and significant events and other information you may request), details of illiquid investments and documents (including PDS and other disclosure documents for underlying managed investments and periodic reports) which we are required or permitted to give, or have agreed to give, to you relating to your account via *Investor Online*, or any other electronic means we choose (and for these purposes, you agree you will be taken to have received the relevant information whether or not you access the information).

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Tax features

Taxation is complex and we recommend you consult a suitably qualified professional when considering tax matters in relation to investing in your account. Funds held in super and pension are treated very differently for tax purposes.

The amount of tax you pay can depend on a combination of factors, including:

- *your individual circumstances*
- *the current tax rates applicable (contributions tax, top marginal tax rate, Medicare levy and CGT)*
- *the components of any rollovers*
- *your age*
- *whether or not you have provided your tax file number.*

In the case of a death benefit, the amount of tax paid by the beneficiary can depend on:

- *whether the beneficiary is a dependant or non-dependant for tax purposes*
- *the age of the beneficiary*

The table on page 31 details only general information about the taxation that may apply to your super or pension account. For more detailed information, you can obtain our 'Tax and your retirement' flyer from your financial planner. It provides an overview of how taxation may apply to your account and includes current tax rates and thresholds. Information in the flyer is updated each year.

Super account		Pension accounts
Taxes paid on deposits and earnings¹		
Contributions²	Tax of up to 15% is payable on the following contributions to super: <ul style="list-style-type: none"> personal contributions (for which a tax deduction is allowed) all contributions made by your employer. Note: Spouse contributions are treated as non-concessional contributions and are not subject to contributions tax.	Not applicable
No TFN information provided	Where you do not quote your TFN the highest marginal tax rate is payable on: <ul style="list-style-type: none"> all contributions made by your employer the taxable component of directed termination payments 	Not applicable
Contributions in excess of the limits (or caps)	Additional tax applies where you exceed contribution limits. This tax is payable to the ATO for: <ul style="list-style-type: none"> concessional contributions (e.g. employer and salary sacrifice contributions) at an additional 31.5%. The ATO may allow this to be paid from your own funds or your super account. non-concessional contributions (e.g. personal undeducted, spouse and concessional contributions where they exceed their limit etc.) at 46.5%. The ATO will direct you to make this payment from your super account. 	Not applicable
Investment earnings³	Generally, your earnings in the super account are taxed at a lower rate than most other forms of savings. The earnings which are then credited to your super account will be liable for tax at a maximum rate of 15%	Not applicable Your investment earnings and realised capital gains in the pension account are not subject to tax. Any tax benefits arising from franking credits (or other tax adjustments on your investment which your pension account is entitled to claim) will be credited to your pension account. See 'Benefit from tax credits' on page 6.
Rollovers	Rollovers with no untaxed element are generally tax-free. Rollover with an untaxed element (certain rollovers from public sector funds) are subject to tax of up to 15%	Rollovers are generally tax-free. Rollover with an untaxed element (certain rollovers from public sector funds) are subject to tax of up to 15%
Directed termination payments	The taxable component is subject to tax of up to 15%	The taxable component is subject to tax of up to 15%

1. We deduct any tax owing from your super/pension account and pay it to the Australian Taxation Office (ATO) usually on a quarterly basis.

2. Prior to 1 July 2005, an additional contributions tax (superannuation surcharge) may have applied to certain super account contributions depending on your adjusted taxable income.

3. Tax will be provided for in your super account on such distributions or capital gains (before offsetting losses) at the rate of 15%. If we subsequently establish that tax is payable on this income at a rate lower than 15%, or that you have a capital loss which can reduce capital gains tax, your account will be adjusted accordingly. (Capital gains will generally be taxed at only 10% when the investment realised has been held for at least 12 months). However, these adjustments are only made annually, usually in December, for the financial year that ended on the previous 30 June. If you close your account before the end of a particular financial year, you will not receive the benefit of any adjustment relating to that financial year. Contact your financial planner for further information.

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Super account		Pension accounts
Taxes paid on payments and withdrawals		
Pension payments	Not applicable	<p>Pension payments are subject to different income tax rates depending on your age:</p> <ul style="list-style-type: none"> • Under 60 – part of your pension payment may be tax-free if your benefit contains certain components. In addition, you are generally entitled to a rebate of tax on the income you receive if you have reached your preservation age, generally 55 or permanently incapacitated. • Over 60 – all of your pension payments are tax free
Withdrawals	<p>Payments in the form of a lump sum, including any benefits paid if you die, are classified as withdrawals for taxation purposes. The tax rates differ depending on your age and the tax-free and taxable components of the withdrawal.</p> <p>If you are over 60, withdrawals from your super account for you are tax-free.</p>	<p>Payments in the form of a lump sum, including any benefits paid if you die, are classified as withdrawals for taxation purposes. The tax rates differ depending on your age and the tax-free and taxable components of the withdrawal.</p> <p>If you are over 60, withdrawals from your pension account for you are tax-free.</p>
Death benefits	<p>A lump sum payment made directly to a tax dependant (spouse, former spouse, child under 18, person with whom you are in an interdependent relationship or financial dependant) will be tax-free.</p> <p>A lump sum payment made directly to a non-tax dependant will be taxed at special rates.</p> <p>If a lump sum payment is made to your estate for distribution in accordance with your Will or the administration laws, the amount given to a tax dependant by the estate will be tax-free in the estate and to the tax dependant.</p> <p>A payment to the estate in respect of a non-tax dependant will be taxed at special rates.</p> <p>Death benefit payments in the form of a pension paid directly to a tax dependant are taxed at different tax rates depending on your or the dependants age and the tax-free and taxable components of the payment.</p> <p>Note: Non-tax dependants cannot receive a death benefit as a pension</p>	<p>A lump sum payment made directly to a tax dependant (spouse, former spouse, child under 18, person with whom you are in an interdependent relationship or financial dependant) will be tax-free.</p> <p>A lump sum payment made directly to a non-tax dependant will be taxed at special rates.</p> <p>If a lump sum payment is made to your estate for distribution in accordance with your Will or the administration laws, the amount given to a tax dependant by the estate will be tax-free in the estate and to the tax dependant.</p> <p>A payment to the estate in respect of a non-tax dependant will be taxed at special rates.</p> <p>Death benefit payments in the form of a reversionary pension paid directly to a tax dependant are taxed at different tax rates depending on your or the dependants age and the tax-free and taxable components of the payment. Generally, if you or your dependant are over 60 years of age and there is no untaxed element in your benefits, the pension will be tax-free.</p> <p>Note: Non-tax dependants cannot receive the death benefit as a reversionary pension</p>

Refund of contributions tax through the anti-detriment provision

There are provisions within tax legislation that enable super funds, upon the death of a member, to increase the amount of a death benefit to compensate for contributions tax paid on contributions.

The amount of the benefit will depend on your individual circumstance. It may be paid to the following eligible dependants as part of a death benefit lump sum payment:

- spouse (married or de facto)
- child
- financial dependant.

The refund doesn't apply if the death benefit is paid as a pension. For more information about anti-detriment provision, please contact your financial planner.

Withdrawals

From 1 July 2007, the existing superannuation tax components will be replaced by two new components tax-free and taxable. The tax-free component is calculated as if an ETP were paid out at 30 June 2007, and comprises the undeducted contributions, the crystallised pre July 93 component, the concessional component, the post June 94 invalidity component and the CGT exempt component. It also generally includes non-concessional contributions made on or after 1 July 2007. The taxable component is the remainder of the account balance.

If you are aged 60 or over, lump sum and pension payments paid from a superannuation fund will be tax-free. However, tax may be payable should you die. Ask for a copy of our 'Tax and your retirement' flyer for more detail.

If you are under age 60 tax will be payable on the taxable component. For lump sum withdrawals, the tax-free component will generally be a fixed proportion of the benefit each time a benefit is paid. For pension withdrawals, where the pension commenced on or after 1 July 2007, the tax-free component will be based on the fixed percentages calculated when the pension commenced to be paid. For pensions which commenced prior to 1 July 2007, existing taxation treatment (i.e the deductible amount will be tax free) will continue until such time as a trigger event occurs. When a trigger event occurs, the pension will be converted to the new tax free and taxable component regime.

The trigger events are:

- you are aged 60 or over at 1 July 2007 (with the fixed percentage calculated as if the client had received an ETP just before 1 July 2007),
- you reach age 60,
- your pension is wholly or partially commuted, or
- you die and the pension is continued by a dependant beneficiary, or a death benefit is paid as a lump sum to a non-tax dependant or your estate.

Tax payable on Taxable Component

Lump sum withdrawals

If you are under age 55, the taxable component is taxed at 21.5% (includes Medicare Levy). If you are between aged 55 and 59, up to \$140,000 may be tax free and the balance is taxed at 16.5%.

Pension withdrawals

The taxable component is taxed at your marginal rate less a 15% pension offset applicable to pension recipients aged 55 to 59

Aggregation

You cannot specify that a withdrawal is to be made completely from either the tax free or taxed components of your benefits. All withdrawals will be pro rated across both components and, for this purpose, if you hold more than one account in the super fund (which may be across several products), these accounts may be aggregated*.

* At the date of preparation of this PDS, this measure was enacted as a matter of taxation law. However, it is possible that the government may change or omit the measure between the date of preparation and the date of issue of this PDS. For further information, please contact your financial planner.

Fees and other costs

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 account 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 investment features such as superior investment performance or the provision of better investor services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask us or your financial planner.

To find out more

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

This section shows fees and other costs that you may be charged. These fees and other costs may be deducted from the cash balance within your account ('cash balance') or from the returns on the managed investment options in your investment profile.

Taxation information is provided under the heading 'Tax features' on pages 30 and 33. Insurance costs are set out in the separate PDS for InsuranceCare.

You should read all of the information about fees and other costs, because it is important to understand their impact on your investment. Fees and costs for particular managed investment options are set out in PDS PART 2 – Investment Selection and the PDS for each investment option.

To understand all of the fees and costs payable by you when selecting a particular investment option, you must look at both this PDS and the PDSs for the relevant managed investments, together with Investor *Online*, which will provide details of any changes to fees and costs. The funds offered through super/pension are predominantly wholesale managed investments. By investing in these funds through super/pension, members will generally be charged lower management costs than other retail investors.

The fees and other costs shown do not take into account any income tax benefits (if applicable), but do include GST unless otherwise stated (and take into account reduced input tax credits) therefore resulting in a net GST recovery of 2.5%.

Fee type	Amount	How and when paid?
Fees when your money moves in and out of your account		
Establishment fee – The fee to open your account.	Nil	Not applicable
Contribution fee¹ – The fee on each amount deposited to your account by you or by someone else for you.	Between 0% and 5.125%	Contribution fees are deducted from your cash account at the time each deposit is made. This fee is negotiable. ¹
Withdrawal fee – The fee on each amount you take out of your account.	Nil	Not applicable
Termination fee – The fee to close your account.	Nil	Not applicable
Management costs		
The fees for managing your account.		
Administration fee^{2,3} The amount you pay for specific investment options is shown in PART 2 – Investment Selection.	Administration fee 1.30% pa This is the total of all ongoing administration fees charged to your account and includes an amount that may be payable to your financial planner. A monthly administration fee of \$10.83 applies for account balances less than \$10,000.	Administration fee <ul style="list-style-type: none"> • Deducted from you cash balance at the beginning of each month. • Calculated based on your account balance at the end of the previous month. • You will pay full fees in the month you open your account. • The portion of the administration fee payable to your financial planner is negotiable.²
Investment fees^{4,5}		
	Depending on the investments you choose, these fees, which are payable to the investment managers of the managed investment options, will range from 0.00% per annum to 1.02% pa.	<ul style="list-style-type: none"> • Fees taken are generally reflected in the unit prices of the managed investment options. • These fees are generally deducted by each investment manager from their managed investment option, usually on a monthly basis.
Additional service fees		
Investment switching fee⁴ – The fee for changing managed investment options.	Nil	Not applicable

1. We pay an amount equal to this fee to your financial planner for advice given to you about this product. For further information, see 'Adviser remuneration' under the heading 'Additional explanation of fees and other costs' on page 36.

2. This fee includes an amount payable to your financial planner for advice given to you about this product. For further information, see 'Adviser remuneration' under the heading 'Additional explanation of fees and other costs' on page 36.

3. We reserve the right to reduce the administration fee for certain large investors.

4. Refer to 'Buy/sell differential' under the heading 'Additional explanation of fees and other costs' on page 37 for information on the costs charged by investment managers when managed investment options are bought and sold. While there are no fees associated with switching, a cost associated with the buy/sell differential may apply.

5. A performance fee may apply. See 'Performance fees' under the heading 'Additional explanation of fees and other costs' on page 37. Investment fees include an estimate of the cost of any applicable performance fee, but the actual value may vary.

Example of annual fees and other costs

The table below gives an example of how fees and other costs in a Super Balanced Investment Option¹ within this product can affect your super investment over a one year period. You should use this table to compare this product with other super products.

Example – Superannuation Balanced Investment Option ¹		Balance of \$50,000 with total contributions of \$5,000 during year ^{2,3}
Contribution fee	0 – 5.125%	For every \$5,000 you put in you will be charged between \$0 and \$256.25.
Plus management costs ⁴ and investment fees	2.16%	And , for the first \$50,000 you have in your account, you will be charged \$1,080.00 each year.
Equals cost of account		If you put in \$5,000 during a year and your balance was \$50,000, then for that year you will be charged fees of: \$1,080.00 to \$1,336.25⁵ What it costs you will depend on the investment options you choose and the fees you negotiate with your financial planner.

1. The Balanced Investment Option used in the above example is the Experts' Choice Balanced Fund. The Experts' Choice Balanced Fund is the investment option with the closest weighting to growth assets of 70% and defensive assets of 30%.

2. The contribution of \$5,000 is assumed to be deposited to your account at the end of the year.

3. As additional contributions cannot be made to the pension account, the additional contribution of \$5,000 does not apply to the pension account. However, a contribution fee may apply to your initial and only contribution to a pension account.

4. Management costs include the administration fee.

5. Additional fees may apply.

Additional explanation of fees and other costs

Adviser remuneration

You and your financial planner must agree the adviser remuneration that your financial planner is entitled to.

Contribution fee

Our fee structure provides you and your financial planner with flexibility when determining the contribution fee that will apply to deposits to your account. If your financial planner agrees to rebate part or all of their contribution fee remuneration, this will reduce the contribution fee you pay accordingly. Contribution fees can also be payable on transfers from super to pension. Note the whole contribution fee may be payable to your financial planner.

If you do not have a financial planner, the amount of the contribution fee is not negotiable and the maximum fee of 5.125% (including GST) is payable by you and retained by us.

Standard adviser remuneration

We pay 0.55% per annum (including GST) of the balance of your account to your financial planner as a standard monthly adviser remuneration.

For example, if your account has a balance of \$10,000, we will pay your financial planner \$55 per annum. Note that the standard

monthly adviser remuneration is paid from the administration fee and that this is not an additional cost to you.

However if you do not have a financial planner, the amount of the standard adviser remuneration will be retained by the Trustee.

Non-standard adviser remuneration

If your financial planner agrees with you to receive more (or less) than the standard monthly adviser remuneration, the administration fee will be increased (or reduced) accordingly. You can choose to vary the remuneration paid to your financial planner in one of two ways (payable monthly from your cash balance):

- replace the standard monthly adviser remuneration with a specified flat percentage per annum of your total account balance
- replace the standard monthly adviser remuneration with a flat dollar amount which you can agree to increase annually in line with the Consumer Price Index.

Also see 'Protection of small accounts (super account only)' on page 37.

Investment fee

The range of Investment fees charged by investment managers is shown in PDS PART 2 – Investment Selection.

For the latest Investment fee information speak to your financial planner.

Fund manager payments

Hillross Financial (and other members of the AMP Group) may receive payments of up to 0.30% per annum (plus GST) from investment managers, for amounts invested in particular investment options offered by an investment manager within *PortfolioCare* Elements. Any amount received may be based on amounts invested with an investment manager or other factors. These payments may change from time to time and are not an additional charge to you.

Performance fees

Some of the investment managers of the investment options available through your account may be entitled to performance fees in addition to the investment fees they receive. Performance fees, if applicable, will increase the management costs for an investment option. Investment fees include an estimate of the cost of any applicable performance fee, however the actual amount may vary in the future. Refer to the PDS or other disclosure document of the relevant managed investment option for any performance fee information. You can obtain a copy of these PDSs free of charge and on request from your financial planner or us.

Cash balance

Should your cash balance become negative at any time, we will charge interest on the negative amount at the same rate as interest paid on positive cash balance. See page 11 of this PDS for more information.

The events that may cause your cash balance to become negative include a request to change your investment profile (as we buy and sell investments at the same time) and certain other payments that are made from your cash balance such as fees and taxes.

Buy/sell differential

When units in a managed investment option are bought and sold, transaction and brokerage costs are incurred. These costs are applied to those investors who buy and sell units in particular managed investment options and this is done through the use of two different unit prices – a buy price and a sell price. The difference between the buy price and sell price takes into account these costs and is called the buy/sell differential. Buy/Sell differentials currently range from 0.00% to 2.00%, but may change in the future. This is an additional cost to you.

For example, if you wanted to invest \$10,000 in a managed investment option and the buy price was \$1.00 per unit, you would receive 10,000 units. If you subsequently sold all of the units on the same day, the units would be sold at the sell price. If the sell price was \$0.995 per unit (a 0.50% buy/sell differential applies), you would only receive \$9,950 for the sale of those 10,000 units.

Insurance premiums

If you have insurance cover through your account, the premiums payable will be deducted monthly from your cash balance. If there are insufficient funds in your cash balance to pay these premiums, your cash balance will be taken into negative to fund the premium payment and your managed investment options will be sold using either the Priority Sell or Default Sell Method to restore the cash balance to its required level. If the balance of your account is insufficient to cover the premium, you will need to make a deposit to your account or your cover will lapse. Insurance costs are set out in the separate PDS for *InsuranceCare*.

Super and Family Law – super splitting

Super can be divided or 'split' between spouses in the event of marriage breakdown, by agreement or by court order (see page 40). All are binding on us as Trustee.

We do not currently charge fees for 'splitting' super accounts, providing information or meeting other Family Law Act requirements. However, we may review this policy in the future and reserve the right to do so. If we decide to charge a fee, we will give you 30 days' advance notice in writing.

Splitting your contributions with your spouse

Super contributions can be split with your spouse in certain circumstances (refer to page 40). We do not currently propose to charge fees for splitting contributions. However, we may review this policy in the future and reserve the right to do so. If we decide to charge a fee, we will give you 30 days' advance notice in writing.

Protection of small accounts (super account only)

Government regulations limit the amount of fees that can be deducted from your benefits if the balance of your account is less than \$1,000 and includes, or has included, superannuation guarantee or award contributions from your employer. Any required refund of fees will be made after 30 June each year.

In addition, we review your account balance twice monthly, at which time, if the balance of your account is less than \$2,000, contribution fees charged since the last review will be refunded.

Also, if the value of your account is less than \$1,200 at the end of the month, we will not pay any remuneration to your financial planner and the amount of the remuneration that would otherwise have been paid will be retained by us.

Privacy information requests

You may request access at any time to personal information held by us about you (refer to page 42). We do not charge a fee for an access request, but we may charge you our reasonable costs of processing your request. We may review this policy in the future and reserve the right to do so. If we decide to charge a fee in addition to our processing costs, we will give you 30 days' advance notice in writing.

Variation of fees and other costs

Our ability to change fees and other costs, including both amounts and the introduction of new fees and other costs, is not restricted under the Trust Deed. You will receive at least 30 days' written notice of any proposal by us to introduce new fees and other costs or to increase our current fees and other costs.

Investment fees may be varied at any time by an investment manager, without notice to you. Refer to PDS PART 2 – Investment Selection for the full list of investment fees.

Details of current fees and costs, including changes to underlying managed investment fees and costs, are available through *Investor Online* at www.investoronline.info (see above 'Keeping you informed - Electronic reporting' on page 29 of this PDS for more information about electronic notification).

You should refer to the current investment fees applying to your account which are available at any time by logging on to *Investor Online* at www.investoronline.info and referring to PDS PART 2 – Investment Selection and any related updating information that will be applicable to your investment in Elements Super/Pension before making an investment decision.

Service fee

We may receive a service fee of up to 1.1% (including GST) per annum from St. George or other providers of cash products. This fee may be received on some or all of the cash products held through your account and is for the introduction of your banking business and for performing client service activities and transaction reporting. This service fee is calculated as a percentage of the daily balance of the relevant cash products. It is not an additional charge to you.

Fee payments

Hillross Financial Planning and other members of the AMP Group are entitled to 100% of the management costs we receive from you (see page 35). We are entitled to a fee from AMP Group companies for the administration services we provide. This is not an additional cost to you.

Disclosure of fees, costs and benefits by your financial planner

Your financial planner must disclose to you any benefits they receive in relation to your investment, including all fees and costs that you have negotiated with them. Refer to your financial planner's Financial Services Guide and/or Statement of Advice for further information on these benefits.

Alternative Forms of Remuneration Register

We are required to comply with the Investment and Financial Services Association Code of Practice on Alternative Forms of Remuneration ('the Code') in the Wealth Management Industry. The Code aims to eradicate any practises that may influence product providers and financial planners to act outside of your best interests.

We are required by the Code to maintain a register to record any material forms of alternative remuneration (being \$300 per item or more) which are paid and received by us. Registers are required to be maintained by investment managers, platform providers, representatives and licensees.

Our register is publicly available for inspection by you and a copy of the register can be requested by contacting us on 1800 646 234.

Other information

Cooling-off period

If you change your mind about investing in the account, you may redeem your investment from the fund by either having your money paid to another complying super fund or having the money paid directly back to you (in the latter case only if you satisfy a condition of release of preserved benefits). See 'Accessing your money' on page 23 for more information. This right can be exercised within 14 days after confirmation of your investment or 14 days after the fifth business day after the money has been invested, whichever is earlier. This cooling-off period only applies to the first contribution made into your account. If your money is required to be paid to another super fund, or you wish to have the money paid to another super fund, you must nominate that fund to us. You must make such a nomination to us within one month of your refund request.

You may exercise your cooling-off rights by notifying us in writing within the cooling-off period. You cannot exercise your cooling-off rights in respect of a deposit after you have exercised any other rights or powers you have in respect of that deposit.

The amount received will reflect any market movements (up or down) in the value of the investment in your account. We may also deduct any taxes, reasonable transaction and administration costs, and, in the case of the pension accounts, any pension payments which have already been made. As a result, the amount redeemed may be less than your original investment. The sale of any investments required to affect the refund may also result in the realisation of a taxable capital gain.

If you do not advise us of the complying super fund, retirement savings account or approved deposit fund you would like your contribution to be rolled over to, we will rollover your contribution to the Advance Retirement Savings Account (Advance RSA) as described in the section below entitled Eligible Rollover Fund.

Distributor

Hillross Financial is the main distributor of the Elements Super/Pension Account.

Your financial planner is integral to the operation of your account. If you change your financial planner you must notify us immediately.

Complaints resolution

We have established procedures for dealing with enquiries and complaints that meet the Australian Standard for Complaints Handling.

If you have any enquiries or concerns about the operation or management of your account, you can:

- call PortfolioCare Contact Centre on 1800 646 234
- email portfoliocare.client.services@asgardwealthsolutions.com.au
- write to PortfolioCare Contact Centre, PO Box 7229 Cloisters Square, Perth WA 6850

If you have complained to us about a decision which affects you and your complaint has not been resolved to your satisfaction, you have a right to lodge a complaint about the decision with the Superannuation Complaints Tribunal. The Tribunal is an independent body set up by the Federal Government to review trustee decisions relating to members (as opposed to trustee decisions relating to the management of the fund as a whole). You can contact the Superannuation Complaints Tribunal by telephoning 1300 780 808 (for the cost of a local call).

Eligible Rollover Fund – super account only

The Advance RSA (RSE R1005561) is our nominated Eligible Rollover Fund. We are also trustee of the Advance RSA. We may transfer your benefits to this fund if the value of your account is less than \$2,000. You will receive a PDS for the Advance RSA setting out relevant details in relation to the fund shortly after the time that your benefits are transferred.

If your benefits are transferred into the Advance RSA, the trustee of the fund must ensure that all benefits are subject to its governing rules and the 'Member Protection Rules' of the superannuation law, irrespective of the size of the benefit. You will no longer be a member of the PortfolioCare Elements Super/Pension Account and no further contributions may be made to your PortfolioCare Elements Super/Pension Account.

You will also no longer receive regular reports from us and any insurance cover you may have held through us will cease.

For further information contact:

Advance Retirement Savings Account
GPO Box B87, Perth WA 6838
Telephone: 1800 819 935

Super and Family Law – super splitting

Super can be divided or 'split' between spouses in the event of marriage breakdown, by agreement or by court order. All are binding on us as Trustee.

We may be required under the Family Law Act to provide certain information about your super benefits to 'eligible' persons (as defined in the Family Law Act). This includes your spouse. The Family Law Act requires us to provide information to an 'eligible person', without notifying the relevant member; that the request for information has been made. We are also prohibited from providing either the member or non-member spouse's address details to the other party.

As the Family Law Act provisions regarding the splitting of super benefits are highly complex, we recommend that you seek financial and legal advice with respect to your own particular circumstances.

Disclosure documents for underlying managed investments

If we become aware that an interest in an underlying managed investment held by you is affected by a materially adverse change or a significant adverse event and it is something that would be required to be specified in a PDS for the managed investment, we will give you (or you will have access through *Investor Online*) an updated PDS or other disclosure document for the managed investment. See 'Keeping you informed – Electronic reporting' on page 29 for more information about electronic notification. Where this occurs, you will be able to select a new investment option.

The purchase of managed investments may occur without your having been given the current PDS, disclosure document or supplemental disclosure document for those managed investments (the 'missing documents') if you give instructions to us to acquire an interest in the managed investments immediately or by a specified time. In this situation, the relevant missing document must be provided to you as soon as practical and in any event by the fifth day after the purchase was made.

Please note:

- *the purchase of managed investments will continue to be made under the arrangement until instructions are given to us to the contrary, or the arrangement is terminated*
- *we may (but we are not obliged to) cease to act on any instructions, including under the auto-rebalancing facility or regular deposit plan, if we are not reasonably satisfied that the relevant information has been provided or made available to you prior to investing.*

About the Trust Deed

The operation of your account is governed by the Retirement Plan Trust Deed dated 13 November 1995, as amended.

The Trust Deed sets out rules on the administration and operation of the account. These rules include:

- *the Trustee's powers and duties*
- *the benefits you are entitled to as a consequence of becoming a member of the account*
- *how the Trustee may be removed or replaced*
- *how your money may be invested*
- *the fees that we may charge*
- *how the Trust Deed can be amended – under superannuation law, no amendment can be made which will result in a decrease in your accrued benefits.*

If you would like a copy of the Trust Deed, call *PortfolioCare* Contact Centre, who will provide you with a copy free of charge.

Asgard and Hillross Financial

Hillross Financial has entered into an Agreement with Asgard relating to the administration of the *PortfolioCare* Elements Super/Pension Account. Hillross Financial and other members of the AMP Group may request Asgard to retire as Trustee of the *PortfolioCare* Elements Super/Pension Account. Subject to applicable legal requirements, Asgard must do all things reasonably required by the requesting party to facilitate the appointment of a person nominated by the requesting party as its replacement.

You will be notified if Asgard is requested to retire as the Trustee. If it retires, Asgard will be released from any further obligations in relation to the *PortfolioCare* Elements Super/Pension Account. The replacement trustee will agree to be subject to all duties and obligations of the trustee in relation to investors in the *PortfolioCare* Elements Super Pension Account.

Limited Authority to Operate

You may appoint your financial planner as your agent for the purpose of instructing us to make investment profile changes. You can do this by completing section 16 and signing section 19 of the relevant account application form in the presence of a witness. Please ensure your financial planner is correctly identified in the account application.

By appointing your financial planner as your agent you are authorising that person to do certain limited things on your behalf. Specifically, if you appoint your financial planner as your agent using the Limited Authority to Operate provided by us, you will be authorising your financial planner to:

1. *make investment profile changes electronically using adviserNET and to complete and lodge with Asgard Capital Management Ltd ABN 92 009 279 592 electronically using adviserNET, any PortfolioCare forms giving effect to such investment profile changes for this account and any other account with the same account number (except PortfolioCare eWRAP); and*
2. *receive and acknowledge receipt of, on the Appointers behalf, any documentation required to be provided to the Appointer prior to making investment profile changes.*

Your financial planner may carry out these actions without advising you. We will notify you after a change has been made, at your address as listed with us. However, you should note that if your address is care of the financial planner, notification will only be sent to your financial planner.

You indemnify your financial planner in respect of any loss arising from any act done under this document. You agree to ratify all that your financial planner does or causes to be done under the Limited Authority to Operate.

Your financial planner's authority is limited as described above. Your financial planner will not be authorised to open new PortfolioCare accounts on your behalf or make withdrawals under the Limited Authority to Operate.

If you appoint your financial planner as your agent and your financial planner does an act or thing that they are authorised to do, you may not later claim that your financial planner was not acting on your behalf. You should therefore carefully read and understand the acts you are authorising your financial planner to do. You should also be confident that your financial planner understands what they are authorised to do.

If you wish to withdraw the Limited Authority to Operate you must sign a Revocation of Limited Authority to Operate (available on request from your financial planner or us) and provide a copy of this to your financial planner and us. We have the right to suspend your financial planner's use of the Limited Authority to Operate facility at our discretion. We will notify you of any revocation or suspension at your address as listed with us. Any act or thing done by your Agent prior to the suspension or receipt of a copy of the Revocation by us will be valid. Any prior instruction made by your Agent will be processed by us even if suspension or receipt of Revocation by us occurs after receipt of a particular instruction by your financial planner; but prior to processing by us.

If you have any queries regarding the Limited Authority to Operate, please contact your financial planner or PortfolioCare Contact Centre on 1800 646 234.

Privacy statement

Your privacy is important to the Trustee

Information that the Trustee has and collects about you will be used to administer your membership in *PortfolioCare* Elements Super/Pension and your relationship with your financial planner as it relates to *PortfolioCare* Elements Super/Pension. You need not give the Trustee any personal information requested in the application or any other document or communication relating to your super account or pension account. However we need this information to establish and manage the Accounts. If you choose not to provide this information, the Trustee may not be able to process the application or other document, or provide you with the appropriate level of service.

Under the National Privacy Principles, you may request access to personal information about you held by the Trustee and you may let the Trustee know if you think any of it is incorrect, incomplete or out of date. There are some limited situations, that are set out in the National Privacy Principles, where you do not have this right. The Trustee may charge you its reasonable costs of processing your access requests.

The Trustee usually discloses your personal information to:

- any company within the AMP Group (of which Hillross Financial Services Limited ("Hillross Financial") is a part). This information may be used to provide you with ongoing information about the range of financial services that may be useful for your financial needs. These may include investment, retirement, financial planning, banking, credit, life and general insurance products and enhanced customer services that may be made available by companies within the AMP Group or by your financial planner;
- your financial planner or broker and their representatives;
- external service suppliers who supply administrative, financial or other services to assist the Trustee or any companies in the AMP Group in providing financial services (for example, the Insurer, if you have insurance cover, investment managers of products you select, any financial institutions you nominate, mailhouses contracted to mail reports and information to you in relation to your investment and archive companies);
- a particular agency, body or person if required by law
- to anyone acting on your behalf, including your financial planner or broker, their office and financial services licence holder. We may do this by making this information available to them through an electronic facility or service (operated by us or an external service provider) that they use in the administration of their practice; and
- anyone you authorise.

Under Family Law legislation, the Trustee may be requested to provide information about your super account or pension account to your spouse or to another person who intends to enter into an agreement with you about splitting your superannuation interest in the event of separation of marriage. This legislation prevents us from telling you if we receive one of these requests.

Where sensitive information such as information about your health, race, sexual preferences and activities is collected, it will only be used or disclosed for the primary purpose of collection, for example, to assess applications and for directly related purposes. It will not be used or disclosed for any other purpose unless the Trustee has your consent, or as otherwise permitted by the National Privacy Principles. The Trustee may disclose sensitive information of this kind to the parties listed above (who are involved in the primary purpose of collection or directly related secondary purposes) and also to:

- reinsurers of any insurance provider to the super account; and
- medical practitioners and any other person the Trustee or insurance provider deems necessary to assist in either the assessment of claims or the resolution of complaints.

The Asgard Wealth Solutions Limited Group's privacy brochure sets out the Trustee's policies on management of personal information. The Trustee is a wholly owned subsidiary of Asgard Wealth Solutions Limited which is in turn, a wholly owned subsidiary of St. George Bank Limited.

Asgard Wealth Solutions Limited's privacy brochure may be obtained by calling *PortfolioCare* Contact Centre or the website www.asgard.com.au.

The AMP Privacy Policy Statement sets out the AMP Group's policies on management of personal information. AMP's Privacy Policy Statement may be obtained from the *PortfolioCare* Contact Centre, AMP, your Hillross Financial Planner or AMP's website at www.amp.com.au.

Your authority to us

By signing the application you authorise the Trustee to collect, maintain, use and disclose the personal information provided in the application and other forms relating to your account and in all future communications between you and the Trustee in the manner set out in this privacy statement.

Accuracy

We rely on the accuracy of the information you provide. If you think that we hold information about you that is incorrect, please call our contact centre. If for any reason we decline a request to update your information, we will provide you with details of those reasons.

Access to information

Under the National Privacy Principles, you are generally entitled to access the personal information we hold about you. If you wish to access that information, you will need to complete a Request for Access to Information form. This enables us to confirm your identity for security reasons, and to protect your personal information being accessed by a person other than yourself.

Changes to our privacy policy

We may amend our privacy policy from time to time. We will notify you of any change to our policy that requires your consent.

Investor declarations, conditions and acknowledgments

By completing and signing the application you:

Acknowledge that:

- we will effect investment transactions, within our capacity to do so, as part of the investment process
- we reserve the right to reject deposits at our discretion
- all withdrawals are subject to any investment managers' withdrawal restrictions
- we do not guarantee the capital amount invested or the performance of the investments which have been selected
- where your financial planner lodges instructions using adviserNET Online Transactions (Online Transactions):
 - 1) except to the extent required by law, we make no representations or warranties express or implied that Online Transactions is fault free or as to the continuity, functionality, reliability or efficiency of Online Transactions or the suitability of Online Transactions to you. You agree to your financial planner lodging instructions in this manner at your own risk and solely in reliance on your own judgement and not upon any warranty or representation made by us.
 - 2) except to the extent required by law, we will not be liable to you in contract, tort or otherwise (whether negligent or not) and you will not have any cause of action against or right to claim or recover from us for or concerning any loss or damage of any kind at all (including consequential loss or damage and including but not limited to loss of profits and business interruption) caused directly or arising indirectly out of:
 - (a) your financial planner's use of online transactions or any part of it;
 - (b) any inaccuracy, defect, unintended inclusion, malfunction, default, error, omission, loss, delay or breakdown in Online Transactions;
 - (c) any suspension of online transactions;
 - (d) any delay in the lodgement of or execution of instructions submitted electronically by your financial planner, due to systems faults, communication failures or any other circumstance outside our reasonable control relating to the use of or ability to operate online transactions;
 - (e) any delay in the execution of instructions arising from us following our standard procedures in the usual course of our business, including, without limitation, ensuring the instructions do not contravene any of our investment or other requirements;
 - (f) any breach of the adviserNET online transactions agreement by your financial planner or any error or omission made by your financial planner with respect to the use of Online Transactions, including, but not limited to, the completion of instructions and their submission and the order in which your financial planner submits them;
 - (g) the order in which we process instructions submitted by your financial planner;
 - (h) the processing of an instruction submitted by your financial planner electronically which contradicts an instruction lodged in paper format with us;
 - (i) the fact that information about you on adviserNET is not identified as current;
 - (j) your financial planner's failure to comply with reasonable instructions, documented practices relating to the electronic submission of instructions or training material provided by us from time to time;
 - (k) the execution of transactions by or involving third parties;
 - (l) online transactions not functioning in the manner contemplated by your financial planner where the instruction is complex or your account with us is complex;
 - (m) us rejecting or returning an instruction;
 - (n) any breach by your financial planner of the Corporations Act 2001; or
 - (o) any other act, matter, thing or condition beyond our reasonable control relating to the use of or ability to operate online transactions.
- There may be changes to the investment options or other changes within Elements Super/Pension, including the addition, removal or withdrawal of investment options. In the case of significant changes, we will notify you electronically (see 'Keeping you informed – Electronic reporting' on page 29 for more information about electronic notification) or via your financial planner (where it is or may become permissible under Superannuation law).
- At the time further investments are made by us on your behalf into a managed investment in which you already have an investment, you may not have received:
 - the current PDS for the managed investment; or
 - information about material changes and significant events that affect the managed investment (that the responsible entity of the managed investment is required to give a person who acquired an interest in the managed investment directly, unless exceptions apply).

- You have read and understood the privacy statement on page 42 of this PDS and you consent to the collection, maintenance, use and disclosure of personal information in accordance with the privacy statement. When you provide information about another individual, you declare that the individual has been made aware of that fact and the contents of the privacy statement. You also declare you have the authority of each principal, company officer or partner that you purport to represent.
- If your employer subscribes to Employer Online (for example, to pay contributions) they may lodge certain instructions on your behalf electronically. You agree to your employer lodging instructions in this manner and acknowledge we bear no liability, nor are we in any way responsible for the conduct of your employer. This facility is only provided to your employer on the condition that the information they provide (and payments made) are to give effect to them meeting their super obligations on your behalf. We are not liable for any loss arising from the use of this facility.
- Your rights in relation to your account are governed by the terms of the Trust Deed dated 13 November 1995, as amended from time to time (a copy is available free from us) governing the operation of the Elements Superannuation Account, Elements Allocated Pension Account and Elements Term Allocated Pension Account, and you agree to be bound by such terms.

Confirm that:

- If you are making a deposit to your account in the Elements Super Account, including a deposit to be converted into a rollover and rolled into the pension account, you:
 - are under age 65
 - have reached age 65 but not age 75 and have been gainfully employed for at least 40 hours in a period of not more than 30 consecutive days during the financial year in which the contribution was made
 - otherwise meet the eligibility requirements specified under superannuation law (see page 15)
- If an eligible spouse contribution has been made to your account, you are either in a de facto relationship with your spouse or legally married and living together on a bona fide domestic basis and your spouse is not entitled to a tax deduction for the contribution.

- You agree to be bound by the provisions of the Trust Deed dated 13 November 1995, as amended from time to time (a copy is available free from us) governing the operation of the PortfolioCare Super Account, PortfolioCare Allocated Pension Account and PortfolioCare Term Allocated Pension Account and acknowledge that the terms and conditions set out in the Trust Deed will take precedence over any statement made in this PDS.
- You authorise us to give information relating to your account and investments in your account to your financial planner and acknowledge that your financial planner is your agent for the purpose of receipt of this information.

Agree:

- To provide us with any information it may request which relates to your membership of the account and you further undertake that, should any information you provide change, you will notify us of this change as soon as reasonably possible.
- That if accessing Investor Online, be bound by the Investor Online terms and conditions, as amended from time to time. You will accept those terms and conditions when you use the service for the first time.
- That changes to fees and costs, including fees and costs for underlying managed investments, may be accessed by you through Investor Online and that you should only make an investment decision after accessing that information.
- That it is a condition of your participation in Super/Pension, including our acceptance of contributions or instructions by or for you relating to your participation in Super/Pension, that:
 - we may rely on any information ('Information') given to us by or for you, including information in relation to your contributions or your TFN number;
 - we are not required to inform you of your capacity to contribute to Super/Pension or the consequences (including adverse consequences) to you, if you:
- make or do not make contributions to Super/Pension;
- do not provide Information; or
- provide incomplete Information; and
 - you comply with any other conditions which are notified to you by us which we reasonably believe are necessary or desirable for compliance with the new tax laws (super simplification tax changes).

Tax file numbers

We are required to provide you with the following information before you supply your tax file number to the trustee of your super fund or scheme. Your tax file number is confidential and you should be aware of the following details before you decide to provide it:

- We can collect your tax file number under the Superannuation Industry (Supervision) Act 1993
- If you do provide your tax file number to us, it will only be used for legal purposes. This includes finding or identifying your super benefits where other information is insufficient, calculating tax on any rollover you may be entitled to, and providing information to the Commissioner of Taxation. These purposes may change in the future. We may use your tax file number and other relevant information to undertake searches of the lost members register and other records held by the Australian Taxation Office and obtain information about superannuation benefits you may have with other superannuation providers.
- It is not an offence if you choose not to quote your tax file number. However, if you do not provide us with your tax file number, either now or later, you may pay more tax on your benefits than you have to. You may also pay the highest marginal tax rate on employer contributions and the taxable component of rollovers. You will not be able to make personal contributions to your account. It may also be more difficult to locate or amalgamate your super benefits in the future to pay you any benefits you are entitled to. These consequences may change in the future. Where the contribution has been made in respect of insurance cover, and we are obliged to return the contribution, then your insurance cover will automatically lapse without further notification to you.
- If you supply us with your tax file number, we may provide it to the trustee of another superannuation fund or to a retirement savings account provider, where that trustee or retirement savings account provider is to receive your transferred benefits in the future. We will not pass your tax file number to such a trustee or retirement savings account provider if you tell us in writing that you don't want us to. We may also give your tax file number to the Commissioner of Taxation. Otherwise your tax file number will be treated as confidential.

Direct debit request service agreement

You have entered or are about to enter into an arrangement under which you make payments to us. You want to make those payments by use of the Direct Debit System (DDS).

This agreement sets out the terms on which we accept and act under a Direct Debit Request (DDR) you give us to debit amounts from your account under the DDS. It is additional to the arrangement under which you make payments to us.

Asgard Capital Management Ltd ABN 92 009 279 592 ('we' or 'us'), User ID: 057509 Level 38, Central Park, 152 St George's Terrace, Perth, WA 6000.

Ensure you keep a copy of this agreement as it sets out certain rights you have against us and certain obligations you have to us due to giving us your DDR.

When we are bound by this agreement

1. We agree to be bound by this agreement when we receive your DDR complete with the particulars we need to draw an amount under it.

What we agree to and what we can do

2. We only draw money out of your account in accordance with the terms of your DDR.
3. We do not give you a statement of the amounts we draw under your DDR.
4. On giving you at least 14 days notice, we may: change our procedures in this agreement; change the terms of your DDR; or cancel your DDR.
5. You may ask us to: alter the terms of the DDR; defer a payment to be made under your DDR; stop a drawing under your DDR; or cancel your DDR by emailing portfoliocare.client.services@asgardwealthsolutions.com.au or writing to PortfolioCare Contact Centre, PO Box 7229, Cloisters Square, Perth WA 6850.
6. You can dispute any amount we draw under your DDR by calling PortfolioCare Contact Centre on 1800 646 234; or emailing portfoliocare.client.services@asgardwealthsolutions.com.au or writing to PortfolioCare Contact Centre, PO Box 7229, Cloisters Square, Perth WA 6850.
7. We deal with any disputes under Clause 6 of this agreement as follows. We and our bank review our respective records. If necessary we contact your financial institution to review its records. We advise you and your financial planner in writing within 2 to 4 weeks, depending on the nature and extent of the dispute, and the measures taken to resolve it.

8. If the day on which you must make any payments to us is not a business day, we will draw on your account under your DDR on the first business day following that day.
9. If your financial institution rejects any of our attempts to draw an amount in accordance with your DDR, we contact you and your financial planner in writing. After 3 consecutive rejections we advise you and your financial planner in writing that you can no longer make payments by direct debit.
10. We will not disclose to any person any information you give us on your DDR, which is not generally available, unless: you dispute any amount we draw under your DDR and we need to disclose any information relating to your DDR or to any amount we draw under it to the financial institution at which your account is held or the financial institution which sponsors our use of the DDS or both of them; you consent to that disclosure; or we are required to disclose that information by law.

What you should consider

11. Not all accounts held with a financial institution are available to be drawn on under the DDS.
12. Before you complete your DDR, it is best to check account details against a recent statement from your financial institution to ensure the details on your DDR are completed correctly.
13. If you are uncertain when your financial institution processes an amount we draw under your DDR on a day, which is not a business day, enquire with your financial institution.
14. It is your responsibility to ensure there are sufficient clear funds available in your account, by the due date on which we draw any amount under your DDR, to enable us to obtain payment in accordance with your DDR.
15. We request you to direct all requests to stop or cancel your DDR to us or your financial institution and all enquiries relating to any dispute under Clause 6 of this agreement to us or your financial institution.

How to proceed – PortfolioCare Elements Super Account

If you would like to invest in the *PortfolioCare* Elements Super Account, you need to complete each relevant section of the super account application.

1. Existing account details

If you have an existing *PortfolioCare* account with us that is in exactly the same name as this account, complete this section. If you complete this section, your existing account details will be applied to your new account, and you don't need to complete section 2, 'new account details'.

2. New account details

Provide all details requested unless you have completed section 1.

3. Tax file number

Provide your tax file number.

4. Residency details

Provide all residency details. If you are not an Australian resident for tax purposes you must state your country of residency.

5. Employment details

Provide all details requested.

6. Your investment profile

Complete an Investment Selection (PDS PART 2 – Investment Selection) to establish your investment profile and any asset sell priority, if applicable. If we do not receive an Investment Selection, your funds will remain in your cash balance.

7. Reports and information

Indicate whether your investor report should be sent to you or to your financial planner.

8. Monthly adviser remuneration

In consultation with your financial planner, indicate the monthly remuneration your financial planner will receive for servicing your account. For more information about your financial planner's ongoing remuneration see 'Fees and other costs' on pages 34 to 38.

9. Amount of initial deposit

Where a cheque is enclosed with your application, note the amount of the cheque.

You can also choose to fund your deposit directly from your bank account by completing the Direct Debit Request in the application booklet.

10. Initial deposit details

Indicate whether the deposit is a rollover and/or contribution. If you are making a contribution, note the amount applicable for each type of contribution.

Specify the contribution fee (excluding GST) to apply to your rollover and/or contribution.

11. Regular deposit plan

If you wish to make regular direct debit deposits from your nominated financial institution account, complete this section. You must specify the amount you wish to deposit and the frequency of the required deposit. The minimum deposit is \$100. Also specify the contribution fee to apply to your regular deposit plan deposits.

You must also complete the Direct Debit Request in the application booklet and forward the original with your application.

12. Other deposits

Nominate the contribution fee to apply to future deposits.

If you want an alternative fee to apply to a specific deposit, then you can specify the alternative fee at the time the deposit is made.

13. Auto-rebalancing

Indicate if you would like to have your account automatically rebalanced to your chosen investment profile.

14. Nominated bank account

As an additional security measure for verification purposes, provide us with details of your nominated bank account.

15. Nominated beneficiaries

You can nominate a beneficiary for your account. The nomination can be either discretionary or binding. See page 27 of this PDS for information on the effect of making a nomination.

16. Limited Authority to Operate

Complete this section if you would like to grant your financial planner a Limited Authority to Operate on your account.

17. Planner's details

Your financial planner completes this section.

18. Declaration

Read the Investor declarations, conditions and acknowledgments on pages 43 and 45 of this PDS carefully and sign the application.

Applications may be signed or executed by individuals under Limited Authority to Operate. Where the applicant signs under Limited Authority to Operate, a certified copy of the relevant Limited Authority to Operate must be enclosed with the application. A copy of a relevant Limited Authority to Operate form can be obtained from us. Your Limited Authority to Operate can be certified by a Justice of the Peace, a Commissioner for Declarations or your solicitor.

If you wish to grant your financial planner a Limited Authority to Operate, a witness over the age of 18 must be present when you complete this section and sign this application.

19. Witness for Limited Authority to Operate

After you have completed section 19, you must have a witness and your financial planner sign this section of the application.

PortfolioCare

How to proceed – PortfolioCare Elements Pensions Accounts

If you would like to invest in the *PortfolioCare* Elements Allocated Pension Account or the *PortfolioCare* Elements Term Allocated Pension Account, you need to complete each relevant section of the relevant pension account application.

1. Existing account details

If you have an existing *PortfolioCare* account with us that is in exactly the same name as this account, complete this section. If you complete this section, your existing account details will be applied to your new account, and you don't need to complete section 2, 'new account details'.

2. New account details

Provide all details requested unless you have completed section 1.

3. Tax file number

You must complete the tax file number declaration form in the application booklet and submit it with your pension account application, even if you don't provide your tax file number.

4. Residency details

Provide all residency details. If you are not an Australian resident for tax purposes you must state your country of residency.

5. Pension eligibility

You must nominate pension eligibility condition that applies to you.

6. Your investment profile

Complete a PDS PART 2 – Investment Selection to establish your investment profile and any asset sell priority, if applicable. If we do not receive an Investment Selection, your funds will remain in your cash balance.

7. Reports and information

Indicate whether your investor report should be sent to you or to your financial planner.

8. Monthly adviser remuneration

In consultation with your financial planner, indicate the monthly remuneration your financial planner will receive for servicing your account. For more information about your financial planner's ongoing remuneration see 'Fees and other costs' on pages 34 to 38.

9. Amount of initial deposit

Where a cheque is enclosed with the application, note the amount of the cheque.

You can also choose to fund your deposit directly from your bank account by completing the Direct Debit Request in the application booklet.

10. Initial deposit details

Indicate whether the deposit is a rollover and/or contribution. If you are making a contribution, note the amount applicable for each type of contribution.

Specify the contribution fee (excluding GST) to apply to your rollover and/or contribution.

11. Auto-rebalancing

Indicate if you would like to have your account automatically rebalanced to your chosen investment profile. Note that you cannot select this option if you nominate to have your pension paid from a single managed investment in section 14 'Nominated payments'.

12. Transfer details

Complete these details if you are transferring funds from your existing super or pension account to this pension account.

13. Commencement date of pension

Complete this section only if you are aggregating rollovers in the super account.

14. Pension payment details

Allocated pension account

Nominate how much you would like to receive, the frequency of payment and provide details of the account your pension is to be paid into.

Term allocated pension account

Nominate how much you would like to receive, the term of your pension, the frequency of payment and provide details of the account your pension is to be paid into.

Note: If you are under 60 make sure you complete the tax file number declaration form in the application booklet.

15. Nominated asset

If you want to fund your pension payment from one single managed investment detailed in section 6 'Your investment profile', state the details here.

16. Nominated beneficiaries

You can nominate a beneficiary for your account. The nomination can be either discretionary or binding. See page 28 of this PDS for information on the effect of making a nomination.

Allocated pension account

If you would like to make a discretionary nomination, you have the choice of requesting for a reversionary pension to be paid to your spouse or child. If you would like to make a binding nomination, complete the binding death benefit nomination in the attached application booklet.

Term allocated pension account

If you would like to make a discretionary or binding nomination, you have the choice of requesting a reversionary pension to be paid to your spouse or child. If you would like to make a binding nomination for your nominated dependants complete the binding death benefit nomination in the attached application booklet.

17. Limited Authority to Operate

Complete this section if you would like to grant your financial planner a Limited Authority to Operate on your account.

18. Planner's details

Provide all details requested.

19. Declaration

Read the 'Investor declarations, conditions and acknowledgments' on pages 44 and 45 of this PDS carefully and sign the application.

Applications may be signed or executed by an individual under Limited Authority to Operate. Where the applicant signs under Limited Authority to Operate, a certified copy of the relevant Limited Authority to Operate must be enclosed with the application. A copy of a relevant Limited Authority to Operate form can be obtained from us. Your Limited Authority to Operate can be certified by a Justice of the Peace, a Commissioner for Declarations or your solicitor.

If you wish to grant your financial planner a Limited Authority to Operate, a witness over the age of 18 must be present when you complete this section and sign this application.

20. Witness for Limited Authority to Operate

After you have completed section 19, you must have a witness and your financial planner sign this section of the application.

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Closed to all members

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