

Issued 1 April 2020



Super Directions[®] for Business and Super Directions for Business Rollover Section

Additional information



Contents

About Super Directions for Business and Super Directions for Business Rollover Section	3
How super works	6
Risks of super	15
How we invest your money	21
Fees and other costs	39
How super is taxed	55
Group Life insurance cover	61
Salary Continuance insurance cover	81
Other important information for insurance cover	94
Payment of benefit in the event of your death	103
Other information you need to know	107

The information in this document forms part of the product disclosure statement (PDS) for Super Directions for Business and Super Directions for Business Rollover Section each dated 30 September 2019. To understand how Super Directions for Business and Super Directions for Business Rollover Section work, read this document and the applicable **PDS**.

Information in this document may change from time to time. We may update information which is not materially adverse to you and make it available at amp.com.au/pdsupdates. A paper copy of the update can also be obtained at no charge by calling us (see details at the end of this document) or from your financial adviser.

The information provided in this document is general information only and does not take into account your personal financial situation or needs. You should obtain financial advice tailored to your personal circumstances.

If you would like advice on your insurance cover in this super product, contributions to your account or investment portfolios, you can call us on 1300 769 736. If you would like to obtain other financial advice, ongoing financial advice or other information about your account, you should speak to a financial adviser.

Super Directions for Business and Super Directions for Business Rollover Section are part of the Super Directions Fund ABN 78 421 957 449 (the Fund). **N.M. Superannuation Proprietary Limited** ABN 31 008 428 322, AFSL No. 234649, is the trustee and is referred to as **NM Super, trustee, AMP, we** or **us** in this document.

No other company in the AMP group of companies or any of the investment managers of the investment portfolios:

- is responsible for any statements or representations made in this document, and
- guarantees the performance of NM Super's obligations to members, or assumes any liability to members in connection with this product.

Except as expressly disclosed in the applicable **PDS** or this **additional information** document:

- investments in the investment portfolios are not deposits or liabilities of NM Super, AMP Bank Limited ABN 15 081 596 009 (AMP Bank), any other member of the AMP group or any of the investment managers
- no person guarantees the performance of this super product or any of the investment portfolios, any particular rate of return or the repayment of capital.

The trustee may enter into financial or other transactions with related bodies corporate in relation to this product. That related body corporate may be entitled to earn fees, profits, reimbursements or expenses or other benefits in relation to any such appointment or transaction and to retain them for its own account.

Super Directions for Business and Super Directions for Business Rollover Section are managed and administered in accordance with the applicable **PDS** and this **additional information** document. We may change the way Super Directions for Business and Super Directions for Business Rollover Section are managed and administered at any time and we will notify you of any change as soon as practicable after the change occurs, except for an increase in the fees charged by us, where we will give you at least 30 days' notice of any increase in these fees.

This offer is available only to persons receiving (including electronically) the applicable **PDS** and this **additional information** document within Australia.

Changes to investment portfolios

We regularly monitor our investment portfolios and investment managers to ensure our range continues to suit the needs of our customers. We may add, close or terminate investment portfolios, add new investment managers, as well as change the aim and strategy and asset range or benchmark of an investment portfolio at any time. We will notify you about any material changes to the investment portfolios which may be after the change has occurred. Other non-material changes will be included in the AMP Investment Option Update document, available at www.amp.com.au/pdsupdates.

Issued by N.M. Superannuation Proprietary Limited, the trustee of the Super Directions Fund .

Section 1:

About Super Directions for Business and Super Directions for Business Rollover Section

In this section we will discuss:

- **The trustee**
Important information about the trustee
- **Super Directions for Business**
Introduction to Super Directions for Business

Important information

Super Directions for Business and Super Directions for Business Rollover Section are part of the Super Directions Fund (the fund) ABN 78 421 957 449. The trustee of the Fund is N.M. Superannuation Proprietary Limited ABN 31 008 428 322 (NM Super).

Throughout this additional information document NM Super is referred to as 'the trustee', 'we', 'us', or 'our'.

The trustee is a licensed trustee under the *Superannuation Industry (Supervision) Act 1993* (SIS), which means it has satisfied certain conditions set by the Australian Prudential Regulation Authority (APRA). The trustee is responsible for the monitoring and management of the fund for the benefit of all members in accordance with the governing rules of the fund and relevant legislation.

The trustee is a wholly owned subsidiary company of the insurer.

The insurer is the insurer for the fund and insurance cover is provided under the insurance policies held by the trustee.

The table below outlines the service providers referenced within this PDS:

Service	Service provider
Administrator	AMP Life Limited ABN 84 079 300 379 (AMP Life)
Guarantee provider	AMP Life Limited ABN 84 079 300 379 (AMP Life)
Insurer	AMP Life Limited ABN 84 079 300 379 (AMP Life)
Investment services provider	AMP Life Limited ABN 84 079 300 379 (AMP Life)
Issuer of AFS License agreements for payment of Advice fees	AMP Life Limited ABN 84 079 300 379 (AMP Life)
Issuer of Life insurance policies and Statutory Funds	AMP Life Limited ABN 84 079 300 379 (AMP Life)
Owner of the trustee	AMP Life Limited ABN 84 079 300 379 (AMP Life)

Relationship between the trustee and some companies through which the fund will invest

From time to time, we may engage companies in and outside the AMP group to provide services in relation to Super Directions for Business or Super Directions for Business Rollover Section. We may change these service providers at any time without notifying you.

The companies in the AMP group we currently engage are the investment services provider, National Mutual Funds Management Limited (NMF), ipac asset management limited (ipac) and AMP Capital Investors Limited (AMP Capital). The investment services provider, NMF, ipac and AMP Capital have given and have not withdrawn their consent to the statements in relation to themselves (including their names) being included in the **Super Directions for Business** and **Super Directions for Business Rollover Section PDS** and this **additional information** document in the form and context in which they appear.

These and other companies in the AMP group may receive information about you. Please refer to the **AMP and your privacy** section of this **additional information** document. The assets of the fund consist entirely of life insurance policies issued by the issuer insurer.

The life insurance policies represent an interest in the insurer's Statutory Funds and do not represent specific assets. NMF manages the investment of the Statutory Funds on their behalf.

ipac and other investment managers, provide investment services for the investment services provider and NMF in relation to the issuer of life insurance and Statutory Funds. Through these arrangements, they are able to deliver to Australian investors the proven expertise and experience of recognised investment specialists, both locally and globally.

Where the trustee invests assets of the fund, by law it must either deal with the other party to the transaction on terms that would be reasonable in the circumstances that if the trustee and the other party were dealing at arm's length, or it must ensure the terms of the transaction are no more favourable to the other party than those which it is reasonable to expect would apply if the trustee were dealing with the other party at arm's length in the same circumstances.

Regulatory Identifiers	
Super Directions Fund	Australian Business Number (ABN) 78 421 957 449
Super Directions for Business	Unique Superannuation Identifier (USI) NML0440AU
Super Directions for Business Rollover Section	USI NML0450AU
MySuper Authorisation Number	78 421 597 449 538
N.M. Superannuation Proprietary Limited	ABN 31 008 428 322 AFSL No. 234649
AMP Life Limited	ABN 84 079 300 379 AFSL No. 233671
National Mutual Funds Management Limited	ABN 32 006 787 720 AFSL No. 234652
ipac asset management limited	ABN 22 003 257 225 AFSL No. 234655
AMP Capital Investors Limited	ABN 59 001 777 591 AFSL No. 232497

Introduction to Super Directions for Business

How you become a member of Super Directions for Business

Your employer will enrol you directly into their Super Directions for Business plan as the nominated super fund for their business.

AMP SDF MySuper investment portfolio – default portfolio

The AMP SDF MySuper investment portfolio is the default investment portfolio. If you do not make an investment portfolio nomination, your super will be invested in the AMP SDF MySuper age group option for your decade of birth.

Insurance cover (Eligibility criteria for insurance covers applies)

- Defined cover as agreed with the employer for your plan, or
- If no defined cover is chosen by your employer, then one unit of Death and Total and Permanent Disablement (TPD) insurance for members employed on a permanent basis and working 15 hours or more a week will apply. If you are employed on a casual basis or on a permanent basis and working less than 15 hours a week, you will be insured for Death Only cover.

The premium for the cover provided may depend on your age, occupation and smoker status. Refer to the **Group Life insurance cover** section for more information.

Contributions

- Mandatory superannuation guarantee (SG) employer contributions and award/industrial arrangements. The SG rate is currently 9.50% of ordinary time earnings.

Depending on your circumstances, we may be able to accept other types of contributions into your account.

Introduction to Super Directions for Business Rollover Section

How you become a member of Super Directions for Business Rollover Section

If you were a member of a Super Directions for Business, Simple Super or Tailored Super employer plan, and you have ceased employment and are no longer eligible to be a member of your employer's plan, you'll automatically be transferred to Super Directions for Business Rollover Section.

Section 2:

How super works

In this section we will discuss:

- **Contributions**
What are the different types of contributions that can be made
- **Consolidation**
How to consolidate multiple super accounts
- **When you can access your super**
We explain the rules around accessing your super

Types of contributions

We can accept the following contributions into your account:

Contribution type (super account)	Description
Superannuation guarantee (SG) and award/industrial arrangement employer contributions	Money paid by your employer into a super fund under the SG legislation, or to comply with an award or industrial arrangement.
Salary sacrifice and additional employer contributions	Where you arrange for your employer to make contributions to your super account from your salary and wages or where your employer makes contributions for you over and above the legally required amount.
Member contributions	Contributions you pay into super from your after-tax income, including contributions for which you intend to claim a tax deduction. The ATO treats all member contributions as non-concessional and adjusts the contributions to concessional if a tax deduction is claimed in your income tax return.
Spouse contributions	Contributions your spouse pays into your account for you, which they may then be eligible to claim a tax offset for.
Transfer/Rollovers	You can transfer or rollover existing super monies into your account at any time no matter how old you are.
Government contributions	If you are eligible, the government may make certain contributions to your account. See ato.gov.au for more information
Capital gains tax exempt contributions	You can make contributions to super which are sourced from some or all of the capital gain or proceeds from the sale of a small business in certain circumstances.
Contributions from the proceeds of personal injury payments	You can make contributions to super which arise from a structured settlement or order for personal injuries.
Other third party contributions	Previously known as 'family and friends' contributions, these are made for you by anyone other than you, your spouse or your employer.
Downsizer contributions	If you are age 65 or over and satisfy eligibility requirements, you may be able to make a downsizer contribution to super from the proceeds of selling a home owned by you or your spouse.

How to make a contribution

Contributions to your account can be made using the following payment methods:

- BPAY® – Your personal customer reference number and biller codes can be obtained online through **My AMP**.
- cheque – for personal contributions only¹.
- esuper – for employers only.

Your employer should make contributions via a SuperStream compliant method to your super fund. With SuperStream, the contributions and the related data are sent electronically in a standard format.

Your employer will need this Unique Superannuation Identifier (USI) for Super Directions for Business and Super Directions for Business Rollover Section to make contributions for you via SuperStream:

- Super Directions for Business Rollover Section – NML0450AU
- Super Directions for Business – NML0440AU

® Registered to BPAY Pty Ltd ABN 69 079 137 518

1 By law, payments made by cheque are a non-compliant way of making contributions for employers.

When can we accept contributions

There are restrictions on the types of contributions we can accept into your account depending on your age, the number of hours you're working and other factors. These are set out in the table below:

Type of contribution	You're under age 65	You're age 65 to 69	You're age 70 to 74	You're age 75 or over ⁽ⁱ⁾
Member contributions ⁽ⁱⁱ⁾	At any time.	Only if you've already been gainfully employed on at least a part-time basis at the time the contributions are made. ⁽ⁱⁱⁱ⁾	Only if you've already been gainfully employed on at least a part-time basis at the time the contributions are made. ⁽ⁱⁱⁱ⁾	Cannot be accepted.
Spouse contributions ⁽ⁱⁱ⁾	At any time.	Only if you've been gainfully employed on at least a part-time basis at the time the contributions are made. ⁽ⁱⁱⁱ⁾	Cannot be accepted.	Cannot be accepted.
Compulsory employer contributions ^(iv) – Superannuation Guarantee (SG) and Award/Industrial Arrangement.	At any time.	At any time.	At any time.	At any time.
Salary sacrifice and additional employer contributions ^(iv)	At any time.	Only if you've already been gainfully employed on at least a part-time basis at the time the contributions are made. ⁽ⁱⁱⁱ⁾	Only if you've been gainfully employed on at least a part-time basis at the time the contributions are made. ⁽ⁱⁱⁱ⁾	Cannot be accepted.
Capital gains tax (CGT) exempt contributions & overseas transfers ^(v)	At any time.	Only if you've been gainfully employed on at least a part-time basis at the time the contributions are made. ⁽ⁱⁱⁱ⁾	Only if you've been gainfully employed on at least a part-time basis at the time the contributions are made. ⁽ⁱⁱⁱ⁾	Cannot be accepted.
Government contributions ⁽ⁱⁱ⁾	At any time.	At any time.	You must be under age 71 at the end of the financial year in which an after-tax contribution is made to receive a government co-contribution, unless it relates to a previous period.	Not applicable unless a contribution relates to a previous period.
Transfers/rollovers	At any time.	At any time.	At any time.	At any time.
Other third party contributions	At any time.	Only if you've been gainfully employed on at least a part-time basis at the time the contributions are made. ⁽ⁱⁱⁱ⁾	Cannot be accepted.	Cannot be accepted.
Downsizer super contributions	Cannot be accepted.	Contributions must generally be made within 90 days from the date of settlement (you may seek an extension of time from the ATO).		

- (i) Personal and non-mandated contributions can be accepted after age 75 if made in the 28 days following the end of the month you turn age 75. You must also have been gainfully employed on at least a part-time basis in the financial year contributions are made.
- (ii) If we don't have your Tax File Number (TFN), contributions cannot be accepted.
- (iii) You're considered to have been gainfully employed on at least a part-time basis if you're gainfully employed for at least 40 hours in a period of not more than 30 consecutive days in that financial year.
- (iv) If we don't have your TFN, an additional tax called the no-TFN tax on concessional contributions will be deducted from your account.
- (v) KiwiSaver schemes, UK pension transfers or rollovers including amounts derived from UK pensions cannot be accepted.

Contributing to super after you're 65 or over

To contribute to super between the ages of 65 and 74 you must generally meet gainful employment requirements (more commonly known as the work test) or you qualify for the work test exemption (which apply from 1 July 2019).

You are gainfully employed if, at the time of the contribution, have worked for gain or reward for at least 40 hours within a period of 30 consecutive days in that financial year.

You meet the requirements of the work test exemption if you satisfy the following conditions:

- You aren't gainfully employed in the financial year you make the contribution, and
- You were gainfully employed in the previous financial year, and
- Your total super balance was below \$300,000 on 30 June of the previous financial year, and
- You have not previously made contributions to super under the work test exemption.

Downsizer contributions

If you are age 65 or over and satisfy eligibility requirements, you may be able to make a downsizer contribution to super of up to \$300,000 from the proceeds of selling a home owned by you or your spouse for at least 10 years.

You are able to make a downsizer contribution even if you are not working. You can also still make a downsizer contribution if your **total superannuation balance** is greater than \$1.6 million (indexed).

The contribution will not count towards your contributions caps.

Your downsizer contribution will, however, be included in your **total superannuation balance** when it is re-calculated at the end of the financial year and it will count towards your transfer balance cap (\$1.6 million for 2019/20).

You can only make a downsizer contribution for the sale of one home.

Downsizer contributions are not tax deductible and will be taken into account for determining eligibility for the Age Pension.

More information can be found at ato.gov.au.

Employer responsibilities for contributions

Employers are required to make contributions for their employees (where applicable) known as superannuation guarantee (SG) contributions. The mandatory SG rate is 9.5% of an employee's ordinary time earnings.

The maximum super contributions base for an employee for a quarter is \$55,270 in the 2019/20 financial year. SG contributions aren't required on ordinary time earnings in excess of this limit.

SG contributions must be paid at least quarterly by the 28th day following the end of the quarter (ie 28 October, 28 January, 28 April and 28 July).

If you authorise your employer to deduct voluntary member contributions from your after-tax salary, then these contributions must be made to your account within 28 days of the end of the month in which the deduction was made.

Government co-contribution

If you make personal after-tax contributions to your super and you satisfy certain eligibility criteria you may receive a government co-contribution of up to \$500. To be eligible to receive a government co-contribution for a particular financial year you must:

- make at least one personal after-tax contribution to super in the financial year
- be under age 71 on 30 June of the financial year
- have total income² of less than \$53,564 (for 2019/20)
- have a **total superannuation balance** of less than \$1.6 million at 30 June of the previous financial year, and
- not have exceeded your non-concessional contributions cap for the financial year.

Other eligibility conditions apply. For further details visit ato.gov.au.

² Your total income is the sum of your assessable income, reportable fringe benefits and reportable employer super contributions less allowable business deductions.

Government low income superannuation tax offset

If your adjusted taxable income is less than \$37,000, you may be eligible to receive a government super contribution of up to \$500. This payment is known as the Low Income Superannuation Tax Offset (LISTO). For further details, including eligibility criteria, visit ato.gov.au.

KiwiSaver schemes

At this time, we do not accept transfers from KiwiSaver schemes. However, you may transfer your benefits from your super account to a New Zealand KiwiSaver scheme.

Important: We recommend you see your financial adviser or taxation adviser before transferring any amounts as there may be currency risks and tax consequences.

Bring your super together

When you change jobs, you can sometimes lose track of your super. Leaving super scattered in different accounts could mean you pay multiple sets of fees. A free service we make available to AMP super customers is to find your super and let you know the results. You'll need to provide consent for AMP to use your TFN to enable AMP to successfully track your super. Go to amp.com.au/findmysuper to let us help you track your super.

Once you receive your super search results and understand where your super is, you can decide what to do with it. You might consider consolidating your super into your Super Directions account.

Consolidating your super into Super Directions is easy using our free **super consolidation service**. With our online consolidation service, there's no paperwork. If you know your external fund name and account number we'll automatically send through your consolidation request to the other fund. If you don't know your other external fund details, we can complete an ATO Super Search on your behalf with your consent to use your TFN. We'll get back to you within a few days with the details.

Benefits of consolidating your super:

- **Save on fees**
If you have more than one super account, you're probably paying multiple sets of fees. You could reduce the fees you pay by reducing the number of accounts you have which could increase the balance of your retirement savings when you retire.
- **Help your balance grow**
With compounding returns, the money you save in fees could really help your super balance grow.
- **Reduce the chances of losing track of your super.**
With only one account to manage and one set of paperwork, it will be easier to keep track of your super.

You can consolidate your super online at amp.com.au/consolidate or by calling us on 133 056.

Note: You should consider the potential implications of transferring your existing balance to another fund, such as:

- whether additional fees apply,
- where your future employer contributions will be paid, and
- your current insurance entitlements might be lost and you may not be able to get a similar type of insurance cover in a new fund.

Step 1. Gather your super statements

Locate your old super statements. You will then need to decide if you want to consolidate your super. You may have significant benefits, such as insurance cover, which you might lose, or incur an exit fee in your old fund. We suggest you contact the specific super fund for more details regarding exit fees and/or speak to a financial adviser who can help you with this decision.

Step 2. Fill out the request form

To request a rollover into your account, complete either the:

- **Request to transfer superannuation benefits from an external fund to AMP** form (if your existing fund is not with AMP)
- **Internal rollover/transfer request** form (if your existing fund is with AMP)

To request a rollover into your account, please contact us on 133 056 or download the forms at amp.com.au/forms.

Step 3. Return the form to:

Customer Service Centre
PO Box 14669
MELBOURNE VIC 8001

You should also discuss the appropriateness of Super Directions for Business or Super Directions for Business Rollover Section with your financial adviser.

If a benefit is rolled over or transferred into the fund from another super fund, it will be invested in:

- the investment portfolio(s) nominated by you on receipt of the rollover/transfer or on your **change to member preferences** form
- your cash flow portfolio, ie your nominated portfolio for regular contributions, or
- the default portfolio (the AMP SDF MySuper investment portfolio), if you have not made any investment portfolio nomination.

Super search

AMP can conduct SuperMatch searches through the ATO with your authorised consent. The search requires the use of your tax file number (TFN), first name, surname and date of birth to locate details of any super held on your behalf by the ATO and/or the details of any other super accounts you may have with any other institutions. AMP will notify you if the search has been successful in finding other super or if not. We can also assist you in consolidating all your super into your AMP super account(s) should you consent to us doing so.

For further information visit amp.com.au/supersearch.

Consolidation of multiple accounts

Each year the trustee will identify and review members who have multiple accounts within the fund. Where the trustee reasonably determines that it is in the best interest of the member, the member's accounts will be consolidated and the member will receive an exit statement. Members may be provided the opportunity to choose not to consolidate their accounts.

Trans-Tasman Retirement Savings Portability

You may transfer retirement savings between Australia and New Zealand after your permanent migration from one country to the other. The transfer of retirement savings is voluntary. You may only transfer your superannuation balance in Super Directions for Business or Super Directions for Business Rollover Section to a New Zealand KiwiSaver scheme.

Once your money is in a KiwiSaver scheme, there are restrictions on when these funds can be accessed, such as:

- it cannot be used to purchase your first home
- it cannot be moved to a third country
- it can be accessed when you reach 60 years of age and satisfy the Australian definition of retirement at that age.

We recommend you see your financial adviser before transferring all or part of your retirement savings in Super Directions for Business or Super Directions for Business Rollover Section to a KiwiSaver scheme as there may be currency risks and tax consequences. You should also consider what effect this will have on any insurance cover you have in Super Directions for Business or Super Directions for Business Rollover Section.

At this time, NM Super does not accept transfers from KiwiSaver schemes.

First home super saver (FHSS) scheme

You can make voluntary contributions to your super account to save for your first home.

You can apply directly to the ATO to release your voluntary contributions up to a maximum of \$15,000 from a financial year and \$30,000 in total (plus associated earnings).

To be eligible to access your superannuation to help you purchase your first home you must satisfy certain conditions including the following:

- you must be age 18 or over
- you have not previously owned property in Australia (limited exceptions apply)
- you have not previously requested for amounts to be released under the scheme
- you will live in the premises you are buying for at least six months of the first 12 months you own it, after it is practical to move in.

If the ATO approves the release of an amount from your superannuation, the ATO will request your super fund to pay the amount to the ATO and after withholding any tax, the ATO will pay the balance to you.

If you do not sign a contract to purchase or construct a home within 12 months of your superannuation being released you may be liable to pay additional tax. For further information about the first home super saver scheme visit ato.gov.au.

When can you access your super

Generally, you can take your super once you have:

- permanently retired after reaching your preservation age³
- stopped employment at age 60 or over
- reached age 65
- commenced a transition to retirement income stream after reaching your preservation age, or
- satisfied another condition of release (refer to the **other conditions of release** section).

Your preservation age

Your preservation age is between 55 and 60 depending on when you were born:

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

Retirement

If you stop work between preservation age and age 60, and you've permanently retired we need to be reasonably satisfied that you don't intend to return to work for 10 or more hours a week.

Super benefit component

Super benefits consist of three components:

- **Unrestricted non-preserved:** You can access this amount at any time.
- **Restricted non-preserved:** Generally you can access this amount when you stop working for the employer who has contributed to your account, and
- **Preserved:** You can access this amount only in certain circumstances set by superannuation law.

All contributions and investment earnings since 1 July 1999 are preserved. Any non-preserved amounts you have accumulated before this date remain as non-preserved.

³ Please note that if you have never been gainfully employed in your life you are unable to access your super under permanent retirement and would need to satisfy another eligibility criteria.

Other conditions of release

The other circumstances which allow you to withdraw money from your super include where:

- you have a terminal medical condition.
- you become permanently incapacitated.
- you qualify on compassionate grounds or severe financial hardship.
- you were a temporary resident of Australia, when you permanently leave Australia and you request in writing for the release of your benefits. See below for further information.
- you stop working for the employer who has contributed to your account and purchase a certain type of income stream or annuity.
- in certain circumstances, where your benefit is less than \$200 and your employment with an employer-sponsor has been terminated, or
- in certain circumstances, you were a lost member and are subsequently found, and your account value is \$200 or less.

Additional information for temporary residents of Australia

This section does not apply to you if you hold a subclass 405 or 410 visa, if you are an Australian or New Zealand citizen, or are a permanent resident of Australia.

Relying on relief provided by the Australian Securities and Investment Commission (ASIC), the trustee is not obliged to notify or give an exit statement to a member who was a temporary resident where we transfer their super to the ATO following their departure from Australia.

Note: There are limited other conditions of release available to you if you are or were a temporary resident. If you are or were a temporary resident, your benefits will generally only be accessed under the following conditions of release:

- Terminal medical condition
- Permanent incapacity
- via an ATO issued release authority, or
- on your death. In this case your benefit would be payable to your beneficiaries or estate.

Permanent incapacity, terminal medical condition, compassionate grounds and severe financial hardship

You can access some or all of your super benefits at any age in certain circumstances, for example, if you have a terminal medical condition, become permanently incapacitated, suffer severe financial hardship or qualify for compassionate grounds.

You must satisfy specific conditions to qualify for the release of benefits.

Terminal medical condition

You suffer a terminal medical condition if the following circumstances exist:

- Two registered medical practitioners have certified, jointly or separately, that you suffer from an illness, or have incurred an injury, that is likely to result in your death within a period (the certification period) that ends not more than 24 months after the date of the certification.
- At least one of the registered medical practitioners is a specialist practising in an area related to the illness or injury suffered.
- For each of the certificates, the certification period has not ended.

Permanent incapacity

You are permanently incapacitated if the trustee is reasonably satisfied that your ill health (whether physical or mental) makes it unlikely that you will engage in gainful employment for which you are reasonably qualified by education, training or experience.

Compassionate grounds

You qualify for early release of benefits under compassionate grounds subject to approval by the Australian Tax Office (ATO) and the trustee.

When you must take your super benefit

Super rules don't require you to take your benefits at any maximum age. This allows you to keep your investment in your super account indefinitely. However, your benefit must be paid out on your death.

Partial cash payments

If you have any unrestricted non-preserved benefits, you may apply to receive, net of any taxes payable, a partial payment from the fund.

Partial rollovers

You may request to have part of your benefit transferred or rolled over out of the plan to another regulated super fund. For Super Directions for Business members, if we do not continue to receive employer SG contributions on a regular basis, your insurance cover will cease. Partially transferring funds may incur additional fees. Please speak to your plan's financial adviser to determine the best course of action to meet your needs.

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

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

Section 3:

Risks of super

In this section we will discuss:

- **Risks of super**
Risks associated with investing
- **Switching**
How you can switch investment options
- **Standard Risk Measure**
Comparing investment options using industry guidance
Risks associated with different investment strategies

Risk of investing

In this section we look at some risks of investing. All investments have risk and you may not get back the same amount you invested, so it's important to understand what the risks are.

Type of risk	Description
Investment risk	The value of your investment can rise and fall. Even if the investment rises, it may not perform according to your expectations, or the investment managers may not be able to achieve their stated aims and objectives.
Inflation risk	Your money may lose its purchasing power with inflation. When prices go up, your investment also needs to go up by at least the rate of inflation or the real value of your investment will decline.
Timing risk	The risk your funds are invested at an unfavourable point in the investment cycle. For instance, buying into a market at higher market prices than those available soon after.
Market risk	Changes in market conditions which may adversely impact your investments, such as inflation, interest rates and global events.
Systemic risk	Systemic risk refers to major movements across several asset classes, or to the entire system simultaneously. This is generally due to some event affecting the economic system, eg global financial crisis.
Liquidity risk	Liquidity risk refers to how quickly an asset can be bought and sold in the market place, eg direct property, hedge funds and unlisted equity investments.
Interest rate risk	Interest rates affect all markets, particularly cash, cash-like securities and fixed interest investments. For instance, bonds will generally lose value if market interest rates are higher than the bond's fixed rate.
International investment risk	International investments are subject to the normal market risks, currency risk (exchange rate losses) and the legal risk that the laws of other countries may not provide adequate protection.

Individual asset class risk

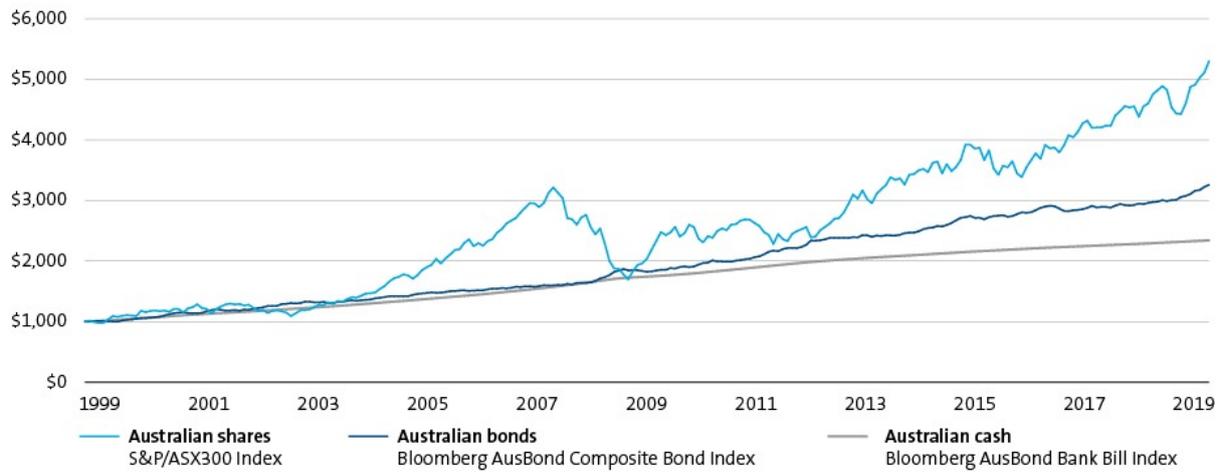
Each type of market – also known as an asset class – has its own risks.

Asset class	Description
Shares	<p>Shares are generally classified as a growth asset and include Australian shares and global shares (which may be hedged or unhedged to the Australian dollar).</p> <p>Specific risks include:</p> <ul style="list-style-type: none"> – industry risk factors – disappointing profits and dividends – management changes – reassessment of the outlook for the company or industry – currency risk for any investment in unhedged global shares.
Property and infrastructure	<p>Property and infrastructure are generally classified as a growth assets and cover listed and unlisted property and infrastructure, and global and Australian property and infrastructure.</p> <p>Risks of property and infrastructure include:</p> <ul style="list-style-type: none"> – vacancies – location – unprofitable property development activities – declining values – share market volatility – delays in approvals – liquidity – international investment risk (global property and infrastructure).
Fixed interest	<p>Fixed interest is generally classified as a defensive asset and covers both Australian and global fixed interest securities.</p> <p>Risks include:</p> <ul style="list-style-type: none"> – changes in interest rates – generally, the investment value falls if yields rise – default – liquidity – international investment risk (for global fixed interest investments) – credit risk – the risk that a borrower will default on either the payment of interest or the return of principal.
Cash	<p>Cash is generally classified as a defensive asset and may include corporate bonds and derivatives. Historically, long-term returns have been generally lower and have not kept up with inflation over the long term.</p>
Alternative assets	<p>Alternative assets can be broadly classified into growth and defensive asset classes. They include non-traditional liquid investments that target positive and uncorrelated returns by using short selling, gearing and derivatives. Investments such as private equity, venture capital, mezzanine finance and other private placement debt often present higher risks.</p>

How markets move

These two graphs show how markets, which historically have provided the best returns...

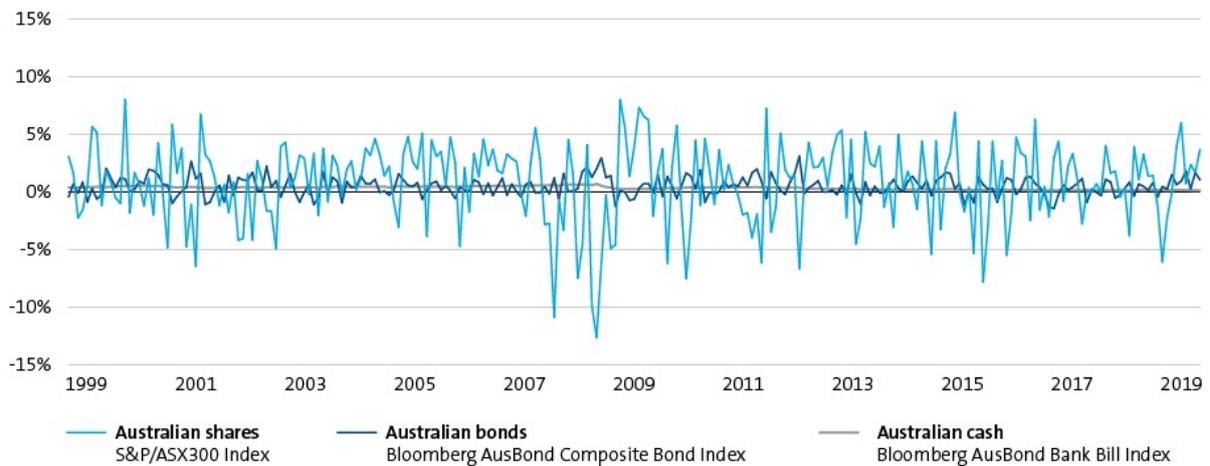
Growth of \$1,000 investment over time – 20 years (1999 – 2019)



Source: AMP Capital

... also involve the greatest risk.

Monthly returns over 20 years (1999 – 2019)



Source: AMP Capital

Historical performance is not a reliable indicator of future performance.

Switching

You can switch between investment options at any time. No switching fee is applied to the first six switches in an annual review period. A switching fee will be applied to the seventh and any subsequent switches performed in an annual review period, except where you switch to the AMP SDF MySuper investment portfolio, where a switching fee will not apply. Once we have received an investment option switch request it cannot be cancelled. On occasion there may be circumstances beyond our control that could delay the processing of your request.

You may change your investment options at any time online through **My AMP** or by completing the **change of member preferences** form, which can be obtained by visiting amp.com.au/forms or by contacting us. Before you decide to switch, we recommend you speak to a financial adviser.

Switches or withdrawals can be delayed

We may delay or suspend switches or withdrawals if:

- a switch or withdrawal would adversely affect the interests of, or if we do not consider it in the best interests of, members in the relevant investment options offered through Super Directions as a whole
- we have not received all the information required to confirm your request (eg identification requirements), or
- we are unable to realise sufficient assets to satisfy your payment due to circumstances outside our control – for example, restricted or suspended trading in the market for an asset.

We may also delay or suspend switches or withdrawals due to delays by investment managers. For example, the investment manager may:

- delay issuing unit prices for the underlying investment
- place minimum investment limits on the investment option, or
- delay or suspends transactions.

The delays or suspensions could be for weeks, months, or even years.

When a delay or suspension of payment from the investment option occurs, it will affect a number of transactions and features of this product, including, but not limited to:

- features such as auto-rebalancing will not apply
- switches and withdrawals, including rollovers, transfers and the payments of Death and Total and Permanent Disablement (TPD) benefits may occur in more than one payment, and
- on death, the transfer of money from the affected investment option to the Guaranteed Plus portfolio may be delayed.

We are not responsible for any losses caused by such delays.

Standard Risk Measure

The Standard Risk Measure is based on industry guidance to allow investors to compare investment options that are expected to deliver a similar number of negative annual returns over any 20-year period.

Each investment option described in this document includes a Standard Risk Measure. The table below sets out the Standard Risk Measure bands/labels used for each investment option based on the estimated number of negative annual returns that an investment option may experience over any 20-year period. Negative annual returns may not occur in consecutive years.

Risk band	Label	Estimated number of negative annual returns over any 20-year period
1	Very Low	Less than 0.5
2	Low	0.5 to less than 1
3	Low to Medium	1 to less than 2
4	Medium	2 to less than 3
5	Medium to High	3 to less than 4
6	High	4 to less than 6
7	Very High	6 or greater

The Standard Risk Measure is not a complete assessment of investment risk. For instance, it does not detail what the size of a negative return could be or if a positive return is less than an investor may need to meet their objectives. And it doesn't take into account the impact of administration fees and tax on the likelihood of a negative return.

You should still ensure you're comfortable with the risks and potential losses associated with your chosen investment option/s.

For further information on the methodology used to establish the Standard Risk Measure, go to amp.com.au.

Risk of particular investment strategies

Some investments and investment managers use particular strategies which may change the risks of investing. Such strategies may include:

Strategy	Description
Gearing	This is the process of borrowing money to purchase assets. Gearing can magnify an investment's potential gains or losses. There is also a risk the assets will be exposed to increases in interest rates, which increases the borrowing cost and may reduce the potential returns of the investment.
Short selling	Short selling is a technique used by investors in order to profit from the falling price of an asset. The aim of short selling is to sell at a higher price and buy the asset at a later time, at a lower price. This form of active management can increase an investor's ability to generate additional returns. Due to the nature of short selling, the potential amount of loss to the relevant investment option may be greater than for more traditional purchase and sale transactions, as the potential increase in price of the asset sold (and hence the potential loss) is unlimited. Furthermore, the lender of the borrowed stock may recall it before the period deemed optimal by the investment manager, and this may result in the inability to achieve the targeted profits on the trade.
Derivatives	<p>Derivatives can be used for many purposes, including hedging to protect an asset against market fluctuations, reducing transaction costs, achieving a desired market exposure and maintaining benchmark asset allocations. Derivatives can also be used to implement the investment objective of the investment option. Risks of using derivatives include:</p> <ul style="list-style-type: none"> – price or basis risk: The risk that a price change in the market underlying a derivative contract, or in the derivative contract itself, is not matched by the price change in the derivative position held. – leveraging risk: The risk that any losses will be magnified by creating greater exposure to a market than that of the assets backing the position. – liquidity risk: The risk that a derivative position cannot be reversed. – default risk: The risk that the party on the other side of a derivative contract defaults on payments. <p>Investment managers may use derivatives such as options, futures, swaps or forward exchange rate agreements. The use of derivatives by investment managers is in accordance with the guidelines of the investment strategy, the objectives of the investment option, and the relevant risk management processes on the use of derivatives.</p>

Section 4:

How we invest your money

In this section we'll discuss:

- **Investment flexibility**
Your choice of investment portfolios
- **AMP SDF MySuper**
The AMP SDF MySuper investment portfolio
- **Choice investment portfolios**
Information on your investment portfolios

Super Directions for Business allows you to select from 14 investment portfolios:

- the AMP SDF MySuper investment portfolio
- five multi-manager diversified portfolios
- eight sector/specialist portfolios.

Super Directions for Business Rollover Section allows you to select from 20 investment portfolios:

- the AMP SDF MySuper investment portfolio
- five multi-manager diversified portfolios
- four diversified portfolios
- 10 sector/specialist portfolios.

Investment flexibility

You can choose up to a maximum of six portfolios for your future contributions. Your accumulated contributions (account balance) may be invested in up to six portfolios at a time. You may alter your investment choice at any time. Making the right investment choice can help you achieve long-term financial security and enjoy your lifestyle in retirement. No switching fee is applied on the first six switches in the annual review period. A switching fee will be applied to the seventh and any subsequent switches performed per annual review period, except where you switch to the AMP SDF MySuper investment portfolio where a switching fee will not apply.

The annual review period is the period covered by your annual statement.

Changes to your investment choice can be made by completing and returning the **change to member preferences** form available at amp.com.au/super/forms.

A buy and sell margin may apply for transferring money between portfolios. Refer to **buy and sell margins** in the **additional explanation of fees and costs** section.

AMP SDF MySuper investment portfolio

The AMP SDF MySuper gives you access to an investment solution that takes you all the way through your superannuation savings journey. This approach, known as lifecycle investing, delivers an investment strategy that continuously evolves to align with the changing stages of your life.

Your super contributions will be invested in the AMP SDF MySuper investment option specific to your decade of birth. In this investment, the investment strategy and asset allocation changes as the investment risk profile of your age group changes.

This means that younger investors will have higher-growth investment strategies because they have a longer period to retirement and can afford to take more risk. However, for investors approaching retirement, investments will focus more on preserving the capital built up and reduce risk.

Most importantly, your investments will be actively managed as you get older – even if you haven't told us how to invest your super.

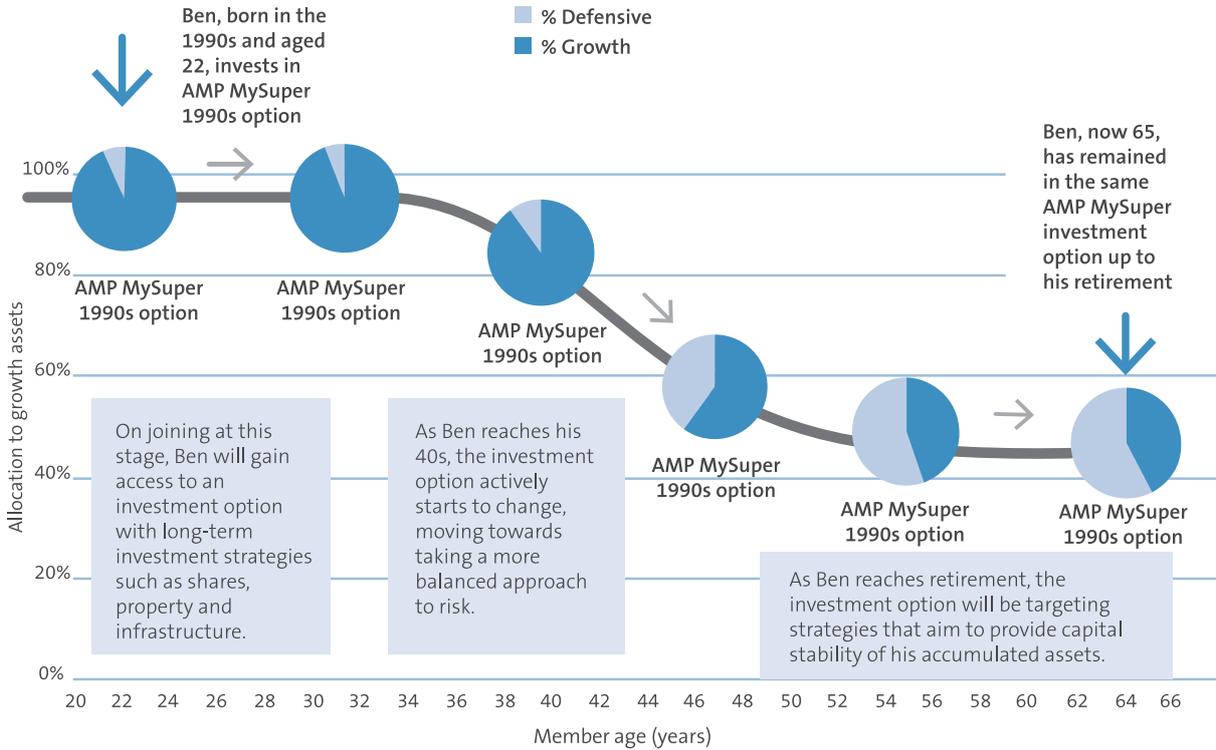
Note: you cannot choose a different decade to be invested in.

The following table shows the different decades of birth and the name of the applicable AMP SDF MySuper investment option.

Decade of birth	AMP SDF MySuper investment option
1990s or later	AMP SDF MySuper 1990s
1980s	AMP SDF MySuper 1980s
1970s	AMP SDF MySuper 1970s
1960s	AMP SDF MySuper 1960s
1950s	AMP SDF MySuper 1950s
Before 1950	AMP SDF Capital Stable

Using the AMP SDF MySuper 1990s investment portfolio as an example, the following diagram shows how the lifecycle investment will work.

How will AMP's lifecycle investing work?



Choice investment portfolios

Multi-manager diversified portfolios

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

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

Where such changes are made, they will be considered in light of the potential impact on members. Changes may be made without prior notice to you.

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

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

Diversified portfolios

Super Directions for Business Rollover Section only

The diversified portfolios invest across a range of different investment markets. The maximum, target and minimum levels of exposure to each market are determined by the investment services provider when formulating the portfolio's investment objectives. It can be a good idea to spread your investment over a number and variety of assets to reduce the overall risk in your portfolio, as the value of different assets can rise and fall at different times. Diversification generally reduces the likelihood of any single investment or asset adversely affecting the value of your portfolio.

Periodically, the investment manager will review the portfolio's maximum, target and minimum level of exposure to each market, and may alter them as a result of changing investment opportunities. Normally the investment manager will maintain actual exposures in a narrow range around the target level of exposure.

The investment market allocation gives an indication of the portfolio's risk profile.

Sector/Specialist portfolios

You may choose to invest in one or more specific asset classes (sectors) or specialist investment strategies.

Each of the multi-manager sector portfolios uses a combination of investment managers. For example, if you invest in the Multi-manager Australian Equities portfolio your money will be divided among each of the investment managers utilised in this portfolio.

As well as offering multi-manager sector portfolios, we also offer a number of specialist strategy portfolios. If you invest in one of these portfolios, your money will be managed solely by that investment manager.

Important note: The trustee strongly suggests you seek advice from a financial adviser when constructing your own portfolio from the sector/specialist portfolios.

Where your account is invested when you transfer to Super Directions for Business Rollover Section

Where possible, your investment choice for your existing account balance and your future contributions will continue.

The Security Plus and Guaranteed Plus portfolios

In the case of the Security Plus portfolio, the guarantee provider applies a guarantee to all net contributions and rollovers made and interest credited to your investment in this portfolio, unless you transfer to another super fund, switch to another portfolio or withdraw an unrestricted non-preserved benefit (as defined in superannuation legislation) from the Fund prior to resignation or retirement. Where you switch all of your account balance out of the Security Plus portfolio, you cannot nominate this as an investment portfolio at a later date. In these cases the amount transferred may be the lower of the monetary value of your investment in the portfolio and the underlying release value of the investments. Investment in the Security Plus portfolio is only available to members who were already invested in the portfolio prior to transferring to Super Directions for Business Rollover Section.

In the case of the Guaranteed Plus portfolio, the guarantee provider applies a guarantee to all net contributions and rollovers plus daily credited interest and will be paid regardless of whether the plan is terminating, a benefit is being paid on resignation, death, disablement or retrenchment, whether upon transferring to another super fund, switching to another portfolio, or on withdrawing an unrestricted non-preserved benefit. Investment in the Guaranteed Plus Portfolio is only available to Super Directions for Business members who were invested in this investment option at the time of being transferred from Simple Super or Tailored Super to Super Directions for Business. However, it is available to all members in Super Directions for Business Rollover Section.

Due to the nature of the guarantee, both the Security Plus and Guaranteed Plus portfolios have lower risk investment profiles. This means over the medium to long term these portfolios may earn less than other portfolios with higher risk investment profiles.

Apart from these guarantees, neither the trustee, nor any other company in the AMP group or any of the investment managers of the investment portfolios, guarantees the performance of the Fund or the investment portfolios or any particular rate of return.

Investment manager selection process

Multi-manager portfolios

For all multi-manager portfolios, ipac selects a range of investment managers to carry out the day-to-day investment of each portfolio's assets. Extensive research is conducted to ensure the most appropriate specialist investment managers are retained for the multi-manager portfolios. These managers are then blended to construct portfolios that aim to achieve the investment objectives of the relevant investment option outlined later in this section. The managers are actively monitored and reviewed.

Other portfolios

The investment services provider utilises the expertise of a range of investment managers who specialise in the various asset classes. These managers may be part of the AMP group.

Valuation of portfolio investments

At least once every calendar month, the value of each investment portfolio is determined. External managers provide the value of the assets held by them for the Fund (after allowing for their investment manager fees).

Units and unit prices

Unit prices for each investment portfolio can rise and fall as a result of changes in the value of the investments held within each investment portfolio. For daily unit price updates please refer to our website amp.com.au/unitprices.

What unit price or crediting rate will you receive?

You will receive the latest unit price or crediting rate calculated as at the date we receive all relevant information at an AMP processing centre, provided it is received before **4 pm Melbourne time** on a Melbourne business day. Otherwise, it will be the unit price or crediting rate applicable for the next Melbourne business day.

The day that applies will also determine when you're credited with returns. If we need to delay switches or withdrawals you'll receive the unit price or crediting rate available at the time the transaction occurs.

Changes to investment managers

Multi-manager portfolios

A rigorous monitoring and review process ensures investment managers invest according to an agreed strategy, with the aim of achieving the investment objectives of each investment option. ipac may change the investment managers or the amount allocated to each manager at any time without prior notice.

Individual manager portfolios

To ensure the individual manager portfolios are managed by high quality investment managers, we may add or remove individual manager portfolio options from time to time. We'll notify you if an investment portfolio you have chosen to invest in is removed.

Other portfolios

The investment services provider is responsible for the appointment of investment managers of these portfolios.

Derivative exposure

A derivative is a financial product that derives its value from an underlying asset, liability or index. Derivative transactions include a wide assortment of instruments including forwards, futures, options, warrants and swaps.

Investment portfolios in the Fund may invest in derivative instruments such as futures and options. Derivatives will not be used to gear these investment portfolios. That is, their effective market exposure will not exceed their market value.

Labour standards and environmental, social and ethical considerations

AMP Capital will take account of, and will instruct its external investment managers to take account of, labour standards, environmental, social, ethical or governance considerations in the selection, retention or realisation of investments across all asset classes (other than cash, sovereign bonds, derivatives, and exchange traded funds), in the manner set out below.

AMP Capital acknowledges there are links between a company's environmental and social impacts, the quality of its corporate governance, and its long-term financial success. AMP Capital has an ESG and Responsible Investment (RI) Philosophy describing its approach to considering these issues in their investment decision making which is available at <http://www.ampcapital.com.au/esg>.

Selecting investment managers

Decisions made by AMP Capital about whether to select, appoint or remove investment managers are based primarily on financial and economic factors, including investment style and approach. AMP Capital conducts due diligence in the selection, appointment and removal of investment managers. As part of the due diligence process, AMP Capital may ask these managers how they incorporate ESG considerations in their investment analysis to develop a more comprehensive view of an investee company's key business risks, how they approach corporate governance issues and how they consider both of these matters are related to overall management quality.

Selecting, retaining and realising investments

Decisions made by AMP Capital and the underlying investment managers about whether to buy, hold or sell investments will still be based primarily on financial and economic factors. ESG issues may be taken into account by AMP Capital and the underlying investment managers where they believe these factors may have a financially material impact on the value and performance (risk and/or return) of the investment.

Any additional or replacement investment manager appointed may also take these matters into account in line with their own ESG policy.

AMP Capital may also consult with their underlying investment managers from time to time to ascertain the extent to which they incorporate ESG considerations in their decision-making and stock selection processes. This may be undertaken through one-on-one meetings with these managers, issuing ESG surveys, obtaining and reviewing ESG policies from them and AMP Capital's monitoring of their proxy voting activities.

However, in addition to consideration of financial and economic factors as noted above, AMP Capital may, in exceptional circumstances, also exclude or divest (negatively screen), and instruct its underlying investment managers to exclude or divest, companies, asset types or industry sectors where they have been determined as contravening the following ethical principles as defined in AMP Capital's ESG and RI Philosophy. In making such a decision, AMP Capital will take into account the extent (if any) to which a company's activities (conduct), products or services:

- violate the principle of respect for persons which affirms the intrinsic dignity of all people irrespective of age, gender, race, religion and prohibits the treatment of any human being merely as a means to an end, and/or
- can be used without causing harm to others including those who may choose to make use of the relevant goods or services.

In undertaking its assessment AMP Capital will consider (without limitation):

- Whether activities (conduct), products or services contravene principles accepted under international human rights laws including but not limited to UN conventions,
- The principle of ‘double effect’ – which may allow conduct that is not intrinsically wrong and is undertaken for an ethically justified ‘principal effect’ even if it has an unintended harmful ‘secondary’ (double) effect. Where a form of conduct may have a harmful ‘double effect’, AMP Capital will assess the extent to which the company is actively engaged in minimising and mitigating the unintended harm,
- The extent to which the relevant activity, product or service is material to the conduct of the company in which the investment is to be made, and
- Any reasonable argument or rebuttal submitted in good faith, as to why an adverse assessment may be based on an error of fact or assumption.

In summary, at present the application of the ethical principles outlined above will result in the negative screening of companies that AMP Capital believes have:

- known involvement in the production and manufacture of, or essential or significant involvement in the distribution and sale of, tobacco, or
- material involvement in the manufacture, maintenance or delivery of cluster munitions, anti-personnel mines, chemical or biological weapons.

It may be the case that in certain jurisdictions, for regulatory or related reasons, AMP Capital may exclude investments in other types of controversial weapons in addition to those noted above.

AMP Capital may update or vary these exclusions from time to time, following review and approval by the AMP Capital’s Investment Committee. Further information and detail on the application and scope of AMP Capital’s ESG and RI Philosophy and a current list of sectors and individual companies subject to exclusion are available at <http://www.ampcapital.com.au/esg>.

Where AMP Capital has an investment management agreement with an investment manager regarding investments held in the investment option and AMP Capital has determined that certain investments or sectors contravene these ethical criteria, that manager will be directed by AMP Capital to exclude or divest those securities using a process of negative screening and will not include those securities in the option. Where an existing investment is identified as contravening the ethical criteria, it will be sold down by the underlying investment manager generally within a period of up to twelve months.

Where AMP Capital or an investment manager invests in a pooled vehicle or fund managed by an external investment manager and AMP Capital is unable to influence exclusive control over the investable universe of such a vehicle or fund, the negative screening outlined above is not applied and such an investment will be subject to whatever ESG policy is adopted by the investment manager of that vehicle or fund.

AMP Capital’s Investment Committee is responsible for ensuring that any decision to negatively screen a company, asset type or industry sector from the investable universe of the option takes into account fund investment objectives and strategy and recommendations from AMP Capital’s research and investment teams.

Adherence to and monitoring of any excluded (negatively screened) investments is overseen by AMP Capital’s Investment Committee in consultation with AMP Capital’s ESG and compliance monitoring functions and is generally reviewed annually. The underlying investment manager is responsible for ensuring the option is invested in line with the investment restrictions advised to it by AMP Capital in accordance with its investment management agreement.

More generally, except to the extent disclosed above in relation to consideration of ESG issues where it is believed these factors may have a financially material impact on the value and performance of the investment, and negative screening in exceptional circumstances on an ethical basis, AMP Capital has no predetermined view about what they regard to be a labour standard, environmental, social or governance consideration or how far they will be taken into account in the selection, retention or realisation of investments relating to the option.

Securities lending

Multi-manager portfolios

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

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

Individual manager portfolios

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

Explanation of asset classes

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

AMP SDF MySuper investment portfolio

Who are these options suitable for?

Investors who do not actively choose an investment option and are seeking to grow their super to deliver, at the point of retirement, an adequate pool of assets to fund their retirement strategy. For each age group, the investment strategy of the AMP SDF MySuper investment is adapted progressively to meet the average member's objective with younger members seeking higher returns through greater exposure to riskier assets. As the members approach retirement the strategies shift to preserve capital through a higher allocation to more stable defensive assets. Retirement age is assumed to be 65.

Members will be invested in the applicable AMP SDF MySuper investment option based on their decade of birth.

AMP SDF MySuper 1990s

Aim and strategy: Aims to achieve a rate of return of 4.5% pa above the Consumer Price Index, after fees and superannuation tax, over the suggested investment timeframe.

AMP's SDF MySuper investment option gives you an investment solution that takes you all the way through your superannuation savings journey. This approach, known as lifecycle investing, delivers an investment strategy that continuously evolves to align with the changing stages of an investor's life. It takes the hard work out of deciding how to invest your savings by providing the simplicity of a single investment choice.

This investment option is an age-based investment, meaning that the strategy of this investment option will change progressively over an investor's lifetime to meet the objective of the average investor born during the 1990s.

This means that younger investors will have higher-growth investment strategies because they have a long period to retirement and can afford to take more risk. However, for investors approaching retirement, investments will focus more on preserving the capital built up and reducing risk.

International investments may be partially or fully hedged back to Australian dollars. Subject to certain conditions, the underlying investments may use derivatives (such as options, futures, forwards and swaps) and engage in short selling.

Suggested minimum investment timeframe: 10 years

Standard risk measure: 6/ High

Asset class	Benchmark (%)	Ranges (%)	Lifetime ranges (%)
Australian shares	32	22-42	0-45
Global shares	35	23-47	0-47
Growth alternatives	15	0-25	0-25
Unlisted property	5	0-15	0-15
Listed property	4	0-14	0-14
Listed infrastructure	0	0-10	0-10
Unlisted infrastructure	4	0-14	0-14
Defensive alternatives	0	0-10	0-13
Australian fixed interest securities	4	0-24	0-41
Global fixed interest securities	0	0-20	0-41
Cash	1	0-25	0-100

AMP SDF MySuper 1980s

Aim and strategy: Aims to achieve a rate of return of 4.5% pa above the Consumer Price Index, after fees and superannuation tax, over the suggested investment timeframe.

AMP's SDF MySuper investment option gives you an investment solution that takes you all the way through your superannuation savings journey. This approach, known as lifecycle investing, delivers an investment strategy that continuously evolves to align with the changing stages of an investor's life. It takes the hard work out of deciding how to invest your savings by providing the simplicity of a single investment choice.

This investment option is an age-based investment, meaning that the strategy of this investment option will change progressively over an investor's lifetime to meet the objective of the average investor born during the 1980s.

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Growth alternatives	15	0-25	0-25
Unlisted property	5	0-15	0-15
Listed property	4	0-14	0-14
Unlisted infrastructure	4	0-14	0-14
Listed infrastructure	0	0-10	0-13
Defensive alternatives	0	0-10	0-13
Australian fixed interest securities	4	0-24	0-41
Global fixed interest securities	0	0-20	0-41
Cash	1	0-25	0-100

AMP SDF MySuper 1970s

Aim and strategy: Aims to achieve a rate of return of 4.0% above the Consumer Price Index, after fees and superannuation tax, over the suggested investment timeframe.

AMP's SDF MySuper investment option gives you an investment solution that takes you all the way through your superannuation savings journey. This approach, known as lifecycle investing, delivers an investment strategy that continuously evolves to align with the changing stages of an investor's life. It takes the hard work out of deciding how to invest your savings by providing the simplicity of a single investment choice.

This investment option is an age-based investment, meaning that the strategy of this investment option will change progressively over an investor's lifetime to meet the objective of the average investor born during the 1970s.

This means that younger investors will have higher-growth investment strategies because they have a long period to retirement and can afford to take more risk. However, for investors approaching retirement, investments will focus more on preserving the capital built up and reducing risk.

International investments may be partially or fully hedged back to Australian dollars. Subject to certain conditions, the underlying investments may use derivatives (such as options, futures, forwards and swaps) and engage in short selling.

Suggested minimum investment timeframe: 10 years

Standard risk measure: 6/ High

Asset class	Benchmark (%)	Ranges (%)	Lifetime ranges (%)
Australian shares	26	17-37	0-41
Global shares	34	23-47	0-47
Growth alternatives	13	0-24	0-24
Unlisted property	5	0-15	0-15
Listed property	4	0-14	0-14
Listed infrastructure	0	0-10	0-13
Unlisted infrastructure	4	0-14	0-14
Defensive alternatives	2	0-11	0-13
Australian fixed interest securities	7	0-27	0-41
Global fixed interest securities	2	0-21	0-41
Cash	3	0-31	0-100

AMP SDF MySuper 1960s

Aim and strategy: Aims to achieve a rate of return of 2.5% above the Consumer Price Index, after fees and superannuation tax, over the suggested investment timeframe.

AMP's SDF MySuper investment option gives you an investment solution that takes you all the way through your superannuation savings journey. This approach, known as lifecycle investing, delivers an investment strategy that continuously evolves to align with the changing stages of an investor's life. It takes the hard work out of deciding how to invest your savings by providing the simplicity of a single investment choice.

This investment option is an age-based investment, meaning that the strategy of this investment option will change progressively over an investor's lifetime to meet the objective of the average investor born during the 1960s.

For investors approaching retirement, investments will focus more on preserving the capital built up and reducing risk.

International investments may be partially or fully hedged back to Australian dollars. Subject to certain conditions, the underlying investments may use derivatives (such as options, futures, forwards and swaps) and engage in short selling.

Suggested minimum investment timeframe: 10 years

Standard risk measure: 5/ Medium to high

Asset class	Benchmark (%)	Ranges (%)	Lifetime ranges (%)
Australian shares	19	9-29	0-31
Global shares	23	13-37	0-37
Growth alternatives	8	0-18	0-20
Unlisted property	4	0-14	0-14
Listed property	3	0-13	0-13
Listed infrastructure	0	0-10	0-13
Unlisted infrastructure	4	0-14	0-14
Defensive alternatives	5	0-15	0-15
Australian fixed interest securities	14	0-34	0-41
Global fixed interest securities	12	0-31	0-41
Cash	8	0-57	0-100

AMP SDF MySuper 1950s

Aim and strategy: Aims to achieve a rate of return of 1.5% above the Consumer Price Index, after fees and superannuation tax, over the suggested investment timeframe.

AMP's SDF MySuper investment option gives you an investment solution that takes you all the way through your superannuation savings journey. This approach, known as lifecycle investing, delivers an investment strategy that continuously evolves to align with the changing stages of an investor's life. It takes the hard work out of deciding how to invest your savings by providing the simplicity of a single investment choice.

This investment option is an aged-based investment, meaning that its strategy has been designed to meet the investment needs of the average investor born in the 1950s.

For investors approaching retirement, investments will focus more on preserving the capital built up and reducing risk.

International investments may be partially or fully hedged back to Australian dollars. Subject to certain conditions, the underlying investments may use derivatives (such as options, futures, forwards and swaps) and engage in short selling.

Suggested minimum investment timeframe: Under 5 years

Standard risk measure: 5/ Medium to high

Asset class	Benchmark (%)	Ranges (%)	Lifetime ranges (%)
Australian shares	16	6-26	0-27
Global shares	17	6-30	0-30
Growth alternatives	6	0-16	0-16
Unlisted property	2	0-12	0-13
Listed property	2	0-12	0-13
Unlisted infrastructure	2	0-12	0-13
Listed infrastructure	3	0-13	0-13
Defensive alternatives	6	0-16	0-16
Australian fixed interest securities	17	0-37	0-41
Global fixed interest securities	18	0-38	0-41
Cash	11	0-71	0-100

AMP SDF MySuper Capital Stable

Aim and strategy: Aims to achieve a rate of return of 1.5% above the Consumer Price Index, after fees and superannuation tax, over the suggested investment timeframe.

This investment option is an aged-based investment, meaning that its strategy has been designed to meet the investment needs of the average investor born before 1950. As capital stability is the priority of this investment option, it will hold mostly defensive assets such as fixed interest and cash. International investments may be partially or fully hedged back to Australian dollars. Subject to certain conditions, the underlying investments may use derivatives (such as options, futures, forwards and swaps) and engage in short selling.

Suggested minimum investment timeframe: No minimum

Standard risk measure: 5/ Medium to high

Asset class	Benchmark (%)	Ranges (%)	Lifetime ranges (%)
Australian shares	15	5-25	0-25
Global shares	16	4-28	0-28
Growth alternatives	6	0-16	0-16
Unlisted property	0	0-10	0-13
Listed property	4	0-14	0-14
Unlisted infrastructure	0	0-10	0-12
Listed infrastructure	4	0-14	0-14
Defensive alternatives	6	0-16	0-16
Australian fixed interest securities	18	0-38	0-41
Global fixed interest securities	18	0-38	0-41
Cash	13	0-100	0-100

Multi-manager diversified portfolios

Multi-Manager Secure

Aim and strategy: To provide a return (net of investment tax and investment management costs) over a rolling 5-year period, that exceeds the return from published benchmarks for each asset class⁽ⁱ⁾ and is competitive with comparable funds that have similar risk characteristics and allocation to defensive assets. To invest in a diversified mix of predominantly defensive assets such as cash and fixed interest. Defensive assets will have an average benchmark allocation over time of 70%. To invest using a range of complementary specialist investment managers.

Suggested minimum investment timeframe: 3 years

Standard risk measure: 3/Low to Medium

Asset class	Target %	Range %
Global shares	13	0-25
Australian shares	10	0-20
Growth alternatives	1	0-10
Listed property and infrastructure	6	0-15
Unlisted property and infrastructure	0	
Fixed interest securities	40	20-60
Defensive alternatives	1	0-10
Cash	29	Balance

- (i) The published benchmark returns will be adjusted for the estimated effect of tax.

Multi-Manager Secure Growth

Aim and strategy: To provide a return (net of investment tax and investment management costs) over a rolling 5-year period, that exceeds the return from published benchmarks for each asset class⁽ⁱ⁾ and is competitive with comparable funds that have similar characteristics and allocation to growth assets. To invest in a diversified mix of growth and defensive assets. Growth assets, such as equities, property and infrastructure, will have an average benchmark allocation over time of 50% with the balance in defensive assets such as cash and fixed interest. To invest using a range of complementary specialist investment managers.

Suggested minimum investment timeframe: 3 years

Standard risk measure: 5/ Medium to high

Asset class	Target %	Range %
Global shares	21	10-35
Australian shares	20	10-30
Growth alternatives	1	0-10
Listed property and infrastructure	8	0-20
Unlisted property and infrastructure	0	
Fixed interest securities	31	15-55
Defensive alternatives	1	0-10
Cash	18	Balance

- (i) The published benchmark returns will be adjusted for the estimated effect of tax.

Multi-Manager Balanced

Aim and strategy: To provide a return (net of tax and investment management costs) over a rolling 5-year period, that exceeds the return from published benchmarks for each asset class⁽ⁱ⁾, and is competitive with comparable funds that have similar risk characteristics and allocation to growth assets. To invest in a diversified mix of growth and defensive assets. Growth assets, such as shares, property and infrastructure, will have an average benchmark allocation over time of 70% with the balance in defensive assets such as cash and fixed interest. To invest using a range of complementary specialist investment managers.

Suggested minimum investment timeframe: 5-7 years

Standard risk measure: 5/ Medium to high

Asset class	Target %	Range %
Global shares	32	20-45
Australian shares	28	15-40
Growth alternatives	1	0-10
Listed property and infrastructure	9	0-20
Unlisted property and infrastructure	0	
Fixed interest securities	22	5-35
Defensive alternatives	0	0-10
Cash	8	Balance

(i) The published benchmark returns will be adjusted for the estimated effect of tax.

Multi-Manager Growth

Aim and strategy: To provide a return (net of tax and investment management costs) over a rolling five-year period, that exceeds the return from published benchmarks for each asset class⁽ⁱ⁾, and is competitive with comparable funds that have similar risk characteristics and allocation to growth assets. To invest in a diversified mix of primarily growth and defensive assets. Growth assets such as shares, property and infrastructure. will have an average benchmark allocation over time of 85% with the balance in defensive assets such as cash and fixed interest. To invest using a range of complementary specialist investment managers.

Suggested minimum investment timeframe: 6-9 years

Standard risk measure: 6/High

Asset class	Target %	Range %
Global shares	38	25-50
Australian shares	35	25-45
Growth alternatives	2	0-10
Listed property and infrastructure	10	
Unlisted property and infrastructure	0	0-20
Fixed interest securities	9	0-25
Defensive alternatives	0	0-10
Cash	6	Balance

(i) The published benchmark returns will be adjusted for the estimated effect of investment tax.

Multi-Manager High Growth

Aim and strategy: To provide a return (net of tax and investment management costs) over a rolling 5-year period, that exceeds the return from published benchmarks for each asset class⁽ⁱ⁾, and is competitive with comparable funds that have similar risk characteristics and allocation to growth assets. To invest in a diversified mix of growth assets such as equities and property. Growth assets will have an average benchmark allocation of 98%, although up to 5% may be invested in defensive assets such as cash and fixed interest.

To invest using a range of complementary specialist investment managers.

Suggested minimum investment timeframe: 7 years

Standard risk measure: 6/High

Asset class	Target %	Range %
Global shares	46	35-60
Australian shares	40	30-50
Growth alternatives	3	0-10
Listed real assets	8	0-20
Unlisted real assets	0	
Fixed interest securities	0	0-10
Defensive alternatives	0	0-10
Cash	3	Balance

- (i) The published benchmark returns will be adjusted for the estimated effect of investment tax.

Diversified Portfolios

Guaranteed Plus

Investment objective: To guarantee net contributions, rollovers and interest credited. We aim to credit investment returns (net of investment tax) that exceed net bank bill rates as measured on an annual basis by the Bloomberg AusBond Bank Bill Index (adjusted for tax), with less variability in returns than would be expected of a non-guaranteed portfolio with similar asset allocation.

Investment strategy: To invest mostly in fixed interest and cash. Fixed interest includes government bonds, corporate bonds and loans. Accumulated capital reserves are used to reduce variability in investment returns.

Suggested minimum investment timeframe: 2 years

Standard risk measure: 2/Low

Asset class	Target %	Range %
Fixed interest and cash	n/a	100%

Note: For Super Directions for Business members, this portfolio is only available to members of plans who transferred from Simple Super or Tailored Super to Super Directions for Business under the Successor Fund Transfer provisions with funds invested in the Guaranteed Plus Portfolio. However, it is available to all members in Super Directions for Business Rollover Section. A guarantee applies to all net contributions rollovers plus daily credited interest and will be paid regardless of whether:

- the plan is terminating
- a member is being paid a benefit on resignation, death, disablement or retrenchment
- a member is transferring to another super fund, switching to another portfolio, or
- a member is withdrawing an unrestricted non-preserved benefit.

The guarantee is provided by the issuer of the life policy in which the trustee invests. Due to the nature of the guarantee, the Guaranteed Plus portfolio has a lower risk investment profile, which means over the medium to long term, the portfolio may earn less than other portfolios with higher risk investment profiles.

Secure

Investment objective: To provide a return (net of investment tax and investment management costs) over a rolling 5-year period, that exceeds the return from published benchmarks for each asset class⁽ⁱ⁾ and is competitive with comparable funds that have similar risk characteristics and allocation to defensive assets of 65% to 75%.

Investment strategy: To invest in a diversified mix of predominantly defensive assets such as cash and fixed interest. Defensive assets will have an average benchmark allocation of 70%.

Suggested minimum investment timeframe: 3 years

Standard risk measure: 3/Low to medium

Asset class	Target %	Range %
Global shares	10	0-20
Australian shares	12	0-22
Growth alternatives	0	0-5
Listed property and infrastructure	4	0-10
Unlisted property and infrastructure	6	0-16
Australian fixed interest securities	25	10-45
Global fixed interest securities	20	5-30
Defensive alternatives	0	0-5
Cash	23	10-50

- (i) The published benchmark returns will be adjusted for the estimated effect of investment tax.

Note: The Secure, Property Biased and Managed portfolios are only available to members who transferred to Super Directions for Business Rollover Section from 1 May 2011.

Managed

Investment objective: To provide a return (net of investment tax and investment management costs) over a rolling 5-year period, that exceeds the return from published benchmarks for each asset class⁽ⁱ⁾ and is competitive with comparable funds that have similar risk characteristics and allocation to growth assets of 65% to 75%.

Investment strategy: To invest in a diversified mix of growth and defensive assets. Growth assets, such as equities, property and infrastructure, will have a benchmark allocation of 70% with the balance in defensive assets such as cash and fixed interest.

Suggested minimum investment timeframe: 4 years

Standard risk measure: 5/Medium to High

Asset class	Target %	Range %
Global shares	31.5	21-42
Australian shares	26	16-36
Growth alternatives	2	0-12
Listed property and infrastructure	6	0-16
Unlisted property and infrastructure	8.5	0-19
Australian fixed interest securities	12	0-32
Global fixed interest securities	8	0-28
Defensive alternatives	0	0-10
Cash	6	0-26

- (i) The published benchmark returns will be adjusted for the estimated effect of investment tax.

Note: The Secure, Property Biased and Managed portfolios are only available to members who transferred to Super Directions for Business Rollover Section from 1 May 2011.

Property Biased

Investment objective: To provide a return (net of investment tax and investment management costs) over a rolling 5-year period, that exceeds the return from published benchmarks for each asset class.⁽ⁱ⁾

Investment strategy: To invest in a mix of growth and defensive assets, with a benchmark allocation of 40% to property and infrastructure. Growth assets, such as equities, property and infrastructure, will have a benchmark allocation of 70% with the balance in defensive assets such as cash and fixed interest.

Suggested minimum investment timeframe: 4 years

Standard risk measure: 4/ Medium

Asset class	Target %	Range %
Global shares	17	12-34
Australian shares	13	6-28
Listed property and infrastructure	14	5-20
Unlisted property and infrastructure	28	10-40
Australian fixed interest securities	12	0-20
Global fixed interest securities	10	0-20
Cash	6	0-20

(i) The published benchmark returns will be adjusted for the estimated effect of investment tax.

Note: The Secure, Property Biased and Managed portfolios are only available to members who transferred to Super Directions for Business Rollover Section from 1 May 2011.

Sector/Specialist Portfolios

Cash

Investment objective: To provide a return (net of investment tax and investment management costs) that exceeds the return from the Bloomberg AusBond Bank Bill Index (adjusted for tax) on an annual basis.

Investment strategy: To invest mainly in government and bank guaranteed securities and promissory notes issued by major corporations with acceptable credit ratings.

Suggested minimum investment timeframe: 2 years

Standard risk measure: 1/Very Low

Asset class	Target %
Cash	100

Diversified Fixed Interest

Investment objective: To provide a return (net of tax and investment management costs) over a rolling three-year period, that exceeds the return from published benchmarks for Australian and international fixed interest securities issued by government, semi-government and corporate institutions.⁽ⁱ⁾

Investment strategy: To invest predominantly in a wide range of fixed income securities, including government, semi-government, corporate and credit based securities.

Suggested minimum investment timeframe: 3 years

Standard risk measure: 3/Low to Medium

Asset class	Target %
Fixed interest securities	100

(i) The published benchmark returns will be adjusted for the estimated effect of investment tax.

Multi-manager Australian Equities

Aim and strategy: To provide a return (net of investment tax and investment management costs) that exceeds the return from the S&P/ASX 300 Accumulation Index (adjusted for tax) over a rolling 5-year period. To invest solely in Australian Shares, spreading the risk by investing in a range of companies representative of different industries.

To invest using a range of complementary specialist Australian equity investment management.

Suggested minimum investment timeframe: 5 years

Standard risk measure: 6/High

Asset class	Target %
Australian shares	100

Australian Equities

Investment objective: To provide a return (net of tax and investment management costs) that exceeds the return from the S&P/ASX 200 Accumulation Index (adjusted for tax) over a rolling 5-year period.

Investment strategy: To invest solely in Australian equities, spreading the risk by investing in a range of companies representative of different industries.

Suggested minimum investment timeframe: 5 years

Standard risk measure: 6/High

Asset class	Target %
Australian shares	100

AMP's Wholesale Australian Equity – Value Fund

Aim and strategy: To provide a return (net of investment tax and investment management costs) that exceeds the return from the S&P/ASX 300 Accumulation Index (adjusted for tax) over a rolling 5-year period. To invest in a diversified portfolio of Australian shares listed on the Australian Securities Exchange.

The investment manager, AllianceBernstein manages Australian shares using a research-drive, active, value style. Value investing involves buying shares that are priced low in relation to the stream of cash earnings the company is expected to deliver over time.

Suggested minimum investment timeframe: 5 years

Standard risk measure: 6/High

Asset class	Target %
Australian shares	100

Colonial First State Wholesale Imputation Fund

Investment objective: To provide long-term capital growth with some tax-effective income by investing in a broad selection of Australian companies (measured over 5 years).

Investment strategy: Colonial First State's Growth approach is based on the belief that, over the medium to long term, stock prices are driven by the ability of management to generate excess returns over their cost of capital in their chosen industry. The strategy of the fund is to generally invest in high quality companies with strong balance sheets and earnings. The strategy has an emphasis on companies paying higher dividend yields and some tax-effective income.

The fund predominantly invests in Australian companies and therefore does not hedge currency risk.

Suggested minimum investment timeframe: 7 years

Standard risk measure: 6/High

Asset class	Target %
Australian shares	100

Multi-manager International Equities

Aim and strategy: To provide return (net of investment tax and fees) that exceeds the return from the MSCI World ex Australia Index (net dividends reinvested), currency unhedged expressed in Australian dollars (adjusted for tax) over a rolling 5-year period.

To invest predominantly in international equities outside Australia, spreading the risk by investing in a range of companies representative of different industries

To invest using a range of complementary specialist international equity investment managers.

Suggested minimum investment timeframe: 7 years

Standard risk measure: 6/High

Asset class	Target %
Global shares	100

International Equities

Investment objective: To provide a return (net of investment tax and investment management costs) that exceeds the return from the MSCI World ex Australia Index (net of dividends reinvested), currency unhedged expressed in Australian dollars, over a rolling 5-year period.

Investment strategy: To invest predominately in international equities outside Australia, spreading the risk by investing in a range of companies representative of different industries. A benchmark of 50% of the portfolio's international assets will be hedged back to the Australian dollar.

Suggested minimum investment timeframe: 7 years

Standard risk measure: 6/High

Asset class	Target %
Global shares	100

Note: The International Equities and Property portfolios are only available to members who transferred to Super Directions for Business Rollover Section from 1 May 2011.

Property

Investment objective: To provide a return (net of investment tax and investment management costs) over a rolling 5-year period that exceeds the return from published benchmarks for unlisted property and Australian and global listed property securities.⁽ⁱ⁾

Investment strategy: To invest predominantly in income generating property and infrastructure assets, includes listed and direct investments.

Suggested minimum investment timeframe: 5 years

Standard risk measure: 5/Medium to High

Asset class	Target %
Listed property and infrastructure	40
Unlisted property and infrastructure	60

- (i) The published benchmark returns will be adjusted for the estimated effect of investment tax.

Note: The International Equities and Property portfolios are only available to members who transferred to Super Directions for Business Rollover Section from 1 May 2011.

Listed Property

Investment objective: To provide a return (net of investment tax and costs) that exceeds the return from published benchmarks for Australian and international listed property securities over a rolling 5-year period.

Investment strategy: To invest predominantly in income generating listed property and infrastructure securities.

Suggested minimum investment timeframe: 5 years

Standard risk measure: 6/High

Asset class	Target %
Listed property	50
Listed infrastructure	50

Sector/Specialist Portfolios

Security Plus⁽ⁱ⁾

Investment objective: To guarantee⁽ⁱⁱ⁾ net contributions, rollovers and interest credited. We aim to credit investment returns (net of investment tax) that exceed inflation over a rolling 3-year period, with less variability in returns than would be expected of a non-guaranteed portfolio with similar asset allocation.

Investment strategy: To invest in a diversified mix of mostly diversified assets including cash and fixed interest securities with limited allocation to growth assets such as equities and property. Accumulated capital reserves are used to reduce variability in investment returns.

Suggested minimum investment timeframe: 3 years

Standard risk measure: 3/ Low to Medium

Asset class	Benchmark (%)	Ranges (%)
Shares and alternatives	n/a	10–30
Listed property and infrastructure	n/a	0–20
Unlisted property and infrastructure	n/a	
Fixed Interest and cash	n/a	60–80

- (i) The Security Plus portfolio is only available to members of plans that had assets invested in the portfolio prior to 26 April 1994, and continuously since that date.
- (ii) The guarantee will not apply if your employer plan terminates, if you switch your investment to another portfolio, or withdraw your non-preserved benefit. In these situations, your balance held in the Security Plus portfolio may be reduced to reflect its market value.

Section 5:

Fees and other costs

In this section we will discuss

- **MySuper fees and costs**
AMP SDF MySuper fees and costs
- **Choice fees and costs**
Fees and costs for Choice investment portfolios
- **Additional fees and costs**
Additional explanation of fees and costs

This section shows fees and other costs that you may be charged. These fees and other costs may be deducted from your account, from the returns on your investment or from the fund as a whole.

Other fees, such as activity fees, advice fees for personal advice and insurance fees, may also be charged, but these will depend on the nature of the activity, advice or insurance. Entry fees and exit fees cannot be charged.

Taxes, insurance fees and other costs relating to insurance are set out in another part of this document.

You should read all the information about fees and other costs because it is important to understand their impact on your investment.

The fees and other costs for each MySuper product offered by the superannuation entity, and each investment portfolio offered are set out below.

Fees and other costs for the AMP SDF MySuper investment portfolio in Super Directions for Business and Super Directions for Business Rollover Section

AMP SDF MySuper				
Type of fee	Amount			How and when paid
Investment fee ⁽ⁱ⁾	0.30% pa			The MySuper investment fee is deducted daily from the assets of the MySuper investment portfolio and reflected in the unit price
Administration fee ⁽ⁱ⁾	0.29% pa			The MySuper administration fee is deducted daily from the assets of the MySuper investment portfolio and reflected in the unit price
	Plus \$7.57 per month This fee may increase on 1 July each year in line with the Consumer Price Index			The MySuper member fee is deducted directly from your account each month
Buy-sell spread	MySuper investment portfolio	Buy margin⁽ⁱⁱ⁾ %	Sell margin⁽ⁱⁱ⁾ %	Buy and sell margins ⁽ⁱⁱⁱ⁾ are an additional cost reflected in the calculation of the daily buy and daily sell unit prices of an investment portfolio. As your portfolio is valued using the sell unit price, all contributions and rollovers made into your portfolio will be reduced by the total of the buy and sell margin at the time of the transaction. You will also incur a cost or benefit across the whole investment portfolio if the sell margin is increased or decreased at any point in time.
	AMP SDF MySuper 1990s	0.20	0.15	
	AMP SDF MySuper 1980s	0.21	0.15	
	AMP SDF MySuper 1970s	0.20	0.16	
	AMP SDF MySuper 1960s	0.18	0.15	
	AMP SDF MySuper 1950s	0.17	0.15	
	AMP SDF MySuper Capital Stable	0.14	0.14	
Switching fee ^(iv)	Nil			Not applicable
Advice fees relating to all members investing in a particular MySuper product or investment portfolio	Nil			Not applicable
Other fees and costs	Advice fees for personal advice⁽ⁱⁱⁱ⁾ as agreed between you and your financial adviser			Deducted directly from your account
	Plus insurance fees⁽ⁱⁱⁱ⁾ - insurance premiums will apply if you have insurance cover			Deducted directly from your account at the end of each month

AMP SDF MySuper					
Type of fee	Amount			How and when paid	
Indirect cost ratio ^{(i),(v)}	MySuper investment portfolio	Estimate performance based fees % pa	Estimated other indirect costs % pa	Total indirect cost ratio % pa	Performance based fees⁽ⁱⁱⁱ⁾ are paid to certain investment managers when they meet specific investment performance targets. They are deducted from the underlying assets of the investment portfolio and reflected in the unit price. They are variable and may be more or less than the amounts shown. Other indirect costs⁽ⁱⁱⁱ⁾ are deducted from the underlying assets of the investment portfolio and reflected in the unit price as and when they are incurred. They are variable and may be more or less than the amounts shown.
	AMP SDF MySuper 1990s	0.12	0.22	0.34	
	AMP SDF MySuper 1980s	0.14	0.25	0.39	
	AMP SDF MySuper 1970s	0.15	0.25	0.40	
	AMP SDF MySuper 1960s	0.11	0.25	0.36	
	AMP SDF MySuper 1950s	0.03	0.25	0.28	
	AMP SDF MySuper Capital Stable	0.01	0.28	0.29	

- (i) If your account balance for a product offered by the superannuation entity is less than \$6,000 at the end of the entity's income year, the total combined amount of administration fees, investment fees and indirect costs charged to you is capped at 3% of the account balance. Any amount charged in excess of that cap must be refunded. For AMP superannuation funds the end of income year is 30 June.
- (ii) These amounts are based on the latest information available to us at the date of this document. Actual transaction costs can change at any time and as a result the **buy and sell margins** are subject to change at any time without notice to you.
- (iii) Refer to **additional explanation of fees and costs** below for more information
- (iv) **Buy and sell margins** will apply on any switches or withdrawals.
- (v) Costs are variable and may be more or less than the estimated amounts shown which are based on the known actual or estimated costs incurred for the last financial year. Past costs are not a reliable indicator of future costs.

Fees and other costs for Choice investment portfolios in Super Directions for Business

Super Directions for Business - Choice investment portfolios		
Type of fee	Amount	How and when paid
Investment fee⁽ⁱ⁾	0.13% to 1.04% pa depending on the investment portfolio ⁽ⁱⁱ⁾	The investment fee ⁽ⁱⁱⁱ⁾ is deducted daily from the assets of each investment portfolio and reflected in the unit price or crediting rate when declared
Administration fee⁽ⁱ⁾	1.72% pa for all investment portfolios except Cash portfolio whose fee is 0.50% pa	The administration fee is deducted daily from the assets of each investment portfolio and reflected in the unit price and crediting rate when declared
	Plus up to \$7.05 per month This fee may be indexed on 1 July each year in line with the Average Weekly Ordinary Time Earnings (AWOTE) (all employees) index.	The member fee^(iv) is deducted directly from your account each month in arrears. If you are also invested in the AMP SDF MySuper investment portfolio, the MySuper member fee will be deducted from your MySuper investment portfolio and you will not be charged an additional member fee . Your employer may have negotiated a lower amount ^(v) .
	Less an administration fee rebate up to 1.56% if applicable ^(v)	The administration fee rebate^(iv) is paid directly into your account each month
Buy-sell spread	Buy margin of 0% to 0.28% ^(vi) depending on the investment portfolio ⁽ⁱⁱ⁾ ; and Sell margin of 0% to 0.27% ^(vi) depending on the investment portfolio ⁽ⁱⁱ⁾ .	Buy and sell margins^(iv) are an additional cost reflected in the calculation of the daily buy and daily sell unit prices of an investment portfolio. As your portfolio is valued using the sell unit price, all contributions and rollovers made into your portfolio will be reduced by the total of the buy and sell margin at the time of the transaction. You will also incur a cost or benefit across the whole investment portfolio if the sell margin is increased or decreased at any point in time.

Super Directions for Business - Choice investment portfolios		
Type of fee	Amount	How and when paid
Switching fee ^(vii)	2% of the amount switched	The switching fee is payable on the seventh, and any subsequent switch, in any one annual review period and is deducted directly from your account when the switch is made
Advice fees relating to all members investing in a particular MySuper product or investment portfolio	Nil	Not applicable
Other fees and costs	Up to 5% of each contribution	A contribution fee ^(iv) is deducted directly from your account when a contribution is received. No contribution fee is charged on government co-contributions.
	Plus advice fees for personal advice ^(iv) as agreed between you and your financial adviser	Deducted directly from your account
	Plus insurance fees ^(iv) - insurance premiums will apply if you have insurance cover	Deducted directly from your account at the end of each month
Indirect cost ratio ^{(i)(viii)}	0.01 to 0.65% pa depending on the investment portfolio ⁽ⁱⁱ⁾ , consisting of estimated performance based fees and other indirect costs .	Performance based fees ^(iv) are paid to certain investment managers when they meet specific investment performance targets. They are deducted from the underlying assets of the investment portfolio and reflected in the unit price. They are variable and may be more or less than the amounts shown. Other indirect costs ^(iv) are deducted from the underlying assets of the investment portfolio and reflected in the unit price as and when they are incurred. They are variable and may be more or less than the amounts shown.

- (i) If your account balance for a product offered by the superannuation entity is less than \$6,000 at the end of the entity's income year (30 June for all AMP superannuation funds), the total combined amount of administration fees, investment fees and indirect costs charged to you is capped at 3% of the account balance. Any amount charged in excess of that cap must be refunded.
- (ii) Refer to **investment portfolio fees and costs** in the **additional explanation of fees and costs** below for amounts for each investment portfolio.
- (iii) For certain investment portfolios, the **investment fee** may include estimates of amounts deducted from underlying investments. These estimated amounts may vary and as a result the **investment fee** for these investment portfolios may be more or less than the amounts shown which are based on the known actual or estimated costs incurred for the last financial year. Past costs are not a reliable indicator of future costs.
- (iv) Refer to the **additional explanation of fees and costs** below for more information.
- (v) Refer to the **membership summary** attached to your **welcome letter** for details of the **member fee** and the net **administration fee** after any **administration fee rebate**, that apply to your account.
- (vi) These amounts are based on the latest information available to us at the date of this document. Actual transaction costs can change at any time and as a result the **buy and sell margins** are subject to change at any time without notice to you.
- (vii) **Buy and sell margins** may apply on any switches or withdrawals.
- (viii) Costs are variable and may be more or less than the estimated amounts shown which are based on the known actual or estimated costs incurred for the last financial year. Past costs are not a reliable indicator of future costs.

Fees and other costs for Choice investment portfolios in Super Directions for Business Rollover Section

Super Directions for Business Rollover Section - Choice investment portfolios		
Type of fee	Amount	How and when paid
Investment fee⁽ⁱ⁾	0.13% to 1.04% pa depending on the investment portfolio ⁽ⁱⁱ⁾	The investment fee⁽ⁱⁱⁱ⁾ is deducted daily from the assets of each investment portfolio and reflected in the unit price or crediting rate when declared
Administration fee⁽ⁱ⁾	1.72% pa for all investment portfolios except Security Plus whose fee is 2.07% pa and Cash portfolio whose fee is 0.50% pa	The administration fee is deducted daily from the assets of each investment portfolio and reflected in the unit price or crediting rate when declared
	Plus 0.21% per month on the first \$6,000 of your account balance, reducing to 0.09% per month on the balance	A rollover section administration fee is deducted directly from your account each quarter or upon a full withdrawal from the fund
	Plus \$0.99 per month (counting any part month as a full month)	The member fee^(iv) is deducted directly from your account each quarter or upon a full withdrawal from the fund. If you are also invested in the AMP SDF MySuper investment portfolio the MySuper member fee will be deducted from your MySuper assets and you will not be charged an additional member fee .
Buy-sell spread	Buy margin of 0% to 0.28% ^(v) depending on the investment portfolio ⁽ⁱⁱ⁾ ; and Sell margin of 0% to 0.27% ^(v) depending on the investment portfolio ⁽ⁱⁱ⁾ .	Buy and sell margins^(iv) are an additional cost reflected in the calculation of the daily buy and daily sell unit prices of an investment portfolio. As your portfolio is valued using the sell unit price, all contributions and rollovers made into your portfolio will be reduced by the total of the buy and sell margin at the time of the transaction. You will also incur a cost or benefit across the whole investment portfolio if the sell margin is increased or decreased at any point in time.
Switching fee^(vi)	2% of the amount switched	The switching fee^(iv) is payable on the seventh, and any subsequent switch, in any one annual review period and is deducted directly from your account when the switch is made
Advice fees relating to all members investing in a particular MySuper product or investment portfolio	Nil	Not applicable
Other fees and costs	Advice fees for personal advice^(iv) as agreed between you and your financial adviser	Deducted directly from your account
	Plus insurance fees^(iv) - insurance premiums will apply if you have insurance cover	Deducted directly from your account at the end of each month
Indirect cost ratio^{(i)(vii)}	0.01 to 0.65% pa depending on the investment portfolio ⁽ⁱⁱ⁾ , consisting of estimated performance based fees and other indirect costs .	Performance based fees^(iv) are paid to certain investment managers when they meet specific investment performance targets. They are deducted from the assets of the investment portfolio and reflected in the unit price. They are variable and may be more or less than the amounts shown. Other indirect costs^(iv) are deducted from the underlying assets of the investment portfolio and reflected in the unit price as and when they are incurred. They are variable and may be more or less than the amounts shown.

- (i) If your account balance for a product offered by the superannuation entity is less than \$6,000 at the end of the entity's income year, the total combined amount of administration fees, investment fees and indirect costs charged to you is capped at 3% of the account balance. Any amount charged in excess of that cap must be refunded. For AMP superannuation funds the end of income year is 30 June.
- (ii) Refer to **investment portfolio fees and costs** in the **additional explanation of fees and costs** below for amounts for each investment portfolio
- (iii) For certain investment portfolios, the **investment fee** may include estimates of amounts deducted from underlying investments. These estimates amounts may vary and as a result the **investment fee** for these investment portfolios may be more or less than the amounts shown which are based on the known actual or estimated costs incurred for the last financial year. Past costs are not a reliable indicator of future costs.

- (iv) Refer to the **additional explanation of fees and costs** below for more information
- (v) These amounts are based on the latest information available to us at the date of this document. Actual transaction costs can change at any time and as a result the **buy and sell margins** are subject to change at any time without notice to you.
- (vi) **Buy and sell margins** may apply on any switches or withdrawals.
- (vii) Costs are variable and may be more or less than the estimated amounts shown which are based on the known actual or estimated costs incurred for the last financial year. Past costs are not a reliable indicator of future costs.

Additional explanation of fees and costs

Administration fee rebate

Super Directions for Business only

The plan may qualify for an **administration fee rebate** depending on the level of remuneration being paid to the plan's financial adviser.

Any **administration fee rebate** is credited directly to your account each month and has the effect of reducing the **administration fee** paid. The net administration fee after rebates applied to your account is shown on the **membership summary** attached to your **welcome letter**.

Borrowing costs

Some investment portfolios have underlying investments that use credit facilities to gain increased asset exposures.

Borrowing costs include costs relating to a credit facility such as interest, government charges and debt advisory costs. They are deducted from the underlying assets of the investment portfolio and reflected in the unit price or crediting rate declared as and when they are incurred and are an additional cost to you.

Borrowing costs are estimated based on the actual costs incurred for the last financial year. Where the actual costs are not known, we have estimated these costs based on the latest information available to us. Where an investment portfolio is new, or was first made available during this or the last financial year, we have estimated the costs that will apply to the current financial year.

Borrowing costs are not included in **other indirect costs**.

Estimates of **borrowing costs** as applicable for each investment portfolio can be found in the **investment portfolio fees and costs** section below.

Changes to fees or costs

The Trustee is entitled to recover costs, expenses and liabilities relating to the operation of the fund from individual member's accounts. The Trustee does not currently recover these amounts.

The **member fee** for Choice investment portfolios may increase in line with any increase in the Average Weekly Ordinary Time Earnings (AWOTE) (all employees) index at 1 July each year.

The **MySuper member fee** may increase in line with any increase in the Consumer Price Index (CPI) at 1 July each year.

Fees, costs and charges may be altered or introduced at any time without your consent. New fees can be charged or existing fees changed in situations including (but not limited to) if the owner of the Trustee changes its fees under the super policies issued to the Trustee and as permitted by law.

In addition, we may introduce or increase fees at our discretion, for any one or more of the following reasons:

- if increased charges are incurred due to government changes to legislation
- increased costs
- significant changes to economic conditions, and
- the imposition or increase of processing charges by third parties.

You will be provided with written notice of any increase to (with the exception of indexation) fees, costs or charges at least 30 days before they occur.

Indirect cost ratio

The Trustee has elected to treat certain costs that are not paid out of the superannuation fund as indirect costs. These are disclosed under the **indirect cost ratio** and consist of **performance based fees** and **other indirect costs**.

The fees we charge are not subject to this election and are disclosed under the relevant fee headings in the fees and other costs table. In addition, estimates of any management fees charged by any investment managers appointed by us, or any underlying investment managers, are disclosed under the **investment fee**.

Performance based fees

The Trustee does not directly charge a performance fee however **performance based fees (PBFs)** are paid to certain investment managers who manage the underlying assets of an investment portfolio. A **PBF** is a reward an investment manager receives if they exceed specific performance targets, normally up to 25% of the outperformance over the relevant benchmark index. Any **PBFs** charged are deducted from the underlying assets of the investment portfolio and reflected in the unit price or crediting rate declared and are in addition to any **investment or administration fees**.

Each **PBF** is calculated slightly differently but they all have the following common elements:

- A **PBF** is only payable to a manager if they achieve a target level of return.
- Each time a **PBF** is paid the portfolio must reach the previous highest value plus the appropriate performance hurdle before a new **PBF** is payable.
- **PBFs** are calculated and accrued regularly (at least monthly) and incorporated into the calculation of unit prices. The accrued **PBF** can rise or fall in line with delivered performance.
- **PBFs** are only payable at the end of each financial year and in certain circumstance payments may be delayed.

Multi-sector and multi-manager investment portfolios may have a number of investment managers with **PBFs**, and each will be determined on each investment manager's performance. This means an individual manager can earn its **PBF** irrespective of the investment portfolio's overall investment returns.

PBFs for each investment portfolio are based on the actual costs incurred for the last financial year. Where the actual costs are not known we have estimated these costs based on the latest information available to us. Where an investment portfolio is new, or was first made available during this or the last financial year, or where a **PBF** has been introduced to an existing investment portfolio, we have estimated the **PBF** that will apply to the current financial year. These amounts are not an indication of future performance and should not be relied on as such. If the investment performance of a particular asset class is better than the set benchmark the **PBF** paid could be much higher.

Estimated **performance based fees** for each investment portfolio can be found in the **investment portfolio fees and costs** section below.

Performance based fee example

The following example shows how a **PBF** is calculated. The example should not be taken as the amount of the actual **PBF** in relation to this product. The actual **PBF** for each investment portfolio will depend on various other factors.

ABC investment portfolio is a hypothetical Multi-sector (Traditional) investment portfolio. It has a multi-manager investment approach and certain investment managers within some of the asset classes have a **PBF** of up to 25% of their outperformance over their relevant benchmark index.

For the purpose of this example, the following three assumptions apply.

Assumptions																															
Assumption 1	The ABC investment portfolio's asset allocation (by asset class) and percentage of investment managers for each asset class entitled to PBFs is shown in the table below.																														
	<table border="1"> <thead> <tr> <th>Asset class</th> <th>(A) % allocation to each asset class</th> <th>(B) % of managers entitled to a PBF</th> </tr> </thead> <tbody> <tr> <td>Global shares</td> <td>27</td> <td>100</td> </tr> <tr> <td>Australian shares</td> <td>28</td> <td>45</td> </tr> <tr> <td>Growth alternatives</td> <td>12</td> <td>100</td> </tr> <tr> <td>Direct property</td> <td></td> <td></td> </tr> <tr> <td>Listed property</td> <td>6</td> <td>20</td> </tr> <tr> <td>Defensive alternatives</td> <td>6</td> <td>100</td> </tr> <tr> <td>Global bonds</td> <td>7</td> <td>0</td> </tr> <tr> <td>Australian bonds</td> <td>11</td> <td>40</td> </tr> <tr> <td>Cash</td> <td>3</td> <td>0</td> </tr> </tbody> </table>	Asset class	(A) % allocation to each asset class	(B) % of managers entitled to a PBF	Global shares	27	100	Australian shares	28	45	Growth alternatives	12	100	Direct property			Listed property	6	20	Defensive alternatives	6	100	Global bonds	7	0	Australian bonds	11	40	Cash	3	0
Asset class	(A) % allocation to each asset class	(B) % of managers entitled to a PBF																													
Global shares	27	100																													
Australian shares	28	45																													
Growth alternatives	12	100																													
Direct property																															
Listed property	6	20																													
Defensive alternatives	6	100																													
Global bonds	7	0																													
Australian bonds	11	40																													
Cash	3	0																													
Assumption 2	PBF as a % of outperformance payable for all asset classes = 25%																														
Assumption 3	Performance in excess of the benchmark for each investment manager = 1%																														

The estimated **PBF** for each asset class is calculated using the following formula:

$$\begin{array}{c} \text{(A) Allocation to an} \\ \text{asset class} \\ \text{(Assumption 1)} \end{array} \times \begin{array}{c} \text{(B) \% of managers} \\ \text{entitled to a PBF} \\ \text{(Assumption 1)} \end{array} \times \begin{array}{c} \text{(25\%) PBF as a \% of} \\ \text{outperformance} \\ \text{(Assumption 2)} \end{array} \times \begin{array}{c} \text{(1\%) the performance in} \\ \text{excess of the benchmark} \\ \text{(Assumption 3)} \end{array}$$

Based on the calculation below, if you have a balance of \$100,000 in the ABC investment portfolio and if the outperformance of 1% by all the managers occurs in one year, the total **PBF** to you for this portfolio across all the asset classes would be \$158.

Asset sector	Assumption 1 % (A)	Assumption 1 % (B)	Assumption 2 %	Assumption 3 %	Total PBF %	Total PBF (\$)
Global shares	27	100	25	1	0.0675	67.50
Australian shares	28	45	25	1	0.0315	31.50
Growth alternatives	12	100	25	1	0.0300	30.00
Direct and listed property	6	20	25	1	0.0030	3.00
Defensive alternatives	6	100	25	1	0.0150	15.00
Global bonds	7	0	25	1	0.0000	–
Australian bonds	11	40	25	1	0.0110	11.00
Cash	3	0	25	1	0.0000	–
Total						\$158.00

Further details of the investment portfolios that have one or more investment managers who can earn a **PBF** is available on request.

Other indirect costs

Other indirect costs are incorporated into the investment portfolio's unit price (or crediting rate, if applicable). They include costs incurred in any underlying investment vehicles. They are not fixed, will vary from time to time and will depend on the actual mix and type of assets of the underlying investments, the trading of those assets, and the actual costs incurred.

They comprise of:

- certain **transaction costs**, such as brokerage, settlement and clearing costs, stamp duty, and the buy/sell spreads of any underlying managed funds, which have not been paid for from any **buy and sell margins**;
- investment related costs, such as audit and legal fees, tax and accounting services, custody, regulatory compliance and registry services and securities lending costs; and
- costs of investing in, and trading, over-the-counter (OTC) derivatives.

They do not include **borrowing costs** or certain **transactional and operational costs**.

Other indirect costs are estimated based on the actual costs incurred for the last financial year. Where the actual costs are not known, we have estimated these costs based on the latest information available to us. Where an investment portfolio is new, or was first made available during this or the last financial year, we have estimated the costs that will apply to the current financial year.

Estimates of **other indirect costs** for each investment portfolio can be found in the **investment portfolio fees and costs** section below.

Insurance fees

If you have insurance, a premium will be deducted from your super account each month to pay for your insurance. We will deduct your insurance premiums, in the following order:

1. First, from any money held in Choice investment portfolio(s), excluding any amount held in term deposits.
2. If there is insufficient money in Choice investment portfolio(s), or if your only investment is in the MySuper investment portfolio, we will then deduct from the MySuper investment portfolio.

For more information about the costs of insurance, see the insurance in your super section in the **PDS** and the **Group Life insurance cover** and **Salary Continuance insurance cover** sections in this document.

Investment portfolio fees and costs

AMP SDF MySuper investment portfolio

The AMP SDF MySuper investment portfolio gives you access to an investment solution that takes you all the way through your superannuation savings journey. This approach, known as lifecycle investing, delivers an investment strategy that continuously evolves to align with the changing stages of your life.

Fees and costs apply based on the balance held in the AMP MySuper investment portfolios.

Additional **administration fees** may apply regardless of your account balance. See the **fees and other costs for the AMP SDF MySuper investment portfolio** above for details.

Costs are variable and may be more or less than the estimated amounts shown which are based on the known actual or estimated costs incurred for the last financial year. Past costs are not a reliable indicator of future costs.

The fees and costs applicable to each investment portfolio are shown in the tables below. Please refer to both **Table 1** and **Table 2** for the applicable fees and costs that relate to each investment portfolio.

Table 1 - Fees and indirect costs

Investment portfolio	Investment and administration fees ⁽ⁱ⁾			Indirect cost ratio			Total fees and indirect costs	Buy/Sell margin ^(iv)
	Investment fee	Administration fee	Total fees	Estimated performance based fees ⁽ⁱⁱ⁾	Estimated other indirect costs ⁽ⁱⁱⁱ⁾	Total indirect cost ratio		
	% pa	% pa	% pa	% pa	% pa	% pa	% pa	%
AMP SDF MySuper 1990s	0.30	0.29	0.59	0.12	0.22	0.34	0.93	0.20/0.15
AMP SDF MySuper 1980s	0.30	0.29	0.59	0.14	0.25	0.39	0.98	0.21/0.15
AMP SDF MySuper 1970s	0.30	0.29	0.59	0.15	0.25	0.40	0.99	0.20/0.16

Investment portfolio	Investment and administration fees ⁽ⁱ⁾			Indirect cost ratio			Total fees and indirect costs	Buy/Sell margin ^(iv)
	Investment fee	Administration fee	Total fees	Estimated performance based fees ⁽ⁱⁱ⁾	Estimated other indirect costs ⁽ⁱⁱⁱ⁾	Total indirect cost ratio		
	% pa	% pa	% pa	% pa	% pa	% pa		
AMP SDF MySuper 1960s	0.30	0.29	0.59	0.11	0.25	0.36	0.95	0.18/0.15
AMP SDF MySuper 1950s	0.30	0.29	0.59	0.03	0.25	0.28	0.87	0.17/0.15
AMP SDF MySuper Capital Stable	0.30	0.29	0.59	0.01	0.28	0.29	0.88	0.14/0.14

(i) The fees you actually pay are reduced by 15% to allow for the tax deduction passed on to you.

(ii) These amounts are not an indication of future performance and should not be relied on as such. If the investment performance of a particular asset class is better than the set benchmark the **performance based fee** could be much higher. Refer to **performance based fees** in this section for more information.

(iii) Refer to **other indirect costs** in this section for more information.

(iv) **Buy and sell margins** are based on the latest information available to us at the date of this document. They can change at any time and may be more than the amounts shown. Refer to **buy and sell margins** in this section for more information.

Table 2 - Transaction, property operating and borrowing costs

Investment portfolio	Estimated transaction costs						Estimated property operating costs ⁽ⁱ⁾	Estimated borrowing costs ⁽ⁱ⁾
	Gross transaction costs	Less: Recovered by buy and sell margins	Net transaction costs	Net transaction costs (included in other indirect costs)	Net transaction costs ⁽ⁱ⁾ (excluded from other indirect costs)			
	% pa	% pa	% pa	% pa	% pa			
AMP SDF MySuper 1990s	0.17	0.04	0.13	0.08	0.05	0.03	0.09	
AMP SDF MySuper 1980s	0.20	0.02	0.18	0.10	0.08	0.04	0.11	
AMP SDF MySuper 1970s	0.19	0.02	0.17	0.09	0.08	0.04	0.12	
AMP SDF MySuper 1960s	0.23	0.02	0.21	0.09	0.12	0.03	0.09	
AMP SDF MySuper 1950s	0.26	0.03	0.23	0.10	0.13	0.02	0.09	
AMP SDF MySuper Capital Stable	0.28	0.04	0.24	0.13	0.11	0.00	0.08	

(i) These amounts are excluded from **other indirect costs** disclosure under the **indirect cost ratio** in **Table 1**. Refer to **borrowing costs** and **transactional and operational costs** in this section for more information.

Choice investment portfolio

Fees and costs apply based on the balance held in each choice investment portfolio.

Additional **administration fees** may apply regardless of your account balance. An **administration fee rebate** may also apply, which has the effect of reducing your **administration fee**. See the **fees and other costs for Choice investment portfolios** above for further information.

Costs, including any cost amounts included in the **investment fee**, are variable and may be more or less than the estimated amounts shown which are based on the known actual or estimated costs incurred for the last financial year. Past costs are not a reliable indicator of future costs.

The fees and costs applicable to each investment portfolio are shown in the tables below. Please refer to both **Table 1** and **Table 2** for the applicable fees and costs that relate to each investment portfolio.

Table 1 - Fees and indirect costs

Investment category/option	Investment and administration fees ⁽ⁱ⁾			Indirect cost ratio			Total fees and indirect costs	Buy/Sell margin ^(iv)
	Estimated investment fee	Admin-istration fee	Total fees	Estimated performance based fees ⁽ⁱⁱ⁾	Estimated other indirect costs ⁽ⁱⁱⁱ⁾	Total indirect cost ratio		
	% pa	% pa	% pa	% pa	% pa	% pa		
Multi-manager diversified								
Multi-manager Balanced	0.86 ^(v)	1.72	2.58	0.00	0.18	0.18	2.76	0.19/0.18
Multi-manager Growth	0.89 ^(v)	1.72	2.61	0.01	0.19	0.20	2.81	0.20/0.17
Multi-manager High Growth	0.90 ^(v)	1.72	2.62	0.01	0.17	0.18	2.80	0.19/0.17
Multi-manager Secure	0.75 ^(v)	1.72	2.47	0.01	0.19	0.20	2.67	0.15/0.15
Multi-manager Secure Growth	0.80 ^(v)	1.72	2.52	0.01	0.21	0.22	2.74	0.17/0.15
Diversified								
Guaranteed Plus	0.56	1.72	2.28	0.00	0.04	0.04	2.32	0.06/0.06
Managed	0.59 ^(v)	1.72	2.31	0.06	0.14	0.20	2.51	0.14/0.14
Property-Biased	0.44 ^(v)	1.72	2.16	0.20	0.16	0.36	2.52	0.12/0.12
Secure	0.81 ^(v)	1.72	2.53	0.05	0.13	0.18	2.71	0.10/0.10
Sector/Specialist								
AMP Wholesale Australian Equity Value Fund	0.54 ^(v)	1.72	2.26	n/a	0.20	0.20	2.46	0.20/0.20
Australian Equities	0.67	1.72	2.39	n/a	0.06	0.06	2.45	0.20/0.20
Cash	0.13 ^(v)	0.50	0.63	n/a	0.01	0.01	0.64	n/a
Colonial First State Wholesale Imputation Fund	1.04 ^(v)	1.72	2.76	n/a	0.12	0.12	2.88	0.20/0.20
Diversified Fixed Interest	0.63	1.72	2.35	n/a	0.17	0.17	2.52	0.11/0.12
International Equities	0.72	1.72	2.44	n/a	0.16	0.16	2.60	0.09/0.09
Listed Property	0.87	1.72	2.59	n/a	0.17	0.17	2.76	0.28/0.27
Multi-manager – Australian Equities	0.97 ^(v)	1.72	2.69	0.00	0.05	0.05	2.74	0.15/0.15
Multi-manager – International Equities	0.82 ^(v)	1.72	2.54	0.00	0.10	0.10	2.64	0.23/0.17
Property	0.30 ^(v)	1.72	2.02	0.43	0.22	0.65	2.67	0.12/0.12
Closed								
Security Plus	0.78 ^(v)	2.07	2.85	0.00	0.05	0.05	2.90	0.11/0.11

(i) The fees you actually pay are reduced by up to 15% to allow for the tax deduction passed on to you in relation to the fees charged by us.

(ii) These amounts are not an indication of future performance and should not be relied on as such. If the investment performance of a particular asset class is better than the set benchmark the **performance based fee** paid could be much higher. Refer to **performance based fees** in this section for more information.

(iii) Refer to **other indirect costs** in this section for more information.

(iv) **Buy and sell margins** are based on the latest information available to us at the date of this document. They can change at any time and may be more than the amounts shown. Refer to **buy and sell margins** in this section for more information.

(v) The **investment fee** for these investment portfolios includes estimates of costs deducted from underlying investments. These estimated amounts may vary and as a result the **investment fee** for these investment portfolios may be more or less than the amounts shown. In particular the ongoing **investment fee** for the Cash investment portfolio is estimated to be 0.00 %pa.

Table 2 - Transaction, property operating and borrowing costs

Investment category/option	Estimated transaction costs						Estimated property operating costs ⁽ⁱ⁾	Estimated borrowing costs ⁽ⁱ⁾
	Gross transaction costs	Less: Recovered by buy and sell margins	Net transaction costs	Net transaction costs (included in other indirect costs)	Net transaction costs ⁽ⁱ⁾ (excluded from other indirect costs)			
	% pa	% pa	% pa	% pa	% pa	% pa	% pa	
Multi-manager diversified								
Multi-manager Balanced	0.28	0.03	0.25	0.12	0.13	0.00	0.00	
Multi-manager Growth	0.24	0.03	0.21	0.12	0.09	0.00	0.00	
Multi-manager High Growth	0.20	0.03	0.17	0.10	0.07	0.00	0.00	
Multi-manager Secure	0.27	0.05	0.22	0.09	0.13	0.00	0.01	
Multi-manager Secure Growth	0.28	0.04	0.24	0.11	0.13	0.00	0.01	
Diversified								
Guaranteed Plus	0.10	0.01	0.09	0.02	0.07	n/a	0.00	
Managed	0.16	0.02	0.14	0.09	0.05	0.11	0.08	
Property-Biased	0.18	0.02	0.16	0.11	0.05	0.41	0.30	
Secure	0.18	0.02	0.16	0.08	0.08	0.09	0.07	
Sector/Specialist								
AMP Wholesale Australian Equity Value Fund	0.23	0.06	0.17	0.10	0.07	n/a	0.00	
Australian Equities	0.15	0.05	0.10	0.06	0.04	n/a	0.00	
Cash	0.00	0.00	0.00	0.00	0.00	n/a	0.00	
Colonial First State Wholesale Imputation Fund	0.18	0.04	0.14	0.12	0.02	n/a	0.00	
Diversified Fixed Interest	0.31	0.04	0.27	0.09	0.18	n/a	0.00	
International Equities	0.16	0.04	0.12	0.12	0.00	n/a	0.00	
Listed Property	0.23	0.06	0.17	0.12	0.05	n/a	0.00	
Multi-manager – Australian Equities	0.10	0.04	0.06	0.04	0.02	n/a	0.00	
Multi-manager – International Equities	0.19	0.05	0.14	0.09	0.05	n/a	0.00	
Property	0.22	0.03	0.19	0.17	0.02	0.89	0.64	
Closed								
Security Plus	0.16	0.11	0.05	0.02	0.03	0.07	0.06	

(i) These amounts are excluded from **other indirect costs** disclosure under the **indirect cost ratio** in **Table 1**. Refer to **borrowing costs** and **transactional and operational costs** in this section for more information.

Member fee

Super Directions for Business

The amount of this fee can be negotiated by your employer and may also vary depending on the amount and nature of services provided by your plan's financial adviser and/or the size of your employer's plan (the number of members and total value) and total estimated annual contributions.

When you are invested in the AMP SDF MySuper investment portfolio and choice investment portfolios at the same time, we'll deduct your **MySuper member fee** from your MySuper investment portfolio and you will not be charged an additional **member fee**.

Super Directions for Business Rollover Section

When you are invested in the AMP SDF MySuper investment portfolio and Choice investment portfolios at the same time, we'll deduct your **MySuper member fee** from your MySuper investment portfolio and you will not be charged an additional **member fee**.

Payments to your financial adviser

A licensed financial adviser represents an Australian Financial Services (AFS) licensee, which can include an AMP company. No fee is paid to a financial adviser from the **investment fee** or **administration fee** set out in the table of **fees and other costs**.

Advice fees for personal advice

You may agree with your financial adviser for a fee to be paid for financial planning services provided to you.

This fee may be:

- a one-off dollar amount paid as a lump sum, and/or
- an ongoing fee, paid monthly, which is either:
 - a fixed dollar amount, or
 - a set percentage of your account balance (excluding amounts invested in the AMP SDF MySuper investment portfolio).

Advice fees for personal advice must only be for services provided in respect of your account and must not be used to pay for any other products or financial planning advice about broader non-super savings and investment opportunities.

If the issuer of AFS licensee agreements for payment of advice fees has an agreement with a financial adviser's AFS licensee and the trustee agrees to it, they will be responsible for paying the advice fee and will charge a fee of an equivalent amount to your super account. Your financial adviser may receive only part of the fee paid. Your financial adviser's AFS licensee may also make additional payments to your financial adviser. For more details of those payments and any other benefits, ask your financial adviser.

An ongoing fee is deducted and paid monthly.

Your **member statement** will show any fees charged to your account that correspond to any advice fee paid to a financial adviser's AFS licensee.

You can change or cancel any ongoing fee by agreement with your financial adviser and completing an **advice fee form**.

As the ongoing fee is paid at the end of each month, we need to receive your completed form at least four business days before the end of the month, for the change or cancellation to apply in that month.

Commission on insurance

Super Directions for Business Rollover Section only

Your former plan's financial adviser may receive a commission of up to 20% (exclusive of GST) of any insurance premiums paid from your choice investment portfolio(s). Commission is not paid on any insurance premium paid from your AMP SDF MySuper investment portfolio.

Commission on insurance premiums will not apply if you joined your former plan after 30 June 2014, or you take up insurance after 30 June 2014.

You do not pay commission on insurance in addition to your insurance premium.

Taxation and fees

The actual amount of fees you pay may be reduced by 15%. This is because super funds currently receive a tax deduction for expenses which may be passed onto you.

The fees described in the PDS and in this document include, if applicable, GST less input tax credits.

For further information on taxation refer to the **how super is taxed** section of this document and the **how super is taxed** section of the PDS.

Transactional and operational costs

Transactional and operational costs are generally incurred when dealing with the assets of the relevant investment portfolio, including any assets of any investment vehicles in which the investment portfolio invests.

Transactional and operational costs incurred by an investment portfolio consist of **transaction costs**, less any amounts recovered by the charging of **buy and sell margins**, and **property operating costs**.

Transactional and operational costs are estimated based on the actual costs incurred for the last financial year. Where the actual costs are not known, we have estimated these costs based on the latest information available to us. Where an investment portfolio is new, or was first made available during this or the last financial year, we have estimated the costs that will apply to the current financial year.

Details of estimates of **transactional and operational costs** for each investment portfolio, including **transaction costs** before and after any amounts recovered by the charging of **buy and sell margins**, and **property operating costs**, can be found in the **investment portfolio fees and costs** section above.

Transaction costs

Transaction costs include brokerage, settlement and clearing costs, stamp duty, the buy/sell spreads of any underlying managed funds and the bid/offer spread on any physical securities such as shares and bonds.

A buy spread on a managed fund represents the difference between the (higher) buy price and the net asset valuation of the fund, whereas the sell spread represents the difference between the (lower) sell price and the net asset valuation of the fund.

A bid/offer spread of a physical security represents the difference between the highest price that a buyer is willing to pay (bid) for a security and the lowest price that a seller is willing to accept (offer) for the same security.

Transaction costs are deducted from the assets of the investment portfolio as and when they are incurred. Transaction costs may be recovered in whole or in part by the charging of **buy and sell margins**. Net transaction costs after any recovery are reflected in the unit price (or crediting rate, as applicable) and are an additional cost to you.

Net transaction costs are included in **other indirect costs**, except for bid/offer spreads which are excluded.

Buy and sell margins

For all investment portfolios, except the Guaranteed Plus and Security Plus portfolios, there is a difference between the unit price used to value contributions and rollovers made into your investment portfolio (buy unit price) and the unit price used to value your investment portfolio and any withdrawals you make (sell unit price). This difference is due to the **buy and sell margins**.

- The **buy margin** is added to the unit price of the underlying investment to arrive at the buy unit price.
- The **sell margin** is deducted from the unit price of the underlying investments to arrive at the sell unit price.

Buy and sell margins ensure members who transact bear the costs generated by those transactions. An investment portfolio's **buy and sell margins** are set to reflect the estimated transaction costs the investment portfolio will incur as a result of new investments or withdrawals and are retained by the investment portfolio. They aren't paid to us or any investment manager.

Buy and sell margins can change at any time without notice to you. As your portfolio is valued using the **sell unit price**, all contributions and rollovers made into your portfolio will be reduced by the total of the **buy and sell margin** at the time of the transaction.

For example, if considered in isolation, a **buy margin** of 0.30% and **sell margin** of 0.20% would result in a contribution of \$1,000 reducing to approximately \$995 if it was withdrawn immediately after investment.

Buy and sell margins represent an additional cost to you of transacting and are not charged separately. In addition, when the **sell margin** changes, the value of your investment in the investment portfolio will either increase (a benefit to you) or decrease (a cost to you).

Buy and sell margins for each investment portfolio can be found in the **investment portfolio fees and costs** section above.

Property operating costs

Some investment portfolios have direct or underlying investments that have exposure to real estate assets or hold investment vehicles that have exposure to real estate assets.

These investment portfolios may incur **property operating costs** in relation to the management of these assets including rates, utilities, repairs and maintenance costs that have not been recovered from tenants.

Property operating costs are deducted from the underlying assets of the investment portfolio and reflected in the unit price (or crediting rate, if applicable) as and when they are incurred and are an additional cost to you.

They are not included in **other indirect costs**.

Defined fees

When used in the PDS (including this document), the following types of fees have the meaning described below.

Fee	Definition
Activity fee	<p>A fee is an activity fee if:</p> <ul style="list-style-type: none"> – the fee relates to costs incurred by the trustee of the superannuation entity that are directly related to an activity of the trustee: <ul style="list-style-type: none"> – that is engaged in at the request, or with the consent, of a member; or – that relates to a member and is required by law; and – those costs are not otherwise charged as an administration fee, an investment fee, a buy-sell spread, a switching fee, an advice fee or an insurance fee.
Administration fee	<p>An administration fee is a fee that relates to the administration or operation of the superannuation entity and includes costs that relate to that administration or operation, other than:</p> <ul style="list-style-type: none"> – borrowing costs; and – indirect costs that are not paid out of the superannuation entity that the trustee has elected in writing will be treated as indirect costs and not fees, incurred by the trustee of the entity or in an interposed vehicle or derivative financial product; and – costs that are otherwise charged as an investment fee, a buy-sell spread, a switching fee, an activity fee, an advice fee or an insurance fee.
Advice fee	<p>A fee is an advice fee if:</p> <ul style="list-style-type: none"> – the fee relates directly to costs incurred by the trustee of the superannuation entity because of the provision of financial product advice to a member by: <ul style="list-style-type: none"> – a trustee of the entity; or – another person acting as an employee of, or under an arrangement with, the trustee of the entity; and – those costs are not otherwise charged as an administration fee, an investment fee, a switching fee, an activity fee or an insurance fee.
Buy-sell spread	<p>A buy-sell spread is a fee to recover transaction costs incurred by the trustee of the superannuation entity in relation to the sale and purchase of assets of the entity.</p>
Exit fee	<p>An exit fee is a fee, other than a buy-sell spread, that relates to the disposal of all or part of a member's interests in a superannuation entity.</p>
Indirect cost ratio	<p>The indirect cost ratio (ICR), for a MySuper product or an investment option offered by a superannuation entity, is the ratio of the total of the indirect costs for the MySuper product or investment option, to the total average net assets of the superannuation entity attributed to the MySuper product or investment option. Note: A dollar-based fee deducted directly from a member's account is not included in the ICR.</p>
Insurance fee	<p>An insurance fee is a fee that relates to insurance premiums and costs incurred in providing insurance.</p>
Investment fee	<p>An investment fee is a fee that relates to the investment of the assets of a superannuation entity and includes:</p> <ul style="list-style-type: none"> – fees in payment for the exercise of care and expertise in the investment of those assets (including performance fees); and – costs that relate to the investment of assets of the entity, other than: <ul style="list-style-type: none"> – borrowing costs; and – property operating costs; and – indirect costs that are not paid out of the superannuation entity that the trustee has elected in writing will be treated as indirect costs and not fees, incurred by the trustee of the entity or in an interposed vehicle or derivative financial product; and – costs that are otherwise charged as an administration fee, a buy-sell spread, a switching fee, an activity fee, an advice fee or an insurance fee.
Switching fee	<p>A switching fee:</p> <ul style="list-style-type: none"> – for a MySuper product, is a fee to recover the costs of switching all or part of a member's interest to or from a MySuper product; and – for Choice investment options, is a fee to recover the costs of switching all or part of a member's interest from one investment option to another.

Section 6:

How super is taxed

In this section we'll discuss:

- > **Tax**
Tax in super
- > **Contributions caps**
Contributions caps and excess contributions taxes
- > **Release Authority**
Release Authority from the Australian Tax Office (ATO)

This tax and social security information is of a general nature only and only considers Australian Commonwealth laws. Tax and social security laws are complex and can change. We recommend you discuss your own circumstances with your financial adviser or tax adviser before you decide to invest.

The government has changed the treatment of excess non-concessional contributions to allow individuals to withdraw excess contributions and associated earnings.

Tax

Generally, your super is taxed:

- when contributions are made
- while your money is invested, or
- when money is withdrawn from super.

When contributions are made

A contributions tax of up to 15% applies to:

- employer contributions eg superannuation guarantee, and
- after-tax member contributions where a tax deduction is claimed.

The contribution is reduced by any death and disability insurance premiums paid through your super before the tax is applied. Contributions tax is deducted quarterly and when you close your account.

If your income and certain contributions exceed \$250,000 in a financial year, you will be taxed another 15% on the lesser of the excess over \$250,000 and the contributions. The ATO will notify you after the end of the financial year if you are liable to pay this additional tax. For further information about this tax visit the ATO website at ato.gov.au.

Contributions tax will not be deducted from contributions made to your account by you (unless you provide us with a **notice of intent to claim a personal tax deduction**), your spouse or the government.

If you make after-tax member contributions and do not claim a tax deduction, or a spouse makes contributions to your super, contributions tax will not be deducted.

If you exceed your contributions caps, you may have to pay extra tax on the excess amount. The tax treatment of excess contributions depends on whether the contributions are concessional (before-tax) contributions or non-concessional (after-tax) contributions.

Another tax (called the no-TFN tax) of 32% applies to all employer contributions if you do not give us your tax file number (TFN). This tax rate is not reduced by tax deductions. This tax is calculated and deducted at the earlier of 30 June each year and when you leave Super Directions. You may be eligible for a refund of no-TFN tax if your TFN is supplied within four financial years from the start of the financial year when the contribution is made. Any refund will be added to your super benefit and will be subject to the usual cashing and tax rules.

When you roll over or transfer money from another fund

Generally, rollovers and transfers from taxed sources are not taxed when added to your super.

If you have an untaxed element in the taxable component of your benefit, we generally deduct 15% contributions tax at the time you roll over this component.

While your money is invested

A maximum of 15% tax is applied to the investment earnings of your super.

Capital gains on some assets within a super fund that are held for at least 12 months are taxed at an effective rate of up to 10%.

This tax is deducted before we declare investment returns (that is, unit prices and crediting rates are net of tax).

When you withdraw money from super

No lump sum tax for 60 and over

All lump-sum benefits received by you on or after age 60 are tax-free.

Lump sum tax rates for under 60s

If you are under age 60 and withdraw your money from your super account, then generally you are subject to lump-sum tax based on the tax components of your withdrawal benefit (see table below).

Component	Maximum tax rate	
Tax-free component	Completely tax-free	
Taxable component (taxed element):		
Under preservation age ⁽ⁱ⁾	20% plus Medicare levy	
Preservation age to age 59	Up to the low rate cap ⁽ⁱⁱ⁾	0%
	Amounts over the low rate cap ⁽ⁱⁱ⁾	15% plus Medicare levy
Age 60 or over	Completely tax-free	

(i) For your preservation age see the **when you can access your super** section in this fact sheet.

(ii) The lifetime low rate cap is \$210,000 for 2019/20 and will be indexed to Average Weekly Ordinary Time Earnings (AWOTE) rounded down to the nearest \$5,000 in subsequent years. For further information visit ato.gov.au

If you are under age 60 and have not provided your TFN, we are required to withhold tax at the highest marginal rate from the taxable component of a lump-sum benefit paid to you.

If you transfer the money directly to another super fund, or retirement account, you won't need to pay any lump-sum tax.

Super lump sum – less than \$200

A member who withdraws their entire super as a lump sum will receive it tax-free provided the following criteria are met:

- you've terminated employment with your sponsoring employer and the entire amount of your preserved benefit at the time of termination is less than \$200, or
- you're a lost member who is found and the entire amount of your benefit in the fund when released is less than \$200.

Lump-sum death benefits

Generally, lump sum death benefits are tax-free where the benefit is paid to a dependant under tax law.

The taxable component of lump sum death benefits paid to a non-dependant under tax law will incur 15% tax on the taxed element plus Medicare levy and 30% tax on the untaxed element plus Medicare levy.

Lump-sum disability benefits

A lump sum benefit is a disability superannuation benefit if it is paid to you because you suffer from ill-health (whether physical or mental). Two legally qualified medical practitioners will need to certify that you are unlikely to ever be gainfully employed in a capacity for which you are reasonably qualified due to your education, experience or training.

If you receive a disability superannuation benefit, the tax-free component may be increased by an amount calculated under tax law, potentially reducing the total amount of tax you are required to pay.

Where medical certificates are obtained from doctors who are not registered with the Medical Board of Australia, the benefit cannot be paid as a disability superannuation benefit and as such additional tax may apply.

Your financial adviser can provide more information.

Terminal medical condition

A lump sum benefit paid to you because you are suffering a terminal medical condition will be tax-free. Refer to the **permanent incapacity, terminal medical condition, compassionate grounds and severe financial hardship** section of this additional information book for eligibility requirements.

Temporary Salary Continuance benefits

If you receive temporary salary continuance/temporary incapacity payments we will deduct PAYG withholding tax.

Other information

Spouse contributions – possible tax benefit

Making a spouse contribution may provide your spouse with a tax offset of up to \$540 when they contribute to super for you. This provides an incentive for couples to make sure both their super funds are growing.

Tax deductions for member contributions

If your employer makes a contribution on your behalf (including salary sacrifice contributions) then, generally, that contribution is fully tax deductible to the employer.

You may be able to claim a tax deduction for your personal contributions (i.e. those contributions you make from your after-tax income) if you are under age 75.

Contributions caps and the tax on excess contributions

There are limits on the amount of contributions made to a super fund, known as contributions caps. Exceeding contributions caps can result in additional tax.

The two most common contribution caps, are the concessional contributions cap and non-concessional contributions cap.

Amounts counting towards the **concessional contributions cap** are generally assessed using contributions made from your pre-tax income. These include the following contribution types:

- employer contributions (including superannuation guarantee and salary sacrifice contributions)
- defined benefit 'notional' contributions
- member contributions you claimed as a tax deduction
- certain allocations of surplus, and
- other third party contributions.

Amounts counting towards the **non-concessional contributions cap** are generally assessed using contributions made from after-tax income and include the following contribution types:

- personal contributions for which you do not claim a tax deduction
- spouse contributions
- tax-free part of overseas transfers
- excess concessional contributions not released from your super, and
- contributions made with proceeds from the sale of small business assets that are in excess of the CGT cap.

Note: we cannot accept these contributions unless we have your TFN.

Please note: if you exceed your concessional contributions cap, the excess contributions are taxed as income. Any amounts over the concessional cap not released will be counted towards your non-concessional contributions cap. For further information refer to the **release authority from the Australian Taxation Office (ATO)** section.

There are **exclusions from the concessional and non-concessional contributions caps**, such as:

- transfers from taxed super funds
- proceeds from the sale of qualifying small business assets collectively capped at \$1,515,000 in the 2019/20 financial year (indexed) qualifying for the:
 - small business retirement exemption (\$500,000 maximum)
 - small business 15 year exemption proceeds
- proceeds from certain personal injury settlements
- downsizer contributions from the proceeds of selling your home, and
- taxable amount of overseas transfers.

Type of contribution	Cap	Special arrangement
Concessional contributions	\$25,000 pa	From 1 July 2019, you may be able to utilise unused concessional contributions cap amounts from one or more of the previous five financial years starting from 1 July 2018 to allow you to make contributions above the standard cap. To be eligible, your total superannuation balance at 30 June of the previous financial year must be less than \$500,000. Amounts carried forward that have not been used after five years will expire.
Non-concessional contributions	\$100,000 pa. This cap is calculated as four times the standard concessional contributions cap. (i)	If you are under age 65 on 1 July of a financial year, you may be able to bring forward up to two years of contributions allowing you to contribute up to \$300,000 over a period of up to three years. Your total superannuation balance must be less than \$1.6 million (indexed) at 30 June of the previous financial year. There are restrictions on the ability to trigger bring forward rules from 1 July 2017 for certain people with large total superannuation balances (more than \$1.4 million as at 30 June 2018). Transitional rules apply where a person has triggered a bring forward prior to 1 July 2017 but has not contributed the whole of the \$540,000 bring forward amount by 30 June 2017.

- (i) No further non-concessional contributions cap is available if your total superannuation balance (from all sources) at 30 June of the preceding financial year is \$1.6 million (indexed) or more.

Tax on excess contributions

Your assessable income automatically includes the amount of any excess concessional contributions made in the financial year. The excess amount is taxed at your marginal tax rate, less a 15% tax offset. You'll also pay an excess concessional contributions interest charge calculated by the ATO. In addition, you'll have the option of withdrawing up to 85% of your excess concessional contributions from your super.

Amounts contributed above your non-concessional contributions caps will be taxed at the top marginal tax rate plus Medicare levy. However, you have the option of electing to have those excess contributions plus 85% of an associated earnings amount released from super and returned to you. Where you choose this option, no excess non-concessional contributions tax will be payable and associated earnings will be taxed at your individual marginal tax rate less a 15% tax offset. If you choose not to release these excess funds, you will be taxed at the top marginal tax rate plus Medicare levy.

Please note that the excess contributions tax rates are applied to the gross amount of the contribution or payment and there is no reduction for death and disability premiums, unlike the standard 15% contributions tax on concessional contributions.

Release Authority from the Australian Taxation Office (ATO)

The ATO may issue a release authority to the fund where you elect for an amount to be released from your super for the purposes of:

- excess contributions tax (tax on contributions that are in excess of a contributions cap)
- Division 293 tax, or
- purchasing a first home under the first home super saver scheme.

The ATO may also issue a release authority requiring the fund to release an amount in certain other circumstances such as where excess contributions have not been removed from your super accounts.

The release amount is equal to the lessor of:

- the amount specified in the release authority
- the amount requested to be paid by you or the ATO, and
- the total value of every superannuation interest (other than a defined benefit interest) held on your behalf by the trustee.

Note: The fund will not pay the full amount stated on the release authority if your account balance is less than the amount stated.

How you claim a tax deduction for your member contributions?

If you are eligible and want to claim a tax deduction on your personal super contributions, you must first notify us that you intend to do so by specifying the amount of contributions that you intend to claim as a tax deduction. You can notify us by:

- logging into your My AMP account and completing this online. Go to **view more** and select **claim a tax deduction**, or
- completing a **notice of intent to claim or vary a deduction for personal super contributions** form and returning it to us. Forms are available at ato.gov.au or by contacting us.

To be valid, your **notice of intent to claim or vary a deduction for personal super contributions** form must be lodged with us before the earliest of the following dates:

- the day that you lodged your income tax return for the year(s) for which you're claiming a tax deduction, or the end of the income year after the year for which you're claiming a tax deduction, whichever is the earlier, and
- the date you ceased to have your contributions in your accumulation account (eg if a partial rollover or withdrawal is made or you close your account), and
- the date part or all of your contribution was used to start an income stream.

Once we receive a valid notice either via My AMP or by completing a **notice of intent to claim or vary a deduction for personal super contribution** form, we'll send you a **superannuation fund acknowledgement**. You must receive this acknowledgment before you can claim the deduction in your tax return.

Contributions tax of up to 15% will be deducted from contributions for which you provide a valid notice.

Social security

Centrelink may include your super under the asset and/or income tests.

As the rules are complex, you should seek the advice of your financial adviser, the Financial Information Service provided by Centrelink, or the Department of Veterans' Affairs.

Collection of tax file numbers

We're required to tell you the following details before you provide your tax file number (TFN) for your super products.

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

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

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

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

If you don't provide your TFN you may also be subject to additional tax. Speak to your financial adviser for more information.

Section 7:

Group Life insurance cover

Insuring through your super can be a tax-effective way to provide cover for you and a way of financially protecting your family. In this section we will discuss:

- **Eligibility**
Eligibility criteria for Super Directions for Business
- **How to obtain cover**
Information on how to apply for cover
- **Premiums**
Information on the premium rate calculations

This section gives you information about the Group Life insurance cover (which includes Death and Total & Permanent Disablement (TPD)) your employer may have arranged on your behalf (Super Directions for Business) or you may request as a member of Super Directions for Business or Super Directions for Business Rollover Section. The **Other important information for insurance cover** section contains a list of definitions of terms used in this section.

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

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

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

Any cover provided by the Insurer is subject to the terms of the policy.

In the event of any inconsistency between the terms and conditions of the insurance policies and this **additional information** document, the terms and conditions of the insurance policies prevail.

General eligibility

Eligibility criteria for Super Directions for Business

You are eligible for Group Life cover if:

- you have been accepted as a member of Super Directions for Business
- you are an Australian resident and you reside in Australia (unless you are working overseas with the Insurer's written approval)
- you work in an occupation the insurer does not class as an excluded occupation, and
- you satisfy any eligibility criteria that apply to your employer's plan.

For Death cover you must also be:

- aged 14 or more but less than 70 (where cover is not provided as units of cover).
- aged 14 or more but less than 65 (where cover is provided as units of cover).

For TPD cover you must also be:

- aged 14 or more but less than 56 and permanently employed to work at least 15 hours per week.
- if you are permanently employed to work less than 15 hours per week or are employed on a casual basis (regardless of the number of hours working), you will be eligible for one unit of Death cover only.

The maximum amount of cover available is \$5 million for Death cover and \$2 million for TPD cover.

Eligibility criteria for Super Directions for Business Rollover Section

Continuation of Death Only or Death and TPD

You are eligible for Group Life cover to continue upon transfer to Super Directions for Business Rollover Section if:

- we have your current address
- for Death cover you are aged 14 or more but less than 70
- for TPD cover you are aged 14 or more but less than 56, and
- you are an Australian resident and you reside in Australia.

Salary Continuance cover is not available for Super Directions for Business Rollover Section. Salary Continuance or Total but Temporary Disablement cover in your employer's plan is cancelled upon us being notified of your ceasing employment.

Upon transfer to the Super Directions for Business Rollover Section:

- the amount of cover provided will change to a fixed (nominated) amount, and
- the insurance premium is recalculated.

Application of Death Only or Death and TPD

If you do not have Group Life cover and wish to apply for cover in Super Directions for Business Rollover Section, you must satisfy the following eligibility criteria:

- For Death cover you are aged 14 or more but less than 70.
- For TPD cover you are aged 14 or more but less than 56.
- You are an Australian resident and you reside in Australia.
- You work in an occupation the insurer does not class as an excluded occupation.

The maximum amount of cover available is \$5 million for Death cover and \$2 million for TPD cover.

See **underwriting terms** for more details of how to apply for an increase in cover.

Super Law eligibility

In addition to meeting the General eligibility criteria above, under super laws, you still may not be eligible for insurance if **any** of the following applies to you:

- you are aged under 25
- since opening the account, your balance hasn't reached \$6,000
- your account hasn't received a contribution or rollover for 16 months,
 - unless** you meet any of the following criteria:
 - you tell us you'd like default insurance (if you tell us within 120 days of joining your employer, you won't need to complete a full application or provide information about your health. However, after 120 days, you will need to complete a full application and provide information about your health.)
 - your employer funds the full cost of insurance and notifies us of this
 - we've determined that you're employed in a dangerous occupation and have notified you that you'll be provided cover on this basis.

The table below explains how to elect to have insurance, and if you don't elect, how you will have it applied when you meet the eligibility criteria. Also included is what you need to know about the terms that will apply to your insurance cover.

Will you have insurance automatically applied?	What you need to do if you'd like insurance	How you will get your insurance	When your cover will commence	What you need to know
If you are under age 25 and/or you have a balance under \$6,000 , we are not able to automatically give you insurance. We also can't provide you insurance if your account hasn't received a contribution or rollover in 16 months.	Elect to have insurance within 120 days of joining your employer, or date first eligible to receive SG contributions – whichever is the latter). amp.com.au/getinsurance	You will have your default insurance cover applied automatically ⁽ⁱ⁾ .	Date election made (subject to enough funds being available to pay your premiums).	Limited cover will apply until you are at work for 30 consecutive days.
	Elect to have insurance 121 days or more after joining your employer. amp.com.au/getinsurance	You will need to apply for insurance and answer health and lifestyle questions.	Date your application is accepted.	Cover will be subject to the terms and conditions the Insurer advises when you accept the offer.
If you are aged 25 or over and you have a balance of \$6,000 or more , we will automatically give you insurance. However, you will not be eligible if your account hasn't received a contribution or rollover in 16 months.	Nothing, your insurance will be automatically applied ⁽ⁱ⁾ .	Your insurance will be automatically applied ⁽ⁱ⁾ .	Date you become eligible (age 25 and balance over \$6,000); you won't be eligible if your account has been inactive for 16 months. Also subject to enough funds being available to pay your premiums.	Limited cover will apply until you are at work for 30 consecutive days.

(i) Your insurance will be automatically applied, subject to eligibility criteria, and if you haven't previously told us you don't want your insurance. If you're a Choice of Fund member electing cover (either as an insurance only member or electing choice into the default fund), you will need to submit an application form for insurance.

How to obtain cover in Super Directions for Business

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

- automatic acceptance terms
- transfer terms, or
- underwriting terms.

Automatic acceptance terms

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

Provided you are an employer-supported member and you satisfy all eligibility criteria, you may qualify for automatic acceptance of one unit of Death and TPD cover, even if your plan doesn't have an AAL.

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

You must also:

- be at work properly performing all the normal and usual duties of your usual paid employment for a period of 30 consecutive days to satisfy the eligibility criteria
- not be in receipt of (or entitled to) income support benefits from any source including workers compensation benefits, statutory transport accident benefits and disability income benefits
- join the plan in accordance with the applicable eligibility criteria
- be an Australian resident and reside in Australia, and
- satisfy any other automatic acceptance terms that apply to your employer's plan.

Automatic acceptance through a Super Directions for Business employer plan is conditional on that plan being the employer's default fund under super choice laws.

If you aren't eligible for automatic acceptance or cover isn't accepted under transfer terms (see below), then the only way you can obtain cover is by making an application under the underwriting terms (see this page). Please note an AAL may not be applicable to your employer's plan. Certain terms and conditions apply.

Transfer terms

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

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

If transfer terms apply, all eligible persons who are covered under the previous policy and are at work on the last normal business day before the Super Directions for Business policy commencement date (confirmed by a letter provided by your employer to the trustee), will be covered for the insured benefit for Group Life from the plan start date. However, you'll only be covered for a TPD benefit (if it applies) from the first date you are at work and performing all normal and usual full-time duties (without limitation).

Transfer terms are subject to a maximum benefit of \$1 million. This will be subject to any premium loadings, restrictions, exclusions and limitations applied under the former policy. Please note that should your employer's plan not be eligible for transfer terms, any insurance you have that isn't able to be automatically accepted (eg above the AAL) will require health and other underwriting evidence to be submitted (refer to underwriting terms below).

Underwriting terms

If your employer's plan provides Death only or Death and TPD cover, you may be able to apply to increase your Death or TPD cover.

You'll be required to submit a personal statement when you apply for cover or an increase in cover in the following circumstances:

- Automatic acceptance terms don't apply to your employer's plan.
- You aren't eligible for automatic acceptance.
- You require cover in excess of the AAL.
- You require cover in excess of your further underwriting limits.
- Transfer terms don't apply or you are eligible for cover in excess of the amount accepted by the previous insurer and transferred to Super Directions for Business.
- You apply for voluntary insurance cover.
- An increase in your cover is not as a result of your employer's plan pre-determined benefit formula.
- An increase in your cover in any 12-month period is greater than 30%, or
- Your cover stops under the policy for any reason, and you wish to reinstate cover.

When applying for increased insurance cover, you may need to provide evidence of your health.

Once the insurer receives the completed personal statement it may require you to undergo additional tests or provide further medical, financial or other information (such as your occupation) it deems necessary.

Upon assessing a personal statement and any evidence of health, the insurer may impose a higher premium, exclusions and restrictions or in some cases decline the cover based on the health evidence, occupation, financial or other information provided. Where you are being assessed for cover in excess of the AAL, these will not apply to the cover automatically accepted under the AAL provision.

If your application is accepted, the insurer will write to you to confirm the increase in cover and the premium that will apply. Cover does not start until the insurer advises the trustee (or their appointed representative) that your cover has started. Until then, your current level of cover, if any, will apply.

What impact does insurance have on your super?

Where you have insurance cover through your super account, it is important to be aware that any insurance premiums that are funded from your account will reduce your super balance over time. While insurance is an important benefit to many members, the trustee generally considers that, where premiums for default insurance cover exceed 1% of your salary, this may inappropriately erode your super balance. Nevertheless, you should regularly review your insurance, including whether insurance costs are appropriate for you, and consider discussing your insurance needs with a financial adviser.

You can log in to My AMP at any time to check your current arrangements and visit amp.com.au/insuranceinsidesuper to find out more about what insurance is right for you.

How to obtain cover in Super Directions for Business Rollover Section

Upon transfer to Super Directions for Business Rollover Section and provided we have your current mailing address and you meet the eligibility requirements, the amount of cover provided for Death and TPD in your employer plan in Super Directions for Business, Tailored Super or Simple Super will continue to be provided in Super Directions for Business Rollover Section. You can apply to increase or decrease the amount of cover at any time.

MySuper insurance

If you do not have insurance in your employer plan because you are:

- under 25 and / or have a balance below \$6,000
- did not elect to have insurance and
- you are a MySuper member.

When you transfer to Super Directions for Business Rollover Section and then become eligible, age 25 and over, have a balance \$6,000 or over and are not inactive (no contribution or rollover for 16 months) you will have the following insurance automatically applied to your account:

- Death cover of \$50,000 if you are not yet age 69. Cover ceases when you turn age 70, and
- TPD cover of \$25,000 if you are not yet age 55. Cover ceases when you turn age 65.

If you have previously told us you don't want your insurance, then this cover will not be applied.

Limited cover will apply until you have been **at work** for 30 consecutive days.

Cover will not apply if you have opted to reduce or cancel your insurance. Any change to the amount of your insured cover may also affect your insurance premiums.

If insurance is applied to your account you will be notified, including the amount, and cost, in your insurance confirmation letter. And you will also be able to see the amount of insurance in your **member statements** going forward from that point.

Alternatively, if you are transferred to Super Directions for Business Rollover Section and you don't have any cover, if you meet the eligibility requirements, you may apply for Group Life cover, subject to underwriting terms.

Underwriting terms

You may be able to apply to increase your Death or TPD cover.

You will be required to submit a personal statement when you apply for cover or an increase in cover. When applying for cover or additional insurance cover, you may need to provide evidence of your health.

Once the insurer receives the completed personal statement it may request you undergo additional tests or provide further medical, financial or other information (such as your occupation) it deems necessary.

Upon assessing a personal statement and any evidence of health, the insurer may impose a higher premium, exclusions and restrictions or in some cases decline the cover based on the health evidence, occupation, financial or other information provided.

If your application is accepted, the insurer will write to you to confirm the increase in cover and the premium that will apply. Cover does not start until the insurer advises the trustee (or their appointed representative) that your cover has started. Until then, your current level of cover, if any, will apply.

Interim Accidental Death and TPD cover

If you make an application for Death Only cover or Death and TPD cover (if it applies) because automatic acceptance does not apply (for any reason), the insurer provides Interim Accidental Death cover equal to the cover applied for up to a maximum of \$1 million.

Interim cover starts from the date an application for cover/ increase in cover is received by the insurer (or an earlier date the insurer agrees with you in writing).

Interim Accidental Death cover automatically ends as soon as one of the following happens:

- The insurer accepts, limits or rejects the cover which is subject to the underwriting assessment.
- You withdraw your application.
- 60 days pass from the date Interim Accidental Death cover commenced, or
- Cover would have otherwise ceased as outlined in this **additional information** booklet.

A benefit is only payable in the event of your accidental death during the period in which Interim Accidental Death cover applies. Please note this means a benefit is not payable under the Interim Accidental Death cover if you suffer total and permanent disablement or are diagnosed as suffering from a terminal illness during the period of Interim Accidental Death cover.

Accidental means bodily injury caused directly and solely by violent accidental external and visible means shall not include suicide or an intentionally self-inflicted injury.

Premiums will be charged for the period of interim cover based on the amount and type of cover requested and under assessment, in accordance with the premium rates set out in your **welcome letter**.

Future increases in cover

(Super Directions for Business only)

The insurer, at its discretion, may accept future increases up to a further underwriting limit, without the need for further medical evidence from you.

The insurer will only agree to a further underwriting limit when:

- medical and other evidence that it requires has been provided to its satisfaction
- future increases are as a result of your employer plan's pre-determined benefit formula, and
- the insurer has notified the trustee in writing of the further underwriting limit.

A further underwriting limit is not available in respect of any voluntary insurance cover.

The insurer may request health evidence or other information if there is an increase in cover of more than 30% in any 12-month period due to salary increase.

Worldwide cover

Worldwide cover is available 24 hours a day. You can have peace of mind with more effective all round protection. However, limitations may apply.

Cover during overseas employment

(Super Directions for Business only)

If you are an Australian resident, your cover may continue for up to three years while you are employed overseas, provided the insurer first agrees in writing. The insurer may impose further conditions. If you make a claim while located overseas, you may be required to return to Australia for appropriate medical treatment or assessment, at your own expense.

Cover during unpaid leave

(Super Directions for Business only)

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

- Before the unpaid leave begins you must request, and the insurer must agree, to continue your cover and any changes to the terms of the cover
- In the event of a claim for TPD, the insurer may require you, when travelling overseas, to return to Australia at your expense where necessary for medical treatment or assessment
- The six-month waiting period for TPD will commence from the date you proposed to return to the paid employment you were doing immediately before commencing the unpaid leave, and
- Cover will stop on the date following 12 months from the date your leave began.

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

If any of the events listed under **when cover ceases** occur before the end of the proposed period of unpaid leave, cover will cease and the insurer will refund you any portion of premium overpaid. Refer to Page 80 for further details.

Exclusions and restrictions for Death and TPD cover

Exclusions for death and TPD cover

Death cover

There is no exclusion for suicide applied to your Death cover where it has been automatically accepted in Super Directions for Business or where your cover is transferred to Super Directions for Business Rollover Section and had previously been accepted under the terms of automatic acceptance in your previous employer's plan.

However, where you have cover and an AAL does not apply or you have chosen to increase your cover above the level provided under your employer arrangement or apply for and have been underwritten for cover (voluntary insurance cover), a suicide clause will apply¹ to the amount of cover underwritten. In these instances, no benefit (voluntary insurance cover) will be paid for death from an intentional act within 13 months of this voluntary insurance cover commencing or subsequent increase in the voluntary insurance cover or reinstatement of cover.

TPD cover

A total and permanent disablement benefit will not be paid for a person insured, if the person received a benefit payment from another super fund which included a total and permanent incapacity benefit and is directly or indirectly related to a condition that applied prior to the person being accepted as a person insured.

There is no exclusion for attempted suicide or self-inflicted injury or sickness applied to your TPD cover where it has been automatically accepted or previously been accepted under terms of automatic acceptance in your previous employer's plan.

However, where you have cover and an AAL does not apply or you have chosen to increase your cover above the level of cover provided to you under your employer arrangement or apply for and have been underwritten for cover (voluntary insurance cover), an attempted suicide or self-inflicted injury or sickness exclusion clause¹ will apply to the amount of cover underwritten. In these instances, no benefit will be paid if your sickness or injury was caused by attempted suicide or by you on purpose within the first 13-months of this voluntary insurance cover commencing or a subsequent increase in the voluntary insurance cover or reinstatement of cover.

1 The suicide clause (death) and attempted suicide, self-inflicted injury or sickness exclusion clause (TPD) applies to previous members of Super Directions for Business who were underwritten as a result of an application for voluntary insurance. The exclusion clauses also apply to any members of the Super Directions for Business Rollover Section who apply for an increase in cover or new cover and are underwritten.

Restrictions for Death and TPD cover

TPD cover

(Super Directions for Business Rollover Section only)

If in the unfortunate circumstance of you needing to claim a TPD benefit (where provided), you will be eligible under any of the three parts (a), (b) or (c) of the TPD definition, provided that on the date you become disabled, you were permanently employed to work for an employer 15 hours or more per week. If you do not satisfy this requirement, you may claim under parts (b) or (c) of the TPD definition only. Refer to Page 99 for the TPD definition.

War

(Super Directions for Business and Super Directions for Business Rollover Section)

The insurer will decline to pay or reduce the benefit and reserves the right to vary the premium basis in the event of war, whether declared or undeclared.

The Group Life benefit amount

Super Directions for Business

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

Your benefit formula options available are:

- units of cover
- nominated amount
- nominated amount linked to CPI
- multiple of salary, or
- X% of salary multiplied by term to age 65 (subject to a maximum multiple of Y times salary).

Please refer to your **welcome letter** for the benefit formula applicable to you.

Super Directions for Business Rollover Section

Upon transfer to the Super Directions for Business Rollover Section, the amount of cover provided will change to a fixed (nominated) amount.

Any additional cover provided in this section will be a fixed (nominated) amount.

Group Life units of cover

If your benefit formula is based on units of cover, the following tables show the amount of insurance one unit of cover will give you depending on your age.

Units of cover – Death Only and Death and TPD for new employer plans that commenced on or after 28 October 2002

The following table applies to new members where the default insurance is based on units of cover.

Age last birthday	Sum insured (\$)	Age last birthday	Sum insured (\$)
to 29	43,000	47	10,000
30	41,000	48	9,000
31	39,000	49	8,000
32	37,000	50	7,000
33	35,000	51	6,250
34	33,000	52	5,500
35	31,000	53	5,000
36	29,000	54	4,500
37	27,250	55	4,000
38	25,500	56	3,500
39	23,750	57	3,000
40	22,000	58	2,500
41	20,250	59	2,000
42	18,500	60	1,500
43	16,750	61	1,500
44	15,000	62	1,500
45	13,250	63	1,500
46	11,500	64	1,500

Units of cover – Death Only and Death and TPD for new members joining employer plans that commenced prior to 28 October 2002

The following table applies to new members where the default insurance is based on units of cover.

Age last birthday	Sum insured (\$)	Age last birthday	Sum insured (\$)
to 29	43,000	47	9,700
30	39,800	48	8,600
31	36,600	49	7,500
32	34,400	50	6,500
33	34,400	51	5,400
34	32,300	52	5,400
35	31,200	53	4,300
36	29,000	54	4,300
37	26,900	55	3,200
38	24,700	56	3,200
39	22,600	57	3,200
40	20,400	58	3,200
41	18,300	59	3,200
42	16,100	60	2,000
43	15,100	61	1,500
44	12,900	62	1,500
45	11,800	63	1,500
46	10,800	64	1,500

If you are provided with units of cover for Death Only or Death and TPD as outlined in the two tables above, the premiums you pay for these units depend on your individual occupation code and are as follows:

Occupation code	Death and TPD cost of unit (per week) (\$)	Death Only cost of unit per week (\$)
A: Professional	0.45	0.34
B: White collar	0.60	0.45
C: Light manual	1.00	0.75
D: Heavy manual	1.40	1.05

The premium rates are inclusive of applicable stamp duty and 20% commission.

Group Life for other members with units of cover

If your benefit formula is based on units of cover, and you are not covered by the arrangements outlined above, the following tables show the amount of insurance one unit of cover will give you depending on your age.

Units of cover – Death Only and Death and TPD for Plans with no designated default insurance design from 1 January 2014

The following table applies to new members where there is no designated default insurance design.

Age last birthday	Sum insured (\$)	Age last birthday	Sum insured (\$)
to 29	57,500	47	18,500
30	57,500	48	18,500
31	57,500	49	18,500
32	57,500	50	12,400
33	57,500	51	12,400
34	57,000	52	12,400
35	49,000	53	12,400
36	47,500	54	8,300
37	46,000	55	8,300
38	43,000	56	6,200
39	41,000	57	6,200
40	35,000	58	6,200
41	34,000	59	4,100
42	30,000	60	4,100
43	27,000	61	4,100
44	24,500	62	3,000
45	22,000	63	2,800
46	20,000	64	2,700

If you are provided with units of cover for Death Only or Death and TPD as outlined in the two tables above, the premiums you pay for these units depend on your individual occupation code and are as follows:

Occupation code	Death and TPD cost of unit (per week) (\$)	Death Only cost of unit per week (\$)
A: Professional	0.72	0.54
B: White collar	0.96	0.72
C: Light manual	1.60	1.20
D: Heavy manual	2.24	1.68

The premium rates are inclusive of applicable stamp duty and 20% commission.

Group Life cover and premiums for MySuper members with Units of Cover

If you were previously a member of Super Directions for Business Rollover Section and were provided with a basic level of insurance as a result of the MySuper changes on 1 January 2014, you will have been provided with Death cover of \$50,000 and TPD cover of \$25,000.

The cost of the cover depends on your age and is as follows:

Age last birthday	For \$50,000 death cover	For \$25,000 TPD cover	Age last birthday	For \$50,000 death cover	For \$25,000 TPD cover
14	4.71	1.31	42	13.25	4.10
15	6.17	4.23	43	13.17	5.67
16	7.42	4.13	44	14.04	6.83
17	9.17	3.46	45	15.04	7.42
18	10.71	2.92	46	16.46	8.19
19	11.29	2.46	47	17.33	9.90
20	11.13	2.19	48	18.04	11.56
21	11.08	1.75	49	19.67	13.17
22	10.75	1.50	50	22.54	13.88
23	10.38	1.23	51	23.13	18.31
24	9.83	1.31	52	26.25	18.21
25	9.29	1.31	53	29.46	20.40
26	8.67	1.29	54	29.88	24.42
27	8.50	1.25	55	34.17	26.63
28	8.42	1.21	56	40.63	31.25
29	8.38	1.13	57	44.17	35.02
30	8.21	1.38	58	51.96	38.31
31	7.96	1.35	59	49.00	49.25
32	7.92	1.38	60	56.71	58.94
33	7.92	1.77	61	59.88	66.42
34	8.67	1.67	62	82.67	85.88
35	8.58	1.92	63	84.50	96.00
36	8.92	2.13	64	104.42	94.13
37	9.00	2.13	65	114.48	n/a
38	9.08	3.15	66	112.88	n/a
39	9.67	3.40	67	154.17	n/a
40	11.08	3.40	68	161.67	n/a
41	11.04	4.88	69	208.63	n/a

The premium rates are inclusive of applicable stamp duty.

Group Life premium rate calculations

Super Directions for Business

If you are provided with any type of insurance arrangement other than units of cover, the premium rates for Death and TPD cover will be adjusted, based on:

- your age
- whether you have submitted a non-smoker declaration
- your medical history and present state of health (if you are required to complete a personal statement)
- the overall occupation profile of your employer’s plan, and
- your employer plan’s past claims experience.

Your insurance premium is recalculated each time the amount of insurance cover changes and at each annual review.

The insurer will undertake a review of your employer’s plan every three years, which may result in a change to the premiums you pay for insurance cover. In this instance, the trustee will notify you in writing within three months of the change.

Premium level

It is important to note when enrolled in insurance by your employer, you will be charged composite insurance premium rates. Composite premium rates are based on the average risk profile of a group rather than the risk profile of an individual policyholder and are smoker agnostic. If you are a non-smoker and have not smoked in the past 12-months, you need to complete the declaration in section 5 of the **change to member preferences** form and send this to our Customer Service Centre. From the date of receipt of the declaration, the premium rates will be changed to non-smoker rates.

If you apply for cover in excess of that provided by your employer your premium will also be based on your medical history, present state of health and other information provided to the insurer. Please be aware where you are required to provide health evidence, the insurer can impose a higher premium, an exclusion, or decline cover based on the information provided.

The insurer can change the premium rates at any time but not before the premium rate guarantee date (except in limited circumstances). The premium rate guarantee date has been agreed between the insurer and the trustee.

Premiums are recalculated each time the amount of insurance cover changes, at your employer plan’s annual review or when your employer notifies us of a salary or occupation change. Any changes to your insurance cover or annual premium will be advised in your annual statement. The premium rates used to calculate your insurance premium can be altered by the insurer only after providing you with at least 30 days’ notice.

When you cease employment with your employer, you may be provided with extended cover. (See **leaving your employer** in the **Other important information for insurance cover** section for more information.) If this occurs, premiums will continue to be deducted from your account until we are notified by your employer your employment has terminated.

The premiums you pay are inclusive of stamp duty and will be based on the state or territory we record as your address.

Annual premium rates per \$1,000 sum insured – Death and Death and TPD

This table is for employer plans where the level of cover is not based on units of cover and that commenced on or after 28 October 2002. An occupation Rating of 1.00 is used.

Age last birthday	Non-smoker		Composite		Age last birthday	Non-smoker		Composite	
	Death	Death & TPD	Death	Death & TPD		Death	Death & TPD	Death	Death & TPD
14	0.49	0.63	0.49	0.63	42	1.09	2.03	1.95	3.15
15	0.49	0.63	0.49	0.63	43	1.19	2.26	2.12	3.50
16	0.60	0.77	0.60	0.77	44	1.30	2.52	2.33	3.91
17	0.72	0.93	0.72	0.93	45	1.43	2.86	2.55	4.40
18	0.77	1.08	0.77	1.08	46	1.56	3.21	2.79	4.96
19	0.81	1.11	0.81	1.11	47	1.70	3.61	3.05	5.56
20	0.75	1.03	0.99	1.31	48	1.86	4.06	3.33	6.25
21	0.74	1.02	0.99	1.30	49	2.04	4.58	3.65	7.03
22	0.69	0.96	0.95	1.25	50	2.23	5.15	4.05	7.96
23	0.64	0.89	0.91	1.19	51	2.41	5.75	4.57	9.08
24	0.61	0.85	0.89	1.16	52	2.64	6.48	5.10	10.31
25	0.59	0.83	0.88	1.16	53	2.92	7.33	5.64	11.69
26	0.56	0.81	0.89	1.17	54	3.21	8.27	6.22	13.20
27	0.55	0.80	0.91	1.20	55	3.56	9.47	6.91	15.12
28	0.55	0.81	0.93	1.24	56	3.99	10.91	7.58	17.25
29	0.55	0.82	0.96	1.28	57	4.45	12.53	8.46	19.84
30	0.57	0.86	1.00	1.34	58	5.01	14.45	9.32	22.70
31	0.59	0.90	1.03	1.39	59	5.68	16.71	10.16	25.92
32	0.61	0.93	1.07	1.46	60	6.42	19.33	11.25	29.70
33	0.62	0.96	1.11	1.52	61	7.30	22.43	12.34	33.96
34	0.64	1.00	1.15	1.59	62	8.24	25.93	13.69	38.96
35	0.66	1.06	1.18	1.66	63	9.28	29.95	15.42	44.95
36	0.69	1.13	1.24	1.78	64	10.51	34.65	17.15	51.64
37	0.72	1.21	1.30	1.91	65	11.59	n/a	18.92	n/a
38	0.77	1.32	1.40	2.09	66	12.75	n/a	20.81	n/a
39	0.83	1.47	1.50	2.29	67	14.00	n/a	22.84	n/a
40	0.90	1.62	1.62	2.52	68	15.36	n/a	25.07	n/a
41	1.00	1.82	1.79	2.84	69	16.82	n/a	27.51	n/a

Premium rates are inclusive of stamp duty and 20 per cent commission.

Annual premium rates per \$1,000 sum insured – Death and Death and TPD

This table is for employer plans where the level of cover is not based on units of cover and that commenced prior to 28 October 2002. An occupation Rating of 1.00 is used.

Age last birthday	Non-smoker		Composite		Age last birthday	Non-smoker		Composite	
	Death	Death & TPD	Death	Death & TPD		Death	Death & TPD	Death	Death & TPD
14	0.54	0.69	0.54	0.69	42	1.18	2.21	2.12	3.42
15	0.54	0.69	0.54	0.69	43	1.29	2.45	2.31	3.80
16	0.65	0.84	0.65	0.84	44	1.42	2.74	2.53	4.25
17	0.78	1.00	0.78	1.00	45	1.55	3.10	2.77	4.77
18	0.84	1.17	0.84	1.17	46	1.70	3.49	3.03	5.39
19	0.88	1.20	0.88	1.20	47	1.85	3.93	3.31	6.05
20	0.81	1.12	1.07	1.42	48	2.02	4.41	3.61	6.78
21	0.80	1.10	1.07	1.41	49	2.22	4.98	3.97	7.64
22	0.75	1.04	1.04	1.36	50	2.42	5.59	4.41	8.66
23	0.69	0.96	0.99	1.29	51	2.62	6.25	4.96	9.86
24	0.66	0.91	0.97	1.26	52	2.87	7.04	5.54	11.21
25	0.64	0.89	0.96	1.26	53	3.17	7.97	6.12	12.70
26	0.61	0.88	0.97	1.27	54	3.49	8.99	6.76	14.35
27	0.60	0.87	0.99	1.31	55	3.87	10.30	7.51	16.43
28	0.60	0.88	1.02	1.35	56	4.34	11.86	8.23	18.74
29	0.60	0.89	1.05	1.39	57	4.84	13.62	9.19	21.57
30	0.62	0.94	1.08	1.45	58	5.44	15.71	10.13	24.68
31	0.64	0.97	1.12	1.51	59	6.17	18.16	11.04	28.17
32	0.66	1.00	1.16	1.58	60	6.97	21.01	12.23	32.28
33	0.67	1.04	1.20	1.65	61	7.93	24.38	13.41	39.90
34	0.69	1.08	1.25	1.73	62	8.96	28.18	14.88	42.35
35	0.71	1.15	1.28	1.81	63	10.09	32.55	16.76	48.85
36	0.75	1.23	1.35	1.94	64	11.42	37.66	18.64	56.13
37	0.78	1.32	1.42	2.08	65	12.60	n/a	20.56	n/a
38	0.84	1.44	1.52	2.26	66	13.86	n/a	22.61	n/a
39	0.90	1.60	1.63	2.49	67	15.22	n/a	24.82	n/a
40	0.98	1.76	1.76	2.74	68	16.69	n/a	27.24	n/a
41	1.08	1.97	1.94	3.08	69	18.32	n/a	29.90	n/a

Premium rates are inclusive of stamp duty and 20 per cent commission.

Super Directions for Business Rollover Section

The premium rates for Death and TPD cover are based on composite rates for smoker/non-smoker and male/ female and are dependent on your age. They apply to all occupational types.

Your insurance premium is recalculated upon transfer to Super Directions for Business Rollover Section, each time the amount of cover changes and at each annual review. The premium rates used to calculate your insurance premium can be altered by the insurer only after providing you with at least 30 days' notice.

Annual premium rates per \$1,000 sum insured – Death and Death and TPD

Age last birthday	Death Only(\$)	Death & TPD(\$)	Age last birthday	Death Only(\$)	Death & TPD(\$)
14	1.13	1.76	42	3.18	5.15
15	1.48	3.51	43	3.16	5.88
16	1.78	3.76	44	3.37	6.65
17	2.20	3.86	45	3.61	7.17
18	2.57	3.97	46	3.95	7.88
19	2.71	3.89	47	4.16	8.91
20	2.67	3.72	48	4.33	9.88
21	2.66	3.50	49	4.72	11.02
22	2.58	3.30	50	5.41	12.07
23	2.49	3.08	51	5.55	14.34
24	2.36	2.99	52	6.30	15.04
25	2.23	2.86	53	7.07	16.86
26	2.08	2.70	54	7.17	18.89
27	2.04	2.64	55	8.20	20.98
28	2.02	2.60	56	9.75	24.75
29	2.01	2.55	57	10.60	27.41
30	1.97	2.63	58	12.47	30.86
31	1.91	2.56	59	11.76	35.40
32	1.90	2.56	60	13.61	41.90
33	1.90	2.75	61	14.37	46.24
34	2.08	2.88	62	19.84	61.06
35	2.06	2.98	63	20.28	66.36
36	2.14	3.16	64	25.06	70.24
37	2.16	3.18	65	27.50	n/a
38	2.18	3.69	66	27.09	n/a
39	2.32	3.95	67	37.00	n/a
40	2.66	4.29	68	38.80	n/a
41	2.65	4.99	69	50.07	n/a

Premium rates are inclusive of stamp duty and 20 per cent commission.

The benefits of Group Life insurance

Death benefit

The insurer will pay the death benefit if you die:

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

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

In cases of super assets, if a death benefit becomes payable it will consist of:

- your super account benefit, plus
- the proceeds of any insurance claim paid by the insurer.

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

For more information on **how a benefit will be paid upon death** refer to section 10.

Terminal Illness benefit

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

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

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

Refer to Page 99 for the insurer's definition of Terminal Illness that you will need to meet.

If a Terminal Illness claim is admitted, the insurer will pay the insured amount to the Trustee. Then, subject to you having satisfied a condition of release under superannuation law, the Trustee will make the proceeds available to you as a lump sum.

Your Death cover and TPD cover is reduced by the amount of any Terminal Illness benefit that is paid.

Please note that under superannuation law the terminal illness test for release of funds is broader and operates on a 24 month timeframe. This is different to the operation of your insurance policy, please refer to the section below for important information.

Differences between the insurance policy and superannuation law

Under superannuation law, a member who is certified by two doctors (one who is a specialist in the field of the Insured Member's illness) as having a life expectancy of 24 months or less from the date of certification will be considered to have met a Terminal Medical condition of release. If you have met a condition of release and choose to withdraw your full account balance, your superannuation account will be closed and any insurance cover that the you held through your account will be cancelled from the date of closure. If you close your account between the 24 and 12 month period and subsequently die, your beneficiaries will not be able to claim against any insurance cover (due to it being cancelled).

Before closing your account, Terminally Ill members should seek financial advice to ensure that you fully understand the impact that this will have on your ability to claim against any insurance cover that you hold through your superannuation account. If you leave your superannuation account open with sufficient funds to pay your ongoing insurance premiums, your insurance cover will continue. If you subsequently meet the definition of Terminally Ill (your life expectancy is 12 months or less) under the insurance policy, you will be able to claim against your insurance policy.

TPD benefit

If you have TPD cover the insurer will pay the TPD benefit if you are sick or injured and meet the insurer's definition of totally and permanently disabled. You will be asked to provide the insurer with medical evidence of your disability to enable them to determine whether you qualify for the payment of the TPD benefit.

TPD sum insured reduction

Where the benefit basis used to determine your TPD benefit does not reduce your TPD benefit to nil by age 65, an over-riding reducing formula will be automatically imposed. This reducing formula will result in the TPD sum insured reducing progressively from age 60 to zero at age 65.

In Simple Super and Tailored Super employer plans, TPD benefits commence reducing at age 55. If you are between age 55 and 59 when you are transferred from a Simple Super or Tailored Super employer plan, your TPD benefits will stop reducing at the time of transfer. When you reach age 60, they will re-commence reducing, and will reduce progressively to zero at age 65.

Who the TPD benefit is paid to

If a claim is accepted, the insurer will pay the insured amount to the Trustee, then, subject to you having satisfied a condition of release under superannuation law, the Trustee will make the proceeds available to you.

Payment of TPD benefits

If you receive a TPD benefit your Death cover will end.

Upon acceptance of a TPD claim, your account balance will be switched to the Multi-manager Secure portfolio.

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

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

How to make a claim for Death and TPD

In the event of your Death (including Accidental Death), your employer (Super Directions for Business members) or a representative acting on your behalf should contact the Trustee or the insurer within 30 days of the date you die, or as soon as it is reasonably possible to do so.

In the event of TPD, you, your employer (Super Directions for Business members) or the Trustee should contact the insurer the earlier of:

- 30 days from the occurrence of any event that may give rise to a claim
- 30 days after the expiration of the six month waiting period, and
- as soon as it is reasonably possible to do so.

For Terminal Illness, you or your employer (Super Directions for Business members) should contact the insurer or the Trustee as soon as reasonably possible.

The insurer will contact you or your employer (Super Directions for Business members), or in the case of your death, your legal personal representative, to inform you of their claim requirements as soon as reasonably possible.

The informing you of the claim requirements does not constitute an admission of liability in respect of any claim lodged.

If the insurer doesn't receive notice within 30 days of you ceasing work due to injury or sickness, they may refuse to pay for any part of your claim which happened 30 days or more before notice was received to the extent their assessment of the claim is prejudiced.

The insurer generally asks for medical information and evidence to enable your claim for a Terminal Illness benefit to be assessed. If you lodge a claim for a TPD benefit, you will be asked for medical, financial, occupation information and details of your daily activities. You may also be required to be interviewed and attend vocational assessments and rehabilitation. You, your employer (Super Directions for Business members) and the Trustee are also required to provide the insurer with all information required in order to determine your eligibility for benefits.

If you would like more information about making a claim for a Group Life benefit call our Customer Service Centre on 133 056.

Payment of the claim

For the insurer to pay a claim, you must provide evidence of the following:

- Super Directions for Business – if you were accepted (or an increase of the insured benefit was accepted) under automatic acceptance or the insurer's transfer terms, you, your employer and the trustee met all of the insurer's requirements

- Super Directions for Business Rollover Section – if you were accepted under automatic acceptance or the insurer’s transfer terms under your previous employer’s plan, and you, your previous employer and the trustee met all of the insurer’s requirements
- your entitlement to claim the applicable insured benefit, and
- your age.

Payment of a claim is conditional upon you (or your dependants/legal personal representative), your employer (Super Directions for Business members) and the trustee establishing entitlement with the insurer by:

- providing an original or certified death certificate (for more information on **who the claim can be paid to** refer to section 10)
- providing a birth certificate (or other proof of birth to the insurer’s satisfaction) and all other documents they require
- providing medical reports from treating medical practitioners
- being examined by a medical practitioner they nominate who must confirm the condition when reasonably required by the insurer (and at their expense)
- providing pathology, blood tests, x-ray or other appropriate evidence, and
- providing occupational and financial information together with details of your daily activities.

In relation to a TPD claim, when reasonably required by the insurer (and at their expense) you may be required to:

- undergo vocational assessment and/or rehabilitation,
- be interviewed. and
- agree to an audit of the person’s insured financial circumstances.

Misstatement of age

If your age is misstated, the insurer reserves the right to adjust the premium or the benefit based on your correct age.

Currency

All Death and TPD claim payments are made in Australian dollars.

When cover ceases

Cover will cease when your membership ceases, when you request cancellation of cover or as soon as one of the following happens:

- when you reach the cover expiry age. The cover expiry age for Death is 65 or 70 depending on the insurance arrangements and for TPD is 65
- upon payment of a Death, Accidental Death or TPD benefit
- upon payment of a Terminal Illness benefit if it equals the total death benefit payable. If a Terminal Illness benefit paid is less than the Death benefit payable, the cover will cease when the balance of the Death benefit is paid on your death
- when premiums are not received either by non-payment of contributions or insufficient account balance.
- If no contributions or rollovers have been received into your account for a period of 16 months, we may be required to cancel your insurance (unless you’ve told us in writing that you want to keep your insurance: you can do this online at amp.com.au/whyinsurance.)
- if you make a fraudulent claim
- when cover for all insured persons stops when the policy between the trustee and the insurer ends

In addition to the above above, cover in Super Directions for Business also stops for a person insured as soon as one of the following happens:

- when you no longer meet the eligibility terms applicable
- when you, as an employee, elect for your employer to contribute on your behalf to a different super fund other than your employer’s Super Directions for Business plan, or
- when you are on unpaid leave or employed overseas for longer than the period of time the Insurer has agreed to provide cover except where the reason why you have not returned to work is because you have made a claim under the policy, or are eligible to do so.

Section 8:

Salary Continuance insurance cover

In this section we'll discuss:

- **Salary Continuance insurance cover**
Further information on Salary Continuance cover
- **Eligibility criteria**
Eligibility criteria for Salary Continuance cover
- **Automatic acceptance terms**
Information about the automatic acceptance terms

This section applies to Super Directions for Business only.

Salary Continuance cover provides a monthly benefit if you are unable to work due to illness or injury and have met the definition of Total Disablement.

Salary Continuance cover is only available with Death or Death and TPD cover. It's not a stand-alone insurance option. There are five components to Salary Continuance cover:

1. Total Disablement benefit

If you are totally disabled, the insurer will pay a monthly benefit for a period of up to two years or to age 65, depending on your benefit basis.

The Total Disablement benefit you receive under Salary Continuance cover is a monthly benefit of the lesser of:

- up to 75% times the first \$320,000 of your income divided by 12;
- such other limited benefit resulting from either transfer terms of underwriting terms; or
- any voluntary insurance cover,

less any business expense and offsets.

Your income is your monthly income earned at the time of injury. The maximum monthly benefit you can receive is \$20,000 per month. The benefit can be paid for a maximum of two years or to age 65, depending on your benefit basis, for any one claim, after a waiting period.

Waiting period

A waiting period is the period during which you must be totally or partially disabled before any Total Disablement benefit is payable. You are not entitled to a Total Disablement benefit for the duration of the waiting period. Your waiting period is chosen by your employer. It starts when a medical practitioner first examines you and certifies that you are unable to work due to a sickness or injury.

2. Recurring disablement benefit

Where you have been totally or partially disabled and return to work and are subsequently disabled within six months due to the same or related cause, the claim will be treated as a continuance to the earlier original claim and the waiting period won't apply. If this applies, we'll add together all the periods for which you have received a benefit to determine when the benefit period ends.

3. Partial disablement benefit

If you are partially disabled immediately after being totally disabled for at least 14 consecutive days, the insurer will pay a reduced monthly benefit for an agreed amount of time. The insurer doesn't pay a benefit for any period of time during the waiting period.

4. Death benefit

If you die before you turn 65, while you are being paid a disability benefit, the insurer will pay one additional month's benefit after your death. This will not affect any claim for your Death cover benefit.

5. Interim Accident benefit

From the date the insurer receives your application for Salary Continuance cover, it will provide Interim Accident cover for up to 60 days.

Eligibility criteria

General eligibility

You are eligible for Salary Continuance cover if:

- you have been accepted as a member of Super Directions for Business
- you are aged 15 or more but less than 65 on the day you were first eligible for cover
- you are permanently employed to work at least 15 hours per week
- you are an Australian resident, and you reside in Australia (unless you are working overseas with the Insurer's written approval)
- you work in an occupation the insurer does not class as an excluded occupation, and
- you satisfy any other eligibility criteria that apply to your employer's plan.

The trustee and the insurer will agree to further eligibility criteria (if applicable) for each employer plan on a case-by-case basis. If this applies, we will contact you.

The eligibility criteria may refer to different categories of members. In that case, you are covered for the insured benefits applicable to the category in which you are accepted as a member.

Please note: Your employer will confirm your hours per week upon you joining Super Directions for Business, and at the point of claim, to decide if you are eligible for the applicable insurance cover. Your employer should advise us of changes in your working hours. Premiums will be charged based on the last advice to us.

Super Law eligibility

In addition to meeting the General eligibility criteria above, under super laws, you still may not be eligible for insurance if **any** of the following applies to you:

- you are aged under 25
- since opening the account, your balance hasn't reached \$6,000
- your account hasn't received a contribution or rollover for 16 months,
 - unless** you meet any of the following criteria:
 - you tell us you'd like default insurance (if you tell us within 120 days of joining your employer, you won't need to complete a full application or provide information about your health. However, after 120 days, you will need to complete a full application and provide information about your health.)
 - your employer funds the full cost of insurance and notifies us of this
 - we've determined that you're employed in a dangerous occupation and have notified you that you'll be provided cover on this basis.

The table below explains how to elect to have insurance, and if you don't elect, how you will have it applied when you meet the eligibility criteria. Also included is what you need to know about the terms that will apply to your insurance cover.

Will you have insurance automatically applied?	What you need to do if you'd like insurance	How you will get your insurance	When your cover will commence	What you need to know
If you are under age 25 and/or you have a balance under \$6,000 , we are not able to automatically give you insurance. We also can't provide you insurance if your account hasn't received a contribution or rollover in 16 months.	Elect to have insurance within 120 days of joining your employer, or date first eligible to receive SG contributions – whichever is the latter). amp.com.au/getinsurance	You will have your default insurance cover applied automatically ⁽ⁱ⁾ .	Date election made (subject to enough funds being available to pay your premiums).	Limited cover will apply until you are at work for 30 consecutive days.
	Elect to have insurance 121 days or more after joining your employer. amp.com.au/getinsurance	You will need to apply for insurance and answer health and lifestyle questions.	Date your application is accepted.	Cover will be subject to the terms and conditions the Insurer advises when you accept the offer.
If you are aged 25 or over and you have a balance of \$6,000 or more , we will automatically give you insurance.	Nothing, your insurance will be automatically applied ⁽ⁱ⁾ .	Your insurance will be automatically applied ⁽ⁱ⁾ .	Date you become eligible (age 25 and balance over \$6,000); you won't be	Limited cover will apply until you are at work for 30 consecutive days.

Will you have insurance automatically applied?	What you need to do if you'd like insurance	How you will get your insurance	When your cover will commence	What you need to know
However, you will not be eligible if your account hasn't received a contribution or rollover in 16 months.			eligible if your account has been inactive for 16 months. Also subject to enough funds being available to pay your premiums.	

- (i) Your insurance will be automatically applied, subject to eligibility criteria, and if you haven't previously told us you don't want your insurance. If you're a Choice of Fund member electing cover (either as an insurance only member or electing choice into the default fund), you will need to submit an application form for insurance.

How to obtain Salary Continuance cover in Super Directions for Business

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

- automatic acceptance terms
- transfer terms, or
- underwriting terms.

Automatic acceptance terms

When your employer establishes their plan, the insurer may agree to provide an AAL. If your employer's plan qualifies for automatic acceptance, and you meet the automatic acceptance conditions and your cover is less than the AAL for your plan, you may not be required to provide a personal statement.

To qualify for automatic acceptance, your employer must enrol you as a member of the Fund within 120 days of you becoming eligible, a contribution must be remitted, a premium paid, and you must meet all eligibility criteria.

You must also:

- be at work properly performing all the normal and usual duties of your usual paid employment on the day you first satisfy the eligibility criteria
- join the plan in accordance with the applicable eligibility criteria
- be an Australian resident and reside in Australia
- be less than 60 years of age, and
- satisfy any other automatic acceptance terms that apply to your employer's plan.

Automatic acceptance through a Super Directions for Business plan is conditional on that plan being the employer's default fund under the super choice laws.

If you are not eligible for automatic acceptance or cover is not accepted under **transfer terms** (see below), then the only way you can obtain cover is by making an application under the 'underwriting terms' as defined on the following page. Please note an AAL may not be applicable to your employer's plan. Certain terms and conditions apply.

Transfer terms

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

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

If transfer terms apply, all eligible persons who are covered under the previous policy and are at work on the last normal business day before the Super Directions for Business policy commencement date (confirmed by a letter provided by your employer to the Trustee), will be covered for the monthly benefit for Salary Continuance, from the policy start date, if certain conditions are met.

If transfer terms apply, and you were covered under the former policy, and are not at work on the last normal business day before the policy start date, you will only be covered if the event which gives rise to a claim is solely a direct result of an injury occurring after the policy with the insurer has started, because of an accidental event which is violent, external and visible and was not caused by attempted suicide, or self-inflicted by you on purpose.

This restriction will continue until the date you return to work performing all the normal and usual full-time duties (without limitation) performed when last at work and you must not be entitled to a benefit under the former policy.

Transfer terms are subject to a maximum benefit limit. This will be subject to any premium loadings, restrictions, exclusions and limitations that applied under the former policy. The maximum amount of cover the insurer will provide under transfer terms is a monthly benefit of \$10,000 for each insured member if an AAL is applied to the cover.

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

Underwriting terms

You'll be required to submit a personal statement when you apply for an increase in cover in the following circumstances:

- automatic acceptance terms don't apply to your employer's plan
- you aren't eligible for automatic acceptance
- you require cover in excess of the AAL
- you require cover in excess of your further underwriting limits
- transfer terms do not apply or you are eligible for cover in excess of the amount accepted by the previous insurer and transferred to Super Directions for Business
- you apply for voluntary insurance cover
- an increase in your cover is not as a result of your employer's plan pre-determined benefit formula
- an increase in cover in any 12-month period is greater than 30%, or
- your cover stops under the policy for any reason, and you wish to reinstate cover.

Once the insurer receives the completed personal statement it may require you to undergo additional tests or provide further medical, financial or other information (such as your occupation) it deems necessary.

When assessing a personal statement, the insurer may impose a higher premium, exclusions and restrictions or in some cases decline the cover based on the health evidence, occupation, financial or other information provided. Where you are being assessed for cover in excess of the AAL, these will not apply to the cover accepted under the AAL provision.

If your application is accepted, the insurer will write to you to confirm the increase in cover and the premium that will apply. Cover does not start until the insurer advises the Trustee (or their appointed representative) your cover has started. Until then, your current level of cover, if any, will apply.

Interim Accidental Salary Continuance cover

If you apply to add or increase your Salary Continuance cover, the insurer may provide you with Interim Accidental cover while considering your application.

If you are required to submit a personal statement for Salary Continuance cover, Interim Accidental Salary Continuance cover provides a restricted level of benefit while your application for cover is considered by the insurer. It is provided for all or that part of the cover for which an application is required. Interim Accidental Salary Continuance cover starts from the date an application for cover/increase in cover is received by the Insurer (or an earlier date the insurer agrees with you in writing).

The insurer provides the benefit amount applied for up to a maximum limit of \$10,000 per month, but only in the event of total disability caused by accidental injury which lasts at least the length of the waiting period.

Interim Accidental Salary Continuance cover automatically ends as soon as one of the following happens:

- The insurer accepts, limits or rejects the cover that is subject to the underwriting assessment.
- You withdraw your application.
- 60 days pass from the date Interim Accidental Salary Continuance cover commenced, or
- Cover would have otherwise stopped as outlined in this additional information booklet.

Premiums will be charged for the period of interim cover based on the amount and type of cover requested and under assessment, in accordance with the premium rates set out in your **welcome letter**.

Accidental means bodily injury caused directly and solely by violent accidental external and visible means but shall not include suicide or an intentionally self-inflicted injury.

Future increase in cover

The insurer, at its discretion, may accept future increases up to a further underwriting limit, without the need for further medical evidence from you.

The insurer will only agree to a further underwriting limit when:

- medical and other evidence which it required has been provided to its satisfaction
- future increases are as a result of your employer plan's pre-determined benefit formula, and
- the insurer has notified the trustee in writing of the further underwriting limit.

A further underwriting limit is not available in respect of any voluntary insurance cover.

The insurer may request health evidence or other information if there is an increase in cover of more than 30% in any 12-month period due to salary increase.

Cover during overseas employment

If you are an Australian resident, your cover may continue for up to three years while you are employed overseas and/or travelling for your employer, provided the insurer first agrees in writing. The insurer may impose further conditions. If you make a claim while located overseas, you may be required to return to Australia for appropriate medical treatment or assessment, at your own expense.

Worldwide cover

Worldwide cover of your insurance is available 24-hours a day. You can have peace of mind with more effective all-round protection. However, limitations may apply.

Cover during unpaid leave

Your cover may continue if you are on unpaid leave (for reasons other than injury or sickness) subject to the following conditions:

- Before the unpaid leave begins you must request and the insurer must agree to continue your cover and any changes to the terms of the cover
- In the event of a claim for Salary Continuance, the insurer may require you, when travelling overseas, to return to Australia at your expense where necessary for medical treatment or assessment
- If you are totally disabled during the period of unpaid leave and claim under your Salary Continuance cover, the waiting period will commence from the date the insurer has received a medical certificate from a registered medical practitioner stating you are unable to work due to sickness or injury, and
- Cover will stop on the date following 12 months from the date your leave began.

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

If any of the events listed under **when cover ceases** occur before the end of the proposed period of unpaid leave, cover will cease and the insurer will refund you any portion of premium overpaid. Refer to Page 93 for further details.

Exclusions and restrictions

Exclusions

No insured benefit will be payable if your Total Disablement or Partial Disablement is deemed by the insurer to be:

- caused by uncomplicated pregnancy, childbirth or miscarriage
- caused by a self-inflicted injury or sickness
- a fraudulent claim
- any act of war, declared or undeclared, or
- caused by your service in the armed services of any country or international organisation.

Restrictions

The insurer will decline to pay, or reduce a benefit which we may otherwise pay to you:

- if the policy claim requirements have not been complied with by you, us or your employer
- if you are in jail, or otherwise detained, as a result of a criminal act, or
- if a premium due for all persons insured has not been paid by the due date.

Premium rates

The insurer will calculate the premium rates that apply to your employer's plan based on:

- if there is at least a 25% change in the membership profile, including the total number of members in the plan with Salary Continuance
- if there has been a significant change in the information provided by the employer on which we relied
- change in the the benefit type and eligibility, and
- past claims experience of the plan.

The premium rate charged to you is dependent on:

- your age
- your gender
- your occupation
- the waiting period
- the benefit period, and
- in relation to underwritten cover, your medical history and present state of health (if required).

Your premiums are recalculated at each annual review, each time there is a change of cover and each time there is a change in your salary. The premiums you pay are inclusive of stamp duty and will be based on the state or territory we record as your address.

For the 'two-year' benefit period, a loading will apply to the premium rates where there are less than 10 members in the plan with Salary Continuance cover. For the 'to age 65' benefit period, there must be a minimum of 20 members for this cover to be available to the plan. Where the number of members with the 'to age 65' benefit period subsequently drops below 20, a loading will be applied to the premium rates.

The premium rates in the tables on the next page are based on a professional occupation classification. The premium rates you pay depend on your own occupation rating. The different occupation ratings are as follows:

Occupational ratings	
Occupation code	Occupation rating ⁽ⁱ⁾
A: Professional	1.00
B: White collar	1.25
C: Light manual ⁽ⁱⁱ⁾	2.40
D: Heavy manual ⁽ⁱⁱ⁾	3.00

(i) These figures are a multiple applied to the premium rates.

(ii) Members with occupation codes C and D are not eligible for Salary Continuance to age 65 benefit.

The cost of your Salary Continuance cover may differ to the premium rates shown in the table on the next page where the plan has less than the minimum required number of members with Salary Continuance cover and a loading is applied to the premium.

Your premiums are recalculated at each annual review and each time there is a change in your salary or cover. Any alteration to your annual premium will be advised in your annual statement.

For more information contact your plan's financial adviser or call our Customer Service Centre on 133 056.

Annual premium rates per \$1,000 sum insured – Salary Continuance for a two-year benefit period

Age last birthday	Male			Female			Age last birthday	Male			Female		
	30 days	60 days	90 days	30 days	60 days	90 days		30 days	60 days	90 days	30 days	60 days	90 days
14	2.58	1.93	0.72	3.88	2.92	1.08	40	4.48	3.51	1.56	6.73	5.26	2.34
15	2.63	1.98	0.74	3.94	2.99	1.10	41	4.74	3.72	1.73	7.10	5.59	2.58
16	2.66	2.01	0.75	4.00	3.00	1.13	42	5.04	3.97	1.88	7.54	5.96	2.82
17	2.69	2.02	0.75	4.04	3.02	1.13	43	5.31	4.23	2.05	7.97	6.34	3.10
18	2.73	2.06	0.77	4.10	3.09	1.14	44	5.62	4.49	2.24	8.43	6.71	3.36
19	2.77	2.09	0.78	4.17	3.13	1.17	45	5.96	4.82	2.48	8.94	7.25	3.72
20	2.83	2.12	0.78	4.24	3.19	1.17	46	6.31	5.15	2.73	9.46	7.74	4.09
21	2.76	2.06	0.78	4.13	3.10	1.18	47	6.71	5.57	3.00	10.08	8.37	4.49
22	2.71	2.05	0.75	4.06	3.08	1.14	48	7.13	5.99	3.31	10.70	8.99	4.97
23	2.67	2.01	0.75	4.00	3.00	1.13	49	7.61	6.50	3.64	11.42	9.73	5.47
24	2.64	1.99	0.74	3.96	2.97	1.11	50	8.13	7.00	4.03	12.21	10.50	6.05
25	2.60	1.96	0.74	3.91	2.93	1.11	51	8.73	7.59	4.46	13.09	11.41	6.70
26	2.57	1.95	0.72	3.85	2.90	1.08	52	9.41	8.27	4.97	14.11	12.42	7.45
27	2.57	1.92	0.72	3.85	2.90	1.08	53	10.14	9.01	5.53	15.19	13.51	8.29
28	2.61	1.96	0.72	3.93	2.96	1.08	54	10.96	9.85	6.14	16.44	14.78	9.21
29	2.67	2.01	0.75	4.03	3.02	1.13	55	11.88	10.70	6.66	17.83	16.05	9.98
30	2.76	2.08	0.78	4.13	3.12	1.17	56	12.94	11.67	7.25	19.40	17.50	10.87
31	2.86	2.15	0.79	4.29	3.22	1.20	57	14.13	12.73	7.93	21.22	19.10	11.90
32	2.97	2.24	0.84	4.48	3.36	1.24	58	15.52	13.96	8.68	23.27	20.95	13.02
33	3.12	2.34	0.88	4.68	3.52	1.31	59	17.08	15.36	9.57	25.61	23.04	14.35
34	3.28	2.47	0.92	4.92	3.70	1.39	60	18.88	16.99	10.57	28.33	25.51	15.87
35	3.45	2.60	1.00	5.17	3.91	1.49	61	20.96	18.87	11.74	31.44	28.28	17.60
36	3.64	2.77	1.11	5.46	4.14	1.66	62	23.33	21.01	13.08	35.01	31.52	19.61
37	3.83	2.92	1.21	5.75	4.37	1.83	63	21.87	19.66	12.24	32.80	29.51	18.38
38	4.01	3.08	1.33	6.02	4.63	1.99	64	12.06	10.86	6.74	18.09	16.29	10.11
39	4.24	3.28	1.44	6.37	4.92	2.17							

Annual premium rates per \$1,000 sum insured – Salary Continuance for ‘to age 65’ benefit period

Age last birthday	Male			Female			Age last birthday	Male			Female		
	30 days	60 days	90 days	30 days	60 days	90 days		30 days	60 days	90 days	30 days	60 days	90 days
14	7.13	6.48	2.49	10.69	9.73	3.73	40	16.64	15.79	7.31	24.95	23.69	10.98
15	7.30	6.63	2.55	10.94	9.95	3.81	41	17.68	16.90	8.04	26.53	25.34	12.05
16	7.51	6.83	2.63	11.26	10.24	3.93	42	18.80	18.06	8.84	28.21	27.10	13.25
17	7.68	6.99	2.70	11.53	10.49	4.05	43	19.99	19.33	9.69	29.99	28.98	14.54
18	7.91	7.21	2.75	11.85	10.81	4.13	44	20.85	20.26	10.43	31.28	30.39	15.65
19	8.13	7.41	2.85	12.18	11.13	4.28	45	21.78	21.43	11.30	32.66	32.14	16.95
20	8.36	7.60	2.91	12.55	11.41	4.36	46	22.73	22.64	12.28	34.08	33.95	18.40
21	8.23	7.50	2.88	12.33	11.25	4.31	47	23.68	23.88	13.25	35.53	35.81	19.86
22	8.14	7.40	2.84	12.20	11.10	4.25	48	24.70	25.24	14.33	37.05	37.85	21.49
23	8.04	7.33	2.81	12.06	11.00	4.21	49	25.76	26.61	15.44	38.65	39.93	23.15
24	8.01	7.31	2.79	12.01	10.96	4.19	50	26.86	28.05	16.66	40.30	42.09	24.99
25	8.01	7.31	2.81	12.03	10.96	4.23	51	28.00	29.63	17.93	42.00	44.45	26.88
26	8.04	7.33	2.81	12.04	11.00	4.23	52	29.21	31.23	19.26	43.81	46.84	28.89
27	8.14	7.43	2.84	12.20	11.13	4.25	53	30.48	32.93	20.68	45.70	49.39	31.01
28	8.35	7.63	2.95	12.54	11.44	4.43	54	31.75	34.69	22.19	47.63	52.04	33.29
29	8.68	7.91	3.03	13.01	11.86	4.54	55	31.79	34.76	22.23	47.66	52.13	33.35
30	9.06	8.25	3.16	13.59	12.38	4.75	56	31.63	34.59	22.11	47.44	51.88	33.18
31	9.54	8.70	3.34	14.30	13.04	5.01	57	31.30	34.20	21.89	46.94	51.30	32.81
32	10.08	9.20	3.51	15.11	13.80	5.28	58	30.64	33.50	21.41	45.94	50.25	32.13
33	10.70	9.76	3.75	16.05	14.64	5.61	59	29.59	32.38	20.70	44.40	48.56	31.05
34	11.36	10.40	3.99	17.06	15.59	5.98	60	28.53	31.23	17.96	42.79	46.83	26.95
35	12.11	11.10	4.43	18.18	16.65	6.64	61	26.15	28.60	16.48	39.23	42.90	24.71
36	12.94	11.98	4.91	19.41	17.96	7.36	62	22.64	24.76	14.23	33.95	37.15	21.35
37	13.79	12.80	5.41	20.68	19.19	8.13	63	20.18	22.06	11.29	30.26	33.10	16.94
38	14.70	13.71	6.01	22.04	20.56	9.04	64	8.64	9.48	4.83	12.96	14.20	7.24
39	15.64	14.74	6.64	23.45	22.10	9.96							

The benefits of Salary Continuance insurance

If you are accepted as a member and your employer plan has elected Salary Continuance insurance, you will have Salary Continuance cover for the following benefits, subject to the terms of that plan.

These have been negotiated with the trustee on a plan-by-plan basis but are described in general terms in this section.

Total Disablement benefit

The insurer will pay a monthly benefit if you are totally disabled for longer than the waiting period. The monthly benefit starts to accrue from the day after the end of the waiting period. The monthly benefit is payable monthly in arrears and stops at the earliest of:

- you being paid total disablement benefits for the maximum period for which benefits are payable for any one claim
- you reaching the benefit expiry age
- you ceasing to be totally disabled or partially disabled (as applicable)
- you failing to make available to the insurer medical, financial or other evidence required to assess a claim
- the benefit period for the cause of the disability ending
- if you are totally disabled, in the insurer's opinion, you fail to take all steps to return to work if you have the capacity to do so
- if you are partially disabled, in the insurer's opinion, you fail to take all steps to return to work in an increased capacity if you have the capacity to do so
- you refusing to undertake treatment or rehabilitation that could, in the insurer's opinion, be expected to assist in your ability to return to work or your ability to return to work in an increased capacity (as applicable)
- you ceasing to be under medical care
- you making a fraudulent claim
- you being in jail or otherwise detained as a result of a criminal act, and/or
- your death.

Monthly benefit

The Total Disablement benefit you receive under Salary Continuance cover is a monthly benefit of the lesser of:

- up to 75% of the first \$320,000 of your income divided by 12;
- such other limited benefit resulting from either transfer terms of underwriting terms; or
- any voluntary insurance cover,

less any business expense and offsets.

The maximum monthly benefit you can receive is \$20,000 per month. The monthly benefit is payable if you qualify for one of the benefits detailed below (where applicable). The monthly benefit will be payable for the benefit period of up to two years or up to age 65, depending on your cover. Where the monthly benefit is paid up to age 65, the payments may be indexed to the lesser of the CPI and 7.5%.

If a payment is for a part month, then it will be calculated on the basis of 1/30th of the monthly benefit amount for each day the benefit is payable.

Partial Disablement benefit

If you are partially disabled immediately after being totally disabled for 14 consecutive days, the insurer will pay a reduced monthly benefit at a proportion of the total disability benefit subject to a maximum of the Total Disablement benefit.

This proportion is calculated using the following formula:

$$\frac{(A - B)}{A} \times C$$

In the case where you are an employee within an employer-sponsored super plan, for the formula:

- A. equals your monthly income immediately before you became totally disabled
- B. is your actual income during the month in which you are partially disabled. If this amount is a loss, then B will equal zero
- C. is the benefit amount which would otherwise be payable on Total Disablement, as varied in any way.

In the case where you own part or all of a business or practice, for the formula:

- A. equals the business or practice's gross monthly revenue immediately before you became totally disabled
- B. equals the business or practice's gross monthly revenue during the month in which you are partially disabled. If this amount is a loss, then B will equal zero
- C. is the benefit amount that would otherwise be payable on Total Disablement, as varied in any way.

Recurring disablement

Where you have been totally or partially disabled and return to work and are subsequently disabled again within six months due to the same or related cause, the waiting period will not apply. The claim will be treated as a continuation of the earlier claim and payable for up to the balance of the remaining benefit period. However, if you return to full-time work for at least six months and cover in respect of you is still in place, the claim will be treated as a separate claim. Therefore a new waiting period and benefit period will apply.

Death benefit

If you die before you turn 65, while receiving a disability benefit, the insurer will pay your dependant or estate one additional month's Total Disablement or Partial Disablement benefit (as the case may be) after you die.

How to make a Salary Continuance claim

The insurer requires you, your employer or the Trustee to notify them of any occurrence that may lead to a claim within 30 days of you becoming disabled or as soon as it is reasonably possible to do so. If the insurer does not receive notice within 60 days of you ceasing work, they may reduce or refuse to pay the benefit. The insurer will contact you and your employer to advise of the claim requirements as soon as reasonably possible. The advising of the claim requirements does not constitute an admission of liability in respect of any claim lodged. The insurer generally asks for medical, occupational and financial information and details of your daily activities to enable a claim to be assessed.

If you lodge a claim, you may be required to be interviewed and attend vocational assessments and rehabilitation. You, your employer and the Trustee are required to provide the insurer with all information required in determining your eligibility for the benefit.

Benefits payable for a period of less than one month will be calculated on a pro rata basis. No payment is made for the policy waiting period.

If you would like more information about making a claim for a Salary Continuance benefit contact our Claims team on 1300 366 214.

Payment of the claim

If a claim is accepted, the insurer will pay the insured amount to the trustee. The Trustee will then make the proceeds available to your employer to pay to you.

For the insurer to pay a claim, the following proof or evidence must be provided:

- if you were accepted (or an increase of the insured benefit was accepted) under automatic acceptance or Insurer's transfer terms, you, your employer and the Trustee met all of the insurer's disability requirements
- other entitlements to claim the applicable insured benefit
- your age
- your income, and
- any relevant payments you receive during the period the benefits are payable or that relate to such period.

Payment of the claim is conditional upon you, your employer and the Trustee establishing entitlement with the insurer by:

- providing medical reports from treating medical practitioners
- being examined by a medical practitioner they nominate who must confirm the condition, when reasonably required by the insurer (at their expense)
- providing pathology, blood tests, x-ray or other appropriate evidence, and
- providing occupational and financial information together with details of your daily activities.

Payment of the claim is conditional upon you being under the regular care of and following the advice and treatment recommended by a medical practitioner.

When reasonably required by the insurer (and at their expense) you will:

- undergo vocational assessment
- rehabilitation
- be interviewed, and/or
- agree to an audit of your financial circumstances.

Misstatement of age

If your age is misstated, the insurer reserves the right to adjust the premium or the benefit based on your correct age.

Currency

All Salary Continuance claim payments are made in Australian dollars.

When Salary Continuance benefits cease

Total Disability payments

The insurer will stop paying you a benefit for total disablement as soon as one of the following happens:

- you stop being totally disabled
- you reach age 65
- you are in jail or otherwise detained as a result of a criminal act
- you make a fraudulent claim
- you are, in the insurer's opinion, assessed as being totally and permanently disabled under a group insurance policy with the insurer or a related company (applicable to the two-year benefit period only)
- the benefit period for the cause of the disability ends
- you are not under medical care
- you refuse to undertake treatment or rehabilitation that could be expected to allow you to return to work
- you fail to take all steps to return to work if you have the capacity to do so
- you fail to make available to the insurer medical, financial or other evidence required to assess the claim, which the insurer has requested in writing
- you engage in gainful employment (with your existing employer or otherwise), or
- you die

Partial Disability payments

The insurer will stop paying you a benefit for partial disablement as soon as one of the following happens:

- you stop being partially disabled
- you turn 65
- you are in jail or otherwise detained as a result of a criminal act
- you make a fraudulent claim
- the benefit period for the cause of the disability ends
- you are not under medical care
- you fail to take all steps to return to work, in an increased capacity, if you have capacity to do so
- you refuse to undertake treatment or rehabilitation which could be expected to allow you to return to work in an increased capacity
- you fail to make available to the insurer medical, financial or other evidence required to assess the claim, which the insurer has required in writing
- you cease employment with your employer
- for cover with a two-year benefit period, you are in the insurer's opinion totally and permanently disabled under a group insurance policy with the insurer or a related company
- you retire, or
- you die.

When cover ceases

Other than the reasons outlined directly above, cover will stop when your membership ceases, when you request cancellation of cover or as soon as one of the following happens:

- you reach age 65
- you no longer meet the eligibility terms applicable
- you are no longer a permanent employee working at least 15 hours per week
- we receive notification from your employer you have ceased employment
- if no contributions or rollovers have been received into your account for a period of 16 months, we may be required to cancel your insurance (unless you've told us in writing that you want to keep your insurance; you can do this online at amp.com.au/whyinsurance)
- you, as an employee, elect for your employer to contribute on your behalf to a different super fund other than your employer's Super Directions for Business plan
- you are on unpaid leave or are employed overseas for longer than the period of time the insurer has agreed to provide cover except where the reason why you have not returned to work is because you have made a claim under the policy, or are eligible to do so
- premiums aren't received either by non-payment of contributions or insufficient account balance, unless you are being paid the benefit
- on the date you permanently retire from the workforce
- your death and/or TPD cover under the membership ceases
- you die, or
- if you make a fraudulent claim.

Section 9:

Other important information for insurance cover

In this section we will discuss:

- **Duty of disclosure**
Your disclosure obligations
- **Risks of insurance**
The risks of Group Life and Salary Continuance cover
- **Additional Insurance information**
Additional information on your insurance cover
- **Leaving your employer**
What happens to your cover when you leave your employer

Duty of disclosure

Read this if you are applying for insurance as the policy owner, or if you will be an insured person under a policy owned by someone else.

What you need to tell us

When you apply for insurance, and up until the insurer accepts your application, you have a duty to tell us anything that you know, or could reasonably be expected to know, may affect the insurer's decision to insure you and the terms of your insurance.

This includes answering all the questions in the application honestly, making sure you include all the information we ask for.

You have the same duty if anything changes, or you remember more information, while we're processing your application.

If you want to change your insurance cover at any time, extend it or reinstate it, you'll also have the same duty at that time to tell us anything that may affect the insurer's decision to insure you and the terms of your insurance.

Where a policy owned by one person covers the life of another person, it's important that the other person also gives us all the information that is required under the duty. If he or she doesn't, then it can be treated as a failure by the owner of the policy to tell us something that the owner must tell us. Therefore you must give us all the required information - whether you're the owner of the policy or a person insured under it.

If you don't tell us something

If you don't give all the required information, and the missing information would've affected the insurer's decision to insure you or the terms of your insurance, the insurer may:

- treat the contract (or your cover) as if it never existed – the insurer can only do this within three years of your cover starting.
- reduce the amount you've been insured for – to reflect the premium you've been paying. There is a link between the premium you pay and your level of cover. If you fail to tell us something, your premiums may have been too low. The insurer may reduce the amount you've been insured for, taking into account the premium you would've had to pay if you'd told us everything you should've. For Death cover the insurer can only reduce the amount you've been insured for within three years of your cover starting.
- vary your cover – to take into account the information you didn't tell us and put the insurer in the same position as it would've been if you'd told us. Variations could mean, for example, that waiting periods, exclusions or premiums may be different. The insurer can't make variations to Death cover.

Your total insurance cover forms one insurance contract. If you don't give us all the required information, the insurer may treat your different types of cover as separate contracts when it takes action to address this.

It's fraudulent to deliberately leave out required information or give us incorrect information. In these situations the insurer may refuse to pay a claim and treat the contract (or your cover) as if it never existed.

What you don't need to tell us

You don't need to tell us anything:

- that reduces the insurer's risk, or
- that's common knowledge, or
- the insurer knows or should know as an insurer, or
- we've told you that you don't need to tell us.

Adjustments to your insurance cover

We rely on the information provided by you and/or your employer (such as your age, gender, occupation, salary, health status, etc) to determine your eligibility for insurance and the level of cover you are eligible to receive. In the event of a claim for insurance benefits the Insurer will require evidence from you and/or your employer. Based on the evidence received, the Insurer may increase or decrease the level of cover last advised to you or may determine that you are ineligible for cover. In the event a higher benefit is payable, the Insurer will apply additional premiums from the date you became eligible for the higher level of cover, which, may be deducted from your benefit.

We may recover any insurance premiums which have fallen due but have not been deducted from your account or from an insurance benefit that becomes payable.

The risks of Group Life and Salary Continuance insurance

It's important to be aware of the risks and possible limitations of the Group Life and Salary Continuance insurance provided for members of Super Directions for Business.

Membership profile

If any aspect of the membership profile (ie number of insured members, sex, age, occupation) of your employer's plan, changes by more than 25% from the existing conditions of the plan at the start date, or on the date the insurer last reviewed the premium rates for the plan, the insurer may:

- stop accepting new insured members
- increase the premium rate (including during the rate guarantee period)
- vary the automatic acceptance terms, or
- vary the AAL.

Repayment of benefits

If, for any reason, it is determined a benefit paid to you wasn't actually payable under the terms of the insurance policy, all or part of the benefit must be repaid to the insurer.

Terminating the policy

The Trustee can terminate the insurance policy at any time by giving the insurer at least one month's written notice. You are unable to terminate the Trustee's insurance policy as it is a group policy by the insurer issued to the Trustee. You may only request for your individual cover to be cancelled.

Claims after your cover has ceased

If your cover has ceased and the insurer continues paying you a benefit, the insurance policy conditions which specifically relate to those claim payments will continue to apply until the insurer stops making claim payments.

Guarantee of premium rates

Super Directions for Business only

The premium rates will be guaranteed from your employer's plan date to the end of the premium rate guarantee period (if any), unless:

- there has been at least 25% change in the membership profile, including the total number of persons insured under the policy or an employer plan (as appropriate) since the date the insurer last reviewed the premium rates or an employer plan start date
- there has been a significant change in the circumstances we advised the insurer and on which they relied in setting the premium rates
- there is a change in federal, state or territory taxes or duties or other legislative changes that increase the insurer's costs under the policy, or
- the insurer agrees with us any change in the method of calculating cover or the eligibility criteria.

Where this occurs, the insurer will notify the trustee the premium rates have changed and provide new premium rates.

If the insurer agrees with the trustee to any change in the method of calculating benefits or the eligibility criteria, they also have the right to change the agreed premium rate. The insurer may review and change the underlying premium rates for Super Directions for Business.

Additional information

Your **welcome letter** and membership summary will give details of the level of any cover provided and the annual premium payable.

Your annual statement will also show your current level of insurance cover.

Changes to member and other information

You must notify the insurer of any changes to your personal information or details while a member of the Fund. It is important the details the insurer has about you are kept up-to-date at all times.

Definitions used in the insurance sections of this document and the PDS

Accidental death

Death directly resulting from an unforeseen and unintentional accident caused by violent, external and visible means.

Accidental injury

An injury which first occurred after the cover under the policy between the trustee and insurer began, including interim cover, and which is caused solely and directly by violent, accidental, external and visible means; occurs independently of any other cause; and is not the unintended and unexpected consequence of an intended act, such as the application of unintentionally excessive force or the creation of unintended excessive force or the creation of unintended excessive pressure or strain.

At work

The person on the cover commencement date (or any other time as agreed between you and us):

- was performing all their duties of their normal occupation without restriction or would have been capable of doing so, had the relevant day not been a public holiday or weekend day, or
- if on employer approved leave (except leave caused by any illness or injury) the person would be capable of attending work and performing all their duties of their normal occupation without restriction
- in our opinion, not restricted by injury or illness from being capable of performing their normal occupation on a full-time basis, for at least 30 hours per week even though actual employment may be on a full-time, part-time, casual or contract basis, and
- was not receiving or claiming and/or entitled to claim income support benefits from any source, including but not limited to, workers' compensation benefits, statutory transport accident benefits and disability income benefits.

Family member

Means in relation to you, your spouse (including legal spouse, de facto or same sex partner), mother, father, mother in law, father in law, child (including adopted child, stepchild or ex-nuptial child).

Full-time permanent employee

Means a person who is employed by the participating employer on a permanent basis and whose average normal working hours in that employment are at least 15 hours per week. For the purpose of assessing a claim for total and permanent disablement if you continue to be an insured person after you leave the participating employer, **full-time permanent employee** will also include a person employed by any employer at the time of injury or sickness.

Further underwriting limit

The amount (if any) the insurer last notified to the trustee (or their appointed representative) up to which they will accept future increases in your benefits provided under the policy.

Group insurance policy

Is a policy of life insurance, the owner of which is a person or entity (the owner) who is not a person insured, which offers cover for more than one life.

Income

- Where you own part or all of the business or practice, means the income generated by the business due to your own activity, after all expenses in earning that income have been deducted. This income is calculated as an average annual income over a 24-month period or the period you have been a person insured, whichever is the lesser, or
- Where you are employed, means your salary. However, we don't include commissions and bonuses unless agreed by us and the insurer in writing. Income is your monthly income earned from working for your employer immediately before a benefit became payable by us in respect of the person insured.
- For the purpose of Salary Continuance benefit payment, your income or salary will be as at the last day of work. Where evidence of last day at work salary is not provided, the benefit payment will be based on the lesser of the last day at work salary and the salary recorded at last annual review (or as provided by the employer). If the benefit payment is paid on a higher amount any additional premium may be deducted prior to the claim being admitted.

Income does not include investment or interest income or any offsets.

Limited cover

That benefits will only be paid if the death, terminal illness, total and permanent disablement or total disability was caused by any medical condition, injury or sickness the person insured was first diagnosed with, happened or first suffered from, or had symptoms of, or was treated for, after the date the insured person first became covered under this policy.

Limited cover will not apply to death, terminal illness, total and permanent disablement or total disability that was caused by any medical condition, injury or sickness:

- the person insured was not aware of, and
- a reasonable person in the circumstances could not be expected to have been aware of, at the time before first becoming covered under this policy.

Medical practitioner

A registered medical practitioner who is appropriately qualified to treat the person insured for their injury or sickness. The medical practitioner cannot be you or your family member, business partner, employee or employer nor can it be the insured person or their family member, business partner, employee or participating employer.

Normal occupation

A set of duties and responsibilities that the person has been employed to perform for an employer, with reference to the formal written account or other such quantifiable material determined by us, of such duties and responsibilities.

Offsets

- Benefit payments that you receive from, or are required to be paid, under legislation such as Workers' Compensation, Transfer Accident Award, or other similar legislation but excluding Social Security benefits and super
- Any benefits that are payable under any other personal income protection policy
- Any amount that is paid under common law actions for loss of earnings, past and future, and
- Any paid sick leave that you receive at the same time as you receive a benefit from the insurer.

Partially disabled

You are partially disabled if, immediately after being totally disabled for at least 14 days, you are able to perform one or more of the important duties of your occupation but not all of them, and because of the disability, your income from the work you do is less than the amount of your pre-disability income.

You must be under the regular care and attendance of a medical practitioner.

Policy

- The Group Life Policy issued to the policy owner, the Group Life proposal, each application for cover, the policy schedule, and any variation of the policy. The policy does not form part of this document. The policy constitutes the legal agreement between the parties, or
- The Salary Continuance Policy issued to the trustee, the Salary Continuance proposal, each application for cover, the policy schedule, and any variation of the policy. The policy does not form part of this document. The policy constitutes the legal agreement between the parties.

Regular remunerative work

You are engaged in **regular remunerative work** if you are doing work in any employment, business or occupation. You must be doing the work for reward – or hope of reward – of any type.

Terminal Illness

Means the person insured suffers from an illness that:

- is diagnosed by two registered medical practitioners as being terminally ill, and
- stops the person insured working, and
- in the insurer's opinion means the person insured is not expected to live more than 12 months;

where:

- one of the medical practitioners is nominated by the insurer, and
- one of the medical practitioners is a specialist practising in an area related to the illness suffered by the person, and
- the two medical practitioners have certified, jointly or separately that the person insured suffers from an illness that has caused a reduction in life expectancy to 12 months or less, and
- for each of the certificates, 12 months has not elapsed from the date certification was provided.

The registered medical practitioner cannot be a family member, business partner, employee or employer of you or the person insured.

If your Death cover commenced prior to 1 July 2014, and you meet the definition in Parts (a), (b), (c) and (d), you will be considered to have a Terminal Illness. However, you should note that the trustee will require you to fulfil these additional requirements in order for the insurance benefit to be released to you from the fund.

The sickness resulting in the terminal illness must occur, and the date any medical practitioner first certifies the person insured as being terminally ill must take place, while the person insured is covered under the policy.

Total disablement/Total disability

You are totally disabled due to an injury or sickness if you are:

- in the opinion of the insurer and after consideration of medical and other evidence satisfactory to the insurer, unable to perform at least one of the important duties of your occupation that is necessary to produce income
- not engaged in any occupation, and
- under the regular care and attendance of a medical practitioner.

For the purposes of this definition, 'important duties' means one or more duties that involve 20% or more of your tasks and which are essential to producing your income.

Total and permanent disablement/Total and permanent disability

Means **permanent disability** commencing while you are:

- engaged in **regular remunerative work**:
 - as a **full-time employee**, and meet the definition in part (a), (b) or (c)
 - other than as a **full-time employee**, and meet the definition in part (b) or (c), or
 - a person insured in the **personal division** not engaged in **regular remunerative work** and meet the definition in part (b) or (c).

Part (a) Unable to work

When all of the following apply to the person insured:

- an injury or sickness has stopped the person insured working in his or her usual occupation continuously for 6 months, and
- after considering all evidence which the insurer believes is necessary to reach their view, in the insurer's opinion the person insured is unable ever again to be able to work in any business, occupation or regular duties for which he or she is reasonably qualified by education, training or experience.

Part (b) Specific loss

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

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

in circumstances where the loss will never be regained.

Part (c) Future care

When all of the following apply to you:

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

If your cover commenced prior to 1 July 2014, a different definition applies.

Permanent disability means, after considering all evidence which the insurer believes is necessary to reach our view, in the insurer's opinion you have become incapacitated by injury or illness (whether physical or mental) to such an extent that you are unable to ever work in any business, occupation or regular duties, whether paid or unpaid, for which you are reasonably qualified by education, training or experience.

TPD waiting period means six consecutive months from the last day at work prior to the injury or sickness.

If your TPD cover commenced prior to 1 July 2014, and you meet the definition in part (b) or (c), you will be considered to have a permanent disability.

Leaving your employer

Super Directions for Business only

Before we are notified (extended cover)

When you leave your employer, subject to your eligibility, your cover may continue until the date we are notified that you've ceased employment.

At any time from when you leave your employer to the date we are notified, if you reach the cover expiry age (age 65 or 70 depending on your arrangements for Death cover and age 65 for TPD and Salary Continuance), your extended cover will cease.

Extended cover will only be provided if you have not received a TPD insurance benefit during your fund membership.

While cover continues after you leave your employer, we'll continue deducting premiums from your account.

Until we receive notification from your employer you have ceased employment, the terms of your cover will change as follows:

Death and TPD cover for the first 30 days after you leave your employer

For the first 30 days after you have left your employer, Death cover and TPD cover (if applicable), will continue as it did when you were employed by your employer.

Death and TPD cover 30 days after you have left your employer

After the first 30-day period, Death cover will continue until the date we are notified of you leaving your employer. TPD cover will also continue to the same date but will change so you will only be considered to be totally and permanently disabled if you satisfy any one part of parts (b) or (c) of the totally and permanently disabled definition.

Salary Continuance cover

Salary Continuance cover will continue from the date you leave your employer until the date we are notified you have left, subject to certain conditions and eligibility. However, the monthly benefit will be limited to a maximum benefit period of 12 months and you must be in paid employment on the date of disablement.

When we are notified

When we have been notified you have ceased employment, unless you tell us otherwise, your Super Directions for Business membership will be transferred to Super Directions for Business Rollover Section.

The amount of your Death and TPD insurance cover (if any) will be calculated at that date and will also transfer to your Super Directions for Business Rollover Section membership and will be subject to the terms, conditions and premiums applicable to that section of the Fund. For more details on how your premiums are calculated refer to the appropriate section in this document.

Any Salary Continuance cover you hold will cease.

Continuation option

Super Directions for Business only

If your cover ends in your Super Directions for Business employer's plan because you no longer satisfy the eligibility criteria for reasons other than injury or illness and you have ceased employment, you may be eligible for a continuation option.

A continuation option gives you the opportunity to maintain the level of insurance cover you enjoyed under a Super Directions for Business plan by purchasing another individual policy, provided you are eligible (see below):

- are an Australian resident
- reside in Australia
- submit the application for the personal insurance policy within 60 days of the date that we have been notified that you have ceased employment with your participating employer
- have terminated service with your employer for reasons other than total and permanent disability
- did not cease to be eligible for insurance cover because of injury or illness and are not disabled, nor in a waiting period, or eligible to receive insurance benefits under Super Directions for Business or any other policy issued by the insurer providing similar benefits
- are not commencing employment with a company associated with the former employer
- provide the insurer with all the other information requested for the purpose of assessing the application, and
- are not covered under insurance arrangements through another super or group insurance policy.

The premium rates for the new policy, if issued, may be different to Super Directions for Business. Premium rates will be determined by, among other things, your gender, occupation and smoking status.

If a new policy is issued it will also be subject to the following additional conditions:

- the maximum cover limits of the individual policy. The individual policy will have standard terms and premium rates, unless any special terms or premium loadings apply to your Super Directions for Business policy. If this is the case, equivalent special terms or premium loadings will also apply under the new policy
- if the cover under this policy does not meet the minimum premium, you may be required to give evidence of your health for the increase in cover to meet the minimum premium.

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

- you have previously taken out an individual policy with the insurer under a continuation option contained in a group insurance policy, or

- you transfer your membership from another one of the insurer's business super products to another business super product or risk-only group insurance plan
- you are not receiving employer super contributions (eg you are self-employed).

Salary Continuance cover

You must be:

- under 60 years of age, and
- working at least 25 hours per week.

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

Before we can issue a continuation option form to you, we must be notified by your employer of your employment termination. Please note, for you to exercise the continuation option, we must receive your continuation option form and individual insurance application form within the 60 days requirement. See above.

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

Please note: If you have transferred to Super Directions for Business Rollover Section and your insurance cover has continued, once the continuation option is exercised, any cover in Super Directions for Business Rollover Section will be cancelled.

Learning about insurance

There are many factors affecting the level of cover you may need.

Ask yourself the following questions:

- If you were to become too sick or injured to work, how long could you keep your lifestyle and pay your bills?
- If you were to pass away, who would repay your debts? What sort of lifestyle would your beneficiaries/ family have?

A simple way to consider your needs

To help you consider your insurance needs AMP offers a number of online tools you can access at any time:

- AMP life insurance calculator—This easy-to-use calculator can help you work out how much insurance you should have.
- AMP insurance cost calculator—A simple calculator to show you how much insurance may cost.

Try them at amp.com.au/howmuch.

- **Insurance basics** video—Covers the four main types of insurance and how they can help protect you and your family in times of trouble.
- **Using your super for insurance** video—Explains the different types of insurance available and why it may be beneficial to have your insurance inside your super.
- **Death and total & permanent disability** video—Explains the difference between Death and Total & Permanent Disability insurance and why it's important to you.

View them at amp.com.au/videos.

Section 10:

Payment of benefit in the event of your death

In this section we will discuss:

- **Death benefit**
Payment of benefit in the event of your death
- **Who is a dependant**
Defining a dependant for insurance purposes
- **Death benefit payments**
When and how we pay your Death benefit

All insurance premium deductions are ceased upon notification to the relevant Entity of your death and will be reversed back to the date of death.

All adviser fee for personal advice deductions are ceased upon notification to the relevant Entity of your death. Any adviser fees for personal advice deducted since the date of death will be reversed back to date of death.

Administration and investment fees will continue whilst your account remains open and are charged in accordance with the applicable product rules and disclosures.

Upon notification of a death claim and receipt of official documentation, your account balance will be switched to the Multi-manager Secure portfolio. Generally, death benefits will be paid in the form of a lump sum when the claim has been admitted and the trustee has made a decision as to whom the benefit is to be paid.

Who is a dependant?

A dependant is someone who is eligible under superannuation law to receive a death benefit and includes:

- your spouse (including a de facto spouse whether of the opposite or same sex)
- your children of any age (including an adopted child, a stepchild, or ex-nuptial child)
- any person who is financially dependent on you, and
- any person with whom you have an interdependency relationship.

A person must be a dependant on the date of your death to be a beneficiary.

Note: While the above individuals can receive a benefit, to receive a benefit tax free, the recipient needs to be a dependant under tax law. Tax dependants are:

- your spouse (including a former spouse & de facto spouse whether of the opposite or same sex)
- your children under 18 years of age (including an adopted child, a stepchild, or ex-nuptial child)
- any person who is financially dependent on you, and
- any person with whom you have an interdependency relationship.

What is an interdependency relationship?

Two persons (whether or not related by family) have an interdependency relationship if:

- they have a close personal relationship, and
- they live together, and
- one or each of them provides the other with financial support, and
- one or each of them provides the other with domestic support and personal care.

An interdependency relationship also includes two persons (whether or not related by family):

- who have a close personal relationship, and
- who don't meet the other three criteria listed in the paragraph above because either or both suffer from a physical, intellectual or psychiatric disability.

Paying your Death benefit

You can choose how you want your benefit paid. You have a choice of:

- binding nomination
- non-binding (preferred) nomination
- no nomination.

These are described below.

Nominating a beneficiary under power of attorney

You can nominate a person or persons under a power of attorney to operate your membership. To do so, send us a certified copy of a valid power of attorney together with a declaration that the appointment has not been revoked. The legislation is different for each state and further information can be found online at australia.gov.au/content/powers-of-attorney.

You must explicitly state in the power of attorney document that you allow the person you have nominated as your attorney to nominate themselves as a beneficiary of your super, if this is your desire. If you don't explicitly state that the appointed attorney can nominate themselves as a beneficiary the Trustee will not implement any direction from the attorney to do so.

Binding death benefit nomination

In most circumstances we must pay your benefit to the beneficiaries you have nominated and in the proportions you have specified. A binding nomination is valid for up to three years and must be renewed on expiry.

For a binding nomination to be valid:

- The total allocation must equal 100% and must be in whole numbers.
- You can only nominate a dependant and/or your Estate/Legal Personal Representative (LPR).
- Your nomination must be signed and dated in the presence of two witnesses who are over age 18 and who are not nominated beneficiaries.

When we receive your nomination we will not check if your nominated beneficiaries are your dependants or your legal personal representative.

Accordingly, we will automatically treat your nomination as though it was a non-binding nomination if:

- you and/or your witnesses do not sign or complete the binding nomination correctly.
- three years have passed from the date you signed the binding nomination form (you will need to reconfirm your nomination every three years if you want to continue to have a binding nomination).
- any nominated beneficiary dies before you die.
- any nominated beneficiary (other than the legal personal representative (LPR)) is not a dependant at the date of your death.
- your relationship changes after signing the binding nomination form eg you get married (unless you marry your nominated de facto), enter into a de facto relationship, get divorced or your de facto relationship ends.

If you revoke your binding nomination without making another nomination, then we must pay your death benefit in accordance with the no nomination option.

If you nominate your legal personal representative as your beneficiary, please make sure that you have a valid and current will. Payment to a legal personal representative may also take longer to effect as it is necessary for a Grant of Probate or Letters of Administration to be issued before the benefit can be paid.

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

Non-binding (preferred) nomination

With a non-binding (or preferred) nomination the Trustee must pay your death benefit to one or more of your dependants or LPR in proportions that the Trustee determines, however, we will take into account your non-binding nomination. If you don't have any dependants or a LPR is not appointed within a reasonable time, the Trustee must pay your death benefit to any other person or persons in proportions which the Trustee determines.

A non-binding nomination will continue to apply until you cancel an existing nomination or make a new one. If you cancel your non-binding nomination without making a new nomination, then we must pay your death benefit in accordance with the no nomination option.

No nomination

In the event that no nomination is made or you cancel your existing nomination and do not make a new nomination, your benefit will be paid at the discretion of the Trustee to one or more of your dependants and/or your legal personal representative.

If there are no dependants or legal personal representative the Trustee may pay the benefit to another suitable person.

If you do not have a death benefit nomination you should consider making a will.

It is important to review your nomination regularly and update it if your circumstances change.

When and how we pay your Death benefit

Your dependants may receive your Death benefit as a lump-sum payment.

Section 11:

Other information you need to know

In this section we will discuss:

- **How we'll keep in touch**
How we will keep you updated
- **Your privacy**
How we may use and and disclose personal information
- **Resolving an enquiry or complaint about your super account**
- **My AMP**
Online information about your super

Keeping you informed

We'll keep in touch by email

We may communicate with you by email if we have your email address.

To protect your privacy, we'll ask you to login to My AMP for any communications that have personal information, such as statements. And we'll keep a copy for you in My AMP for whenever you need it—so less filing. We'll email you whenever a document is ready for you.

To register, visit amp.com.au or login to My AMP. You just need your member number to get started which we will provide to you when we set up your account. You can check or update your email address in My AMP, from the **I want to** menu and choose **update my personal details**.

If you'd prefer to receive communications by post, you can change your preferences any time in My AMP or you can call us. You can also ask for a specific document to be sent to another email address or by post.

We may also update your contact details if we receive different details for you from sources such as application forms, your adviser, employer, or government agencies. We may send you communications by post or other means from time to time.

This includes all communications from all members of the AMP group. We might send you product disclosure statements, statements and notices, product updates, financial services guides, statements of advice and any other communications required or permitted by law.

The annual report for this product is available at amp.com.au/sdb.

AMP and your privacy

We will usually collect personal information directly from you, your employer, your financial adviser or other authorised parties as nominated by you. The personal information we collect from you will be used to:

- establish and manage your Super Directions account
- administer the products and services provided by us
- verify the identity of you or an authorised party when processing changes, withdrawals or transactions in relation to the account
- ensure compliance with all applicable regulatory or legal requirements
- perform any appropriate related functions
- manage and resolve complaints made
- undertake market research and analysis for product and service improvement
- provide you with information about financial services provided by us, other members of the AMP group or by your financial adviser through direct marketing. If you do not want this please contact us on 133 056 or email askamp@amp.com.au.

If you do not provide the required information, we will not be able to perform the activities above.

We are required or authorised to collect your personal information under various laws including those relating to Superannuation, Taxation and Anti-Money Laundering and Counter Terrorism Financing laws.

We will only share your personal information:

- with other members of the AMP group and external service providers that we need to deal with for the purposes described above
- with another superannuation provider when your benefits are being transferred to another provider. This includes your TFN unless you request your TFN not to be provided to any other superannuation provider
- as required by law or regulations with courts, tribunals or government agencies
- with persons or third parties authorised by you, or if required or permitted by law.

Some external service providers we need to deal with can be located or host data outside Australia. A list of countries where these providers may be located can be obtained via our privacy policy. We take all reasonable steps to ensure that any data shared with external service providers is shared securely to protect your information.

Where you provide us with the personal information of one or more other individuals, such as beneficiaries and authorised persons, it is your responsibility to:

- a. inform the other individuals that you have provided their personal information to us, and
- b. provide them with a copy of this privacy collection statement.

Our privacy policy provides further information about how you can access or update your personal information or make a complaint about a breach or potential breach of our privacy obligations. You can view our privacy policy online at amp.com.au/privacy or contact us on 133 056 for a copy.

Identification requirements

To protect your money and to comply with legislative requirements (such as the **Anti-Money Laundering and Counter Terrorism Financing Act 2006**) we'll need to occasionally verify your identity. This means that we may need to obtain identification information when you make a withdrawal from your account, when we change your account details or when undertaking transactions on your account.

We'll need to identify:

- you before allowing you to access your super (full or partial withdrawal). We'll only process a withdrawal once all relevant information has been received and your identity has been verified
- you and your self-managed super fund (SMSF) before processing a rollover to the SMSF. We'll only process the rollover once all relevant information has been received and your identity and that of the SMSF has been verified
- your estate and/or your dependants if you die while you're a member. We'll have to verify the identity of any person(s), including your estate, before the payment of any death benefit, and
- anyone acting on your behalf, including your nominated representative. If you nominate a representative, we'll identify the nominated representative before adding them as a signatory to your plan.

You also acknowledge that we may decide to delay or refuse any request or transaction, including suspending a withdrawal application, if we're concerned that the request or transaction may breach any obligation, or cause us to commit or participate in an offence under any law, and we'll incur no liability to you if we do so.

In limited circumstances, we may need to re-verify your identity.

Lost members and unclaimed money

If an amount is payable to you or your dependant(s) and we are unable to ensure that you or your dependant(s) will receive it, we may be obliged to transfer the amount to the ATO.

We may also be required to transfer your account balance to the ATO if you become a 'lost member', or an 'inactive low-balance member'.

If your superannuation is transferred to the ATO, you, or your dependants where relevant, will be able to reclaim it from the ATO. The ATO may also transfer money it holds into your 'active' superannuation accounts.

For more information on unclaimed super money, including lost members and inactive low balance members please refer to ato.gov.au or speak with your financial adviser.

Temporary residents leaving Australia

The following does not apply to New Zealand residents and is limited to eligible visa holders. If you have entered Australia on an eligible temporary resident visa, you may claim your super benefits once you have permanently departed Australia.

Under super legislation if you do not claim your benefit within six months of departing Australia, your benefit may be paid as unclaimed super to the ATO. You will not receive notification or an exit statement from your super fund. If this has occurred, you can claim your super money from the ATO. For more information visit ato.gov.au.

Consolidating your super

If you consolidate your total super benefits into one account, you may be able to reduce the total fees you pay. It may also be easier for you to keep track of your super if it is under the one account.

You can consolidate your super benefits online at amp.com.au/consolidate.

You should be aware of all the implications before transferring benefits, including whether your other super fund(s) will charge an exit fee and whether you will be charged a contribution fee when you transfer and the effect on any insurance cover you may have.

Rollovers and transferred benefits, which are preserved benefits, aren't accessible until a condition of release is met (see **accessing your money** section).

Important: Before consolidating you need to consider how your existing super accounts compare to Super Directions, what effect consolidating will have on any insurance cover and whether any exit or contribution fees may apply. If you are unsure, speak with your financial adviser or contact your previous superannuation fund.

Note: You should consider the potential implications of transferring your existing balance to another fund, such as:

- whether additional fees (including exit fees) apply,
- where your future employer contributions will be paid, and
- your current insurance entitlements might be lost and you may not be able to get a similar type of insurance cover in a new fund.

My AMP – online information about your super

My AMP allows you to view your AMP super accounts, bank accounts, shares, insurance and other financial assets and liabilities all in the one place, online.

Login to My AMP to:

- manage your finances—see a complete picture with immediate unit pricing details
- see your individual contract holdings and view transaction summaries
- view your online statement—check your super contributions and download reports
- use the MySuper future report to see how your super is projected to grow
- access Morningstar investment research
- update your personal information
- perform investment switches, update beneficiaries and provide your tax file number.

Access My AMP at amp.com.au/myamp.

Enquiries or complaints

If you need any additional information about the operation or management of your account, or if you have a concern or complaint, then please contact:

- your financial adviser
- call the on 133 056
- email us at client.enquiry@amp.com.au, or
- write to us at:

Super Directions Fund
Customer Service Centre
PO Box 14669
MELBOURNE VIC 8001

Our customer service officers are available to answer your enquiries and respond to your complaints. We will try to resolve your enquiry or complaint as quickly as possible. To help us do this, please give us as much information as possible about your complaint, including your name and account number.

We have established procedures to deal with any complaints. If you make a complaint, we will:

- acknowledge its receipt and ensure an appropriate person properly considers the complaint, and
- respond to you as soon as we can.

If your complaint cannot be resolved at first contact, then we will keep you advised at regular intervals of the status of your complaint.

If we cannot resolve your complaint to your satisfaction or you have not had a response from us within 90 days, then you may have the right to lodge a complaint with the **Australian Financial Complaints Authority (AFCA)**.

AFCA will provide fair and independent financial services complaint resolution that is free to consumers and will accept customer complaints.

Contact details for AFCA are:

Web: afca.org.au

Email: info@afca.org.au

Telephone: 1800 931 678 (free call)

Mail: GPO Box 3, Melbourne VIC 3001

Family law and super

If you separate or divorce from your spouse, then your interest in your super may be split. Currently, in all states and territories (apart from Western Australia), an interest in a super account may also be split if a de facto relationship (including a same sex relationship) breaks down. Your account can also be flagged as part of a separation or divorce – this prevents us from making most types of payments. The law sets down how super interests will be valued and split for these purposes. Splitting or flagging can be achieved by the agreement between the separating or divorcing couple or by a Court Order.

If your Super Directions for Business or Super Directions for Business Rollover Section account is split, then your spouse will not automatically have a Super Directions for Business or Super Directions for Business Rollover Section account of their own. Your spouse can apply to have a personal super account with AMP, transfer the benefit to another super fund or take the benefit in cash if they satisfy a condition of release.

If your interest is split, then your spouse's interest may be transferred to the AMP Eligible Rollover Fund.

Because the laws regarding splitting your account on separation are complex, we recommend that you seek legal advice.

Trust deed

Super Directions for Business and Super Directions for Business Rollover Section are governed by the Super Directions Fund Trust Deed and the life insurance policies issued by the issuer of life insurance policies and statutory funds. The Trustee must operate the Fund in accordance with the provisions of the Trust Deed and the law relating to super.

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

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

The Trustee invests the assets of the Fund in life insurance policies issued by the issuer of life insurance policies and statutory funds.

A copy of the Trust Deed is available upon request.

Distribution of the Plan Reserve account

Super Directions for Business only

The Trust Deed requires the Trustee to apply amounts held in the Plan Reserve account for one or more of the following purposes in relation to an employer plan at such times and on such terms as may first be agreed with a participating employer, having regard to the recommendation of the policy committee (see below), if any:

- as a credit to one or more of the accounts of all or certain members as the Trustee and employer may agree, and
- any other purpose which the Trustee may determine.

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

In accordance with the Trust Deed and subject to any requirements of the law, any balance in the Plan Reserve account may at the Trustee's discretion be distributed, once a year, usually at each annual review. Where a principal employer's Reserve account is not divided into sub-accounts, the Trustee will invest the monies of the Reserve account in the Multi-manager Secure portfolio and will distribute the balance in the account at least once a year in the same manner.

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

Policy committee

Super Directions for Business only

Superannuation legislation requires certain super plans establish a body known as a policy committee. The policy committee must consist of an equal number of employee (member) and employer representatives. Policy committee functions are generally of an advisory or consultative nature and in no way reduce the power and responsibilities of the Trustee.

The policy committee's role is to act as a channel of communication between members, their employer and the Trustee. The role of the policy committee is to help a member or employer of the plan enquire about the investment strategy, performance and operation of the plan. The policy committee may also help the trustee to obtain the views of members on these issues and in dealing with any enquiry or complaint.

We are required to take all reasonable steps to set up a policy committee where:

- an employer has 50 or more members, or
- an employer has at least five but less than 50 members and the Trustee has received a written request to do so on behalf of at least five of those members.

Policy committees should meet at least once in any 12-month period. A formal record of the meeting needs to be kept in the form of minutes, and a copy of these minutes are to be sent to the trustee soon after each meeting. Employer representatives are appointed or removed by the employer. Employer representatives can also be removed as a result of specific events under superannuation law.

Usually the member representatives of a policy committee are appointed by means of an election and removed by means of an election or by leaving the plan or as a result of specific events under superannuation law.

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

Member benefits

Super Directions for Business only

In addition to the comprehensive super options provided by Super Directions for Business, you automatically have access to a range of additional products and services simply by being a member.

This includes a comprehensive range of financial planning services. A financial adviser will be able to assist in providing additional information and advice not only on your super investments but also on all other personal investment and insurance needs. They can establish an overall financial plan and conduct regular reviews to ensure it reflects your changing circumstances.

Transfers to the AMP Eligible Rollover Fund

If your account is closed and we cannot locate you, and we need to make a compensation payment to you (eg for a unit pricing error), we may transfer your partial benefit (ie the compensation payment) to the AMP Eligible Rollover Fund.

The AMP Eligible Rollover Fund is invested in a capital guaranteed life policy issued by AMP Life that ensures your benefit isn't reduced by negative investment returns. The investment returns for the AMP Eligible Rollover Fund are in the form of crediting rates. The latest crediting rates for AMP Eligible Rollover Fund are available on amp.com.au.

For any other inquiries, please call AMP Customer Service on 133 056.

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