

Issued 1 April 2020



# Simple Super and Tailored Super

Additional information



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The information in this document forms part of the product disclosure statement (PDS) for Simple Super or Tailored Super dated 30 September 2019. To understand how Simple Super or Tailored Super works, read the **additional information** 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](http://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 options, you can call us on 133 056. 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.

Simple Super or Tailored Super is part of the Super Directions Fund ABN 78 421 957 449. **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
- 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 **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.

Simple Super or Tailored Super are managed and administered in accordance with the **PDS** and **additional information** document. We may change the way Simple Super or Tailored Super 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 **PDS** and **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](http://www.amp.com.au/pdsupdates). If you have money in an investment portfolio that is terminated, we will switch your money to an investment portfolio with a similar risk/return profile.

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

## Section 1:

# About Simple Super and Tailored Super

In this section we will discuss:

- **The trustee**  
Important information about the trustee
- **Simple Super and Tailored Super**  
Introduction to Simple Super and Tailored Super

## Important information

Simple Super and Tailored Super 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 (NM Super) ABN 31 008 428 322.

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

The trustee is a licensed trustee under the *Superannuation Industry (Supervision) Act 1993* (SIS), which means that 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 for the fund and insurance cover is provided under the insurance policies held by the trustee.

The table below outline 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 service provider	AMP Life Limited ABN 84 079 300 379 (AMP Life)
Issue of AFS Licensee 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 Simple Super or Tailored Super. We may change these service providers at any time without notifying you.

The companies in the AMP group we currently engage include 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 **Simple Super and Tailored Super 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 **privacy – use and disclosure of personal information** in section 10 of this **additional information** document.

The assets of the fund consist entirely of life insurance policies issued by the insurer. The underlying assets of these policies are held within the insurer's Statutory Funds.

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 behalf of the insurer.

ipac and other investment managers, provide investment services for the insurer and NMF in relation to the Statutory Funds. Through these arrangements, the insurer is 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 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
Simple Super	Unique Superannuation Identifier (USI) NML0438AU
Tailored Super	USI NML0437AU
MySuper Authorisation Number	78 421 957 449 538
N.M. Superannuation Proprietary Limited	ABN 31 008 428 322 AFSL No. 234654
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 Simple Super and Tailored Super

### How you become a member of Simple Super or Tailored Super

Your employer will enrol you directly into their Simple Super or Tailored Super 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 cover will be provided according to a unit of cover scale that attracts a premium of \$1 per week. Death and Total and Permanent Disablement (TPD) cover is provided for members employed on a permanent basis and working 15 hours or more a week. 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 amount of cover provided will depend on your age and the plan rating factor for Tailored Super or the smoking status declaration for Simple Super.

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

### Contributions

- Mandatory superannuation guarantee (SG) employer contributions and award/industrial arrangements.

Depending on your circumstances, we may be able to accept other types of contributions into your account. Please see **types of contributions** on page 9 for further information.

## 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 <a href="http://ato.gov.au">ato.gov.au</a> 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 can contributions be made?

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 only<sup>1</sup>
- 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 Simple Super and Tailored Super to make contributions for you via SuperStream:

- Simple Super – NML0438AU
- Tailored Super – NML0437AU

® 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 <sup>(i)</sup>
Member contributions <sup>(ii)</sup>	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. <sup>(iii)</sup>	Only if you've already been gainfully employed on at least a part-time basis at the time the contributions are made. <sup>(iii)</sup>	Cannot be accepted.
Spouse contributions <sup>(ii)</sup>	At any time.	Only if you've been gainfully employed on at least a part-time basis at the time the contributions are made. <sup>(iii)</sup>	Cannot be accepted.	Cannot be accepted.
Compulsory employer contributions <sup>(iv)</sup> – 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 <sup>(iv)</sup>	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. <sup>(iii)</sup>	Only if you've been gainfully employed on at least a part-time basis at the time the contributions are made. <sup>(iii)</sup>	Cannot be accepted.
Capital gains tax (CGT) exempt contributions & overseas transfers <sup>(v)</sup>	At any time.	Only if you've been gainfully employed on at least a part-time basis at the time the contributions are made. <sup>(iii)</sup>	Only if you've been gainfully employed on at least a part-time basis at the time the contributions are made. <sup>(iii)</sup>	Cannot be accepted.
Government contributions <sup>(ii)</sup>	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. <sup>(iii)</sup>	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](http://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 income<sup>2</sup> 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](http://ato.gov.au).

<sup>2</sup> 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](http://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](http://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 Simple Super and Tailored Super account.

Consolidating your super into Simple Super and Tailored Super 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](http://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](http://amp.com.au/forms).

## Step 3. Return the form to:

Customer Service Centre  
PO Box 14669  
MELBOURNE VIC 8001

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 (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](http://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.

## 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](http://ato.gov.au).

## When you can access your super

Generally, you can take your super once you have:

- permanently retired after reaching your preservation age<sup>3</sup>
- 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 components

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.
- **Preserved:** you can access this amount only in certain circumstances set by super 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.

## 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.

<sup>3</sup> 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.

## 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. If you 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

## Risks 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

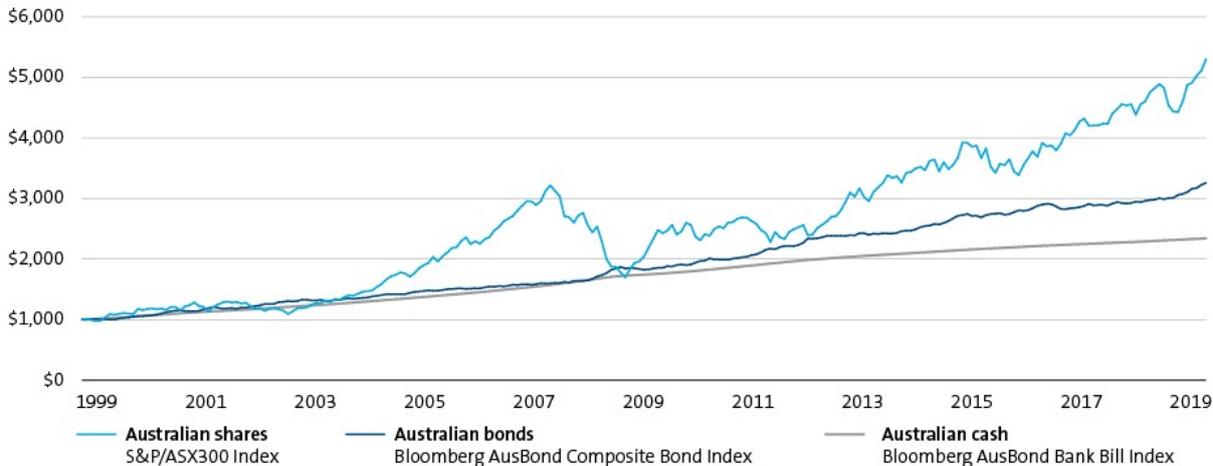
Each type of market – also known as an asset class – has its own risks.

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"> <li>– industry risk factors</li> <li>– disappointing profits and dividends</li> <li>– management changes</li> <li>– reassessment of the outlook for the company or industry</li> <li>– currency risk for any investment in unhedged global shares.</li> </ul>
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"> <li>– vacancies</li> <li>– location</li> <li>– unprofitable property development activities</li> <li>– declining values</li> <li>– share market volatility</li> <li>– delays in approvals</li> <li>– liquidity</li> <li>– international investment risk (global property and infrastructure).</li> </ul>
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"> <li>– changes in interest rates – generally, the investment value falls if yields rise</li> <li>– default</li> <li>– liquidity</li> <li>– international investment risk (for global fixed interest investments)</li> <li>– credit risk – the risk that a borrower will default on either the payment of interest or the return of principal.</li> </ul>
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...

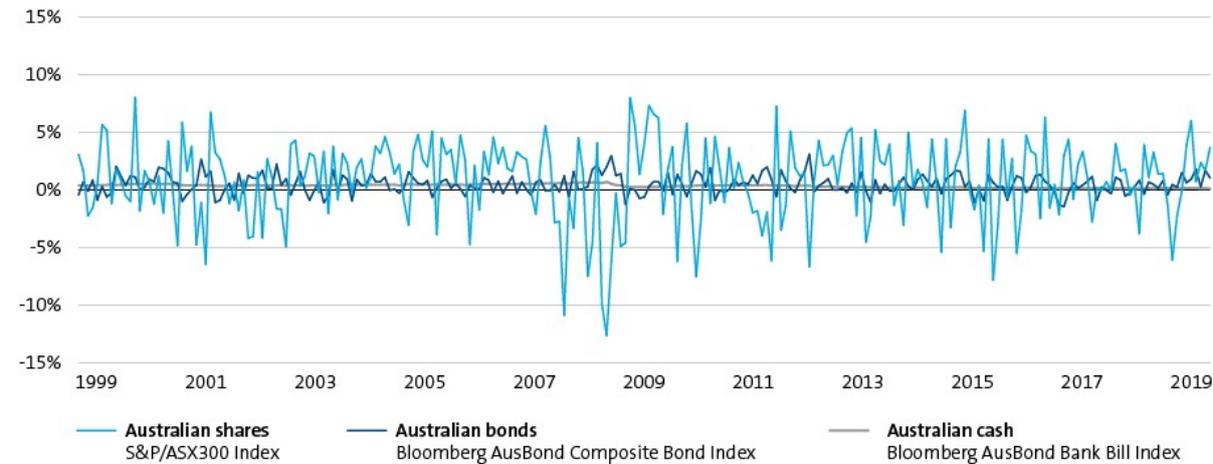
**Growth of \$1,000 investment over time – 20 years (1999 – 2019)**



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. There is currently no fees for switching between investment options. 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](http://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 Simple Super and Tailored Super 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](http://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"> <li>– 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.</li> <li>– 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.</li> <li>– liquidity risk: The risk that a derivative position cannot be reversed.</li> <li>– default risk: The risk that the party on the other side of a derivative contract defaults on payments.</li> </ul> <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 will 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

Simple Super and Tailored Super allow you to select from a total of 16 investment portfolios.

You can select from:

- AMP SDF MySuper investment portfolio
- 10 diversified portfolios
- Five sector portfolios.

## Investment flexibility

You can choose up to a maximum of five portfolios for your future contributions. Your accumulated contributions (account balance) may be invested in up to five portfolios at a time, as long as a minimum of \$1,000 is invested in each portfolio.

You may alter your investment choice at any time. This allows you the opportunity to make the right investment choice, which can help you achieve long-term financial security and enjoy your lifestyle expectations in retirement. 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](http://amp.com.au/super/forms).

You can switch between investment options at any time. There are no switching fees, however, a buy and sell margin may apply, (refer to the section on **buy and sell margins** in this document for further details).

There is no entry cost when switching into the Security Plus or Guaranteed Plus portfolios. However, when switching from the Security Plus portfolio, the total amount available may be the lesser of the monetary value of your account balance and the release value of the investment at that time. Refer to **the Security Plus and Guaranteed Plus portfolios** in this document for further details.

## 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 portfolio 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.

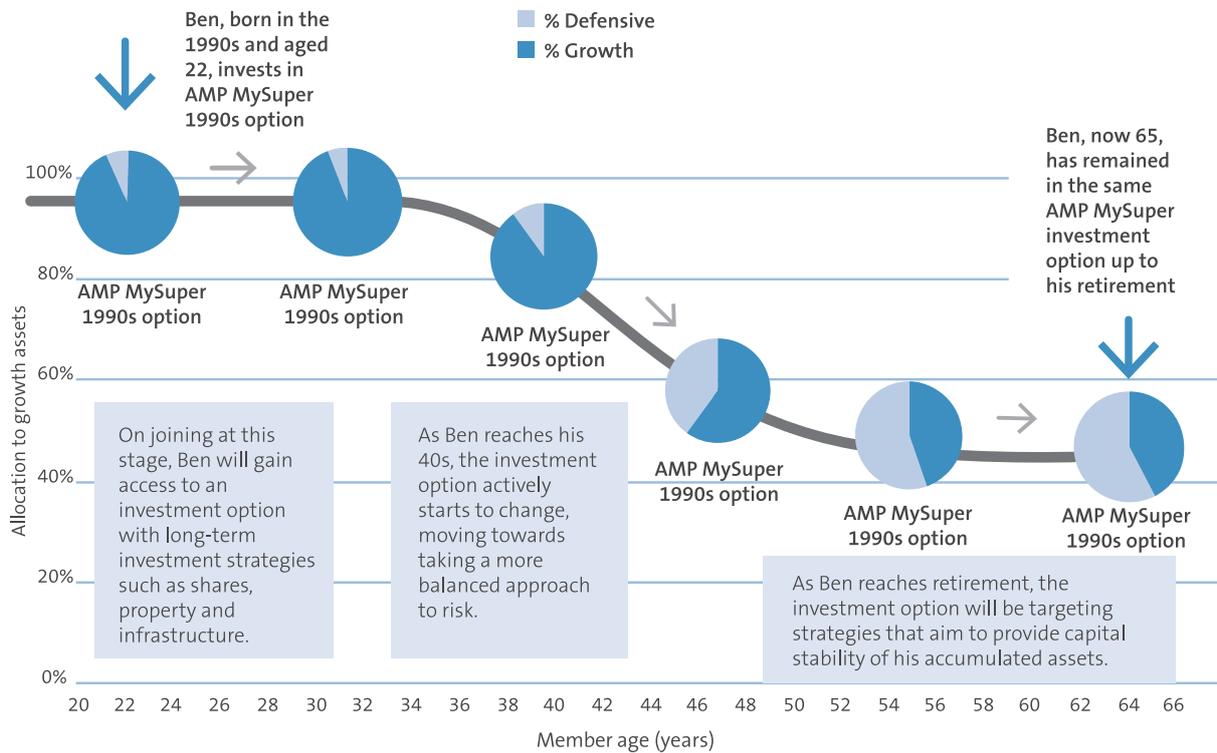
**Note:** you cannot choose a different decade to be invested in.

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 portfolio
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 risk with the aim of improving the consistency of returns.

To ensure the ongoing quality of 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](http://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.

### 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 made and interest credited to your investment in this portfolio and unless your plan terminates, 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. In these cases your benefit may be the lower of the monetary value of your investment in the portfolio or the underlying release value of the investments. The Security Plus portfolio is only available to members of plans who had funds invested in the portfolio prior to 26 April 1994 and continuously since that date.

In the case of the Guaranteed Plus portfolio, the guarantee provider applies a guarantee to all net contributions plus daily credited earnings and will be paid regardless of whether the plan is terminating or 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.

Due to the nature of the guarantee, both the Security Plus and Guaranteed Plus portfolios have lower risk investment profiles. This means that 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, nor 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.

## Diversified portfolios

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 levels of exposure to each market, and may alter them as a result of changing investment conditions. 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 portfolios

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

## Investment manager selection process

### Multi-manager portfolios

For all multi-manager portfolios, 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](http://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

We regularly monitor our investment options and investment managers to ensure our range continues to suit the needs of our customers. We may add, close or terminate investment options, add new investment managers, as well as change the aim and strategy and asset range or benchmark of an investment option at any time. We will notify you about any material changes to the investment options 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](http://www.amp.com.au/pdsupdates). If you have money in an investment option that is terminated, we will switch your money to an investment option with a similar risk/return profile.

### 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 will 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 share markets 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 equities 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 share market that are representative of different industries within the Australian economy.
- Property may include property investments listed on the Australian share market and global securities exchanges and/or unlisted property trusts. To protect members from currency movements, any allocation made by 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, eg 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 portfolios

### 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.

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.

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Australian shares	32	22-42	0-45
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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

## 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%

### 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<sup>(i)</sup> 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.

### Security Plus<sup>(i)</sup>

**Investment objective:** To guarantee<sup>(ii)</sup> 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	0-20
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.

## 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<sup>(i)</sup> 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.

## 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.<sup>(i)</sup>

**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.

## 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<sup>(i)</sup> 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	
Unlisted property and infrastructure	0	0-15
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<sup>(i)</sup> 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<sup>(i)</sup>, 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<sup>(i)</sup>, 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<sup>(i)</sup>, 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.

## Sector 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.<sup>(i)</sup>

**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.

### 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

### 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

## 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.<sup>(i)</sup>

**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.

## 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 document shows fees and other costs that you may be charged. These fees and other costs may be deducted from your money, from the returns on your investment or from the assets of the superannuation entity 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 costs because it is important to understand their impact on your investment.

The fees and costs for each investment portfolio offered by the entity are set out below.

## Fees and other costs for the AMP SDF MySuper investment portfolio

AMP SDF MySuper				
Type of fee	Amount			How and when paid
Investment fee <sup>(i)</sup>	0.30% pa			The <b>MySuper investment fee</b> is deducted daily from the assets of the MySuper investment portfolio and reflected in the unit price
Administration fee <sup>(i)</sup>	0.29% pa			The <b>MySuper administration fee</b> 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 <b>MySuper member fee</b> is deducted directly from your account each month
Buy-sell spread	<b>MySuper investment portfolio</b>	<b>Buy margin<sup>(ii)</sup></b>	<b>Sell margin<sup>(ii)</sup></b>	<b>Buy and sell margins<sup>(iii)</sup></b> 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 <b>buy and sell margin</b> at the time of the transaction. You will also incur a cost or benefit across the whole investment portfolio if the <b>sell margin</b> 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 <sup>(iv)</sup>	Nil			Not applicable
<b>Advice fees</b> relating to all members investing in a particular MySuper product or investment portfolio	Nil			Not applicable
<b>Other fees and costs</b>	<b>Advice fees for personal advice<sup>(iii)</sup></b> as agreed between you and your financial adviser			Deducted directly from your account
	Plus <b>insurance fees<sup>(iii)</sup></b> - 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 <sup>(i),(v)</sup>	<b>MySuper investment portfolio</b>	<b>Estimated performance based fees % pa</b>	<b>Estimated other indirect costs % pa</b>	<b>Total indirect cost ratio % pa</b>	<p><b>Performance based fees<sup>(iii)</sup></b> 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.</p> <p><b>Other indirect costs<sup>(iii)</sup></b> 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.</p>
	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) **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.
- (iii) Refer to the **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

Simple Super and Tailored Super Choice investment portfolios		
Type of fee or cost	Amount	How and when paid
Investment fee <sup>(i)</sup>	0.13% to 0.90% pa depending on the investment portfolio <sup>(ii)</sup>	The <b>investment fee<sup>(iii)</sup></b> is deducted daily from the assets of each investment portfolio and reflected in the unit price or crediting rate when declared
Administration fee <sup>(i)</sup>	1.61% pa for all investment portfolios except Security Plus whose fee is 1.97% pa and Cash portfolio whose fee is 0.50% pa	The <b>administration fee</b> is deducted daily from the assets of each investment portfolio and reflected in the unit price or 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 <b>member fee<sup>(iv)</sup></b> is deducted directly from your account each month in arrears. If you are also invested in the AMP SDF MySuper investment portfolio, the <b>MySuper member fee</b> will be deducted from your MySuper investment portfolio and you will not be charged an additional <b>member fee</b> . Your employer may have negotiated a lower amount <sup>(iv)</sup> .
	Less an <b>administration fee rebate</b> if applicable <sup>(v)</sup>	The <b>administration fee rebate<sup>(iv)</sup></b> is paid directly into your account each month

Simple Super and Tailored Super Choice investment portfolios		
Type of fee or cost	Amount	How and when paid
<b>Buy-sell spread</b>	<b>Buy margin</b> of 0% to 0.20% <sup>(vi)</sup> depending on the investment portfolio <sup>(ii)</sup> ; and <b>Sell margin</b> of 0% to 0.20% <sup>(iv)</sup> depending on the investment portfolio <sup>(ii)</sup> .	<b>Buy and sell margins</b> <sup>(iv)</sup> 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 <b>buy and sell margin</b> at the time of the transaction. You will also incur a cost or benefit across the whole investment portfolio if the <b>sell margin</b> is increased or decreased at any point in time.
<b>Switching fee</b> <sup>(vii)</sup>	Nil	Not applicable
<b>Advice fees</b> relating to all members investing in a particular MySuper product or investment portfolio	Nil	Not applicable
<b>Other fees and costs</b>	Up to 5% of each contribution	A <b>contribution fee</b> <sup>(iv)</sup> is deducted directly from your account when a contribution is received. No <b>contribution fee</b> is charged on Government co-contributions.
	Plus <b>advice fees for personal advice</b> <sup>(iv)</sup> as agreed between you and your financial adviser	Deducted directly from your account
	Plus <b>insurance fees</b> <sup>(iv)</sup> - insurance premiums will apply if you have insurance cover	Deducted directly from your account at the end of the month
<b>Indirect cost ratio</b> <sup>(i)(viii)</sup>	0 to 0.65% pa depending on the investment portfolio <sup>(ii)</sup> , consisting of estimated <b>performance based fees</b> and <b>other indirect costs</b> .	<b>Performance based fees</b> <sup>(v)</sup> 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 or crediting rate declared. They are variable and may be more or less than the amounts shown. <b>Other indirect costs</b> <sup>(iv)</sup> 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. 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) **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.
- (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.

## Additional explanation of fees and costs

### Administration fee rebate

The plan qualifies for an **administration fee rebate** depending on the total plan assets.

Any **administration fee rebate** is credited directly to your account each month and has the effect of reducing the **administration fee** paid to the amount shown in the table below:

Plan assets	First \$500,000	Next \$500,000	Balance
Security Plus portfolio	Up to 1.97% pa	Up to 1.56% pa	Up to 1.56% pa
Other portfolios	Up to 1.61% pa	Up to 1.26% pa	Up to 0.55% pa

Your employer may have negotiated an additional **administration fee rebate**. The net administration fee after rebates applied to your account is shown on the **membership summary** attached to your **welcome letter**.

## Advice fees for personal advice

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** or **administration fees** set out in the table of **fees and other costs**.

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 payments 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.

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**.

An ongoing fee is deducted and paid monthly. 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.

## 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 and thresholds may increase in line with any increase in the Average Weekly Ordinary Time Earnings (AWOTE) (all employees) index at 1 July each year. The new **member fee** will be effective at the plan review date on or following 1 July.

The **MySuper member fee** for choice portfolios may increase in line with any increase in the Consumer Price Index (CPI) on 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 fees (with the exception of indexation) 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																															
<b>Assumption 1</b>	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																													
<b>Assumption 2</b>	PBF as a % of outperformance payable for all asset classes = 25%																														
<b>Assumption 3</b>	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	–
<b>Total</b>						<b>\$158.00</b>

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).
2. If there is insufficient money in Choice investment portfolio(s), or if your only investment is in the SDF 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 in **section 7: Group Life insurance cover** of 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 <sup>(i)</sup>			Indirect cost ratio			Total fees and indirect costs	Buy/Sell margin <sup>(iv)</sup>
	Investment fee	Admin-istration fee	Total fees	Estimated performance based fees <sup>(ii)</sup>	Estimated other indirect costs <sup>(iii)</sup>	Total indirect cost ratio		
	% 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
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 <sup>(i)</sup>	Estimated borrowing costs <sup>(i)</sup>
	Gross transaction costs	Less: Recovered by buy and sell margins	Net transaction costs	Net transaction costs (included in other indirect costs)	Net transaction costs <sup>(i)</sup> (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 <sup>(i)</sup>			Indirect cost ratio			Total fees and indirect costs	Buy/Sell margin <sup>(iv)</sup>
	Estimated investment fee	Administration fee	Total fees	Estimated performance based fees <sup>(ii)</sup>	Estimated other indirect costs <sup>(iii)</sup>	Total indirect cost ratio		
	% pa	% pa	% pa	% pa	% pa	% pa	% pa	%
<b>Multi-manager diversified</b>								
Multi-manager Balanced	0.86 <sup>(v)</sup>	1.61	2.47	0.00	0.18	0.18	2.65	0.19/0.18
Multi-manager Growth	0.89 <sup>(v)</sup>	1.61	2.50	0.01	0.19	0.20	2.70	0.20/0.17
Multi-manager High Growth	0.90 <sup>(v)</sup>	1.61	2.51	0.01	0.17	0.18	2.69	0.19/0.17
Multi-manager Secure	0.75 <sup>(v)</sup>	1.61	2.36	0.01	0.19	0.20	2.56	0.15/0.15
Multi-manager Secure Growth	0.80 <sup>(v)</sup>	1.61	2.41	0.01	0.21	0.22	2.63	0.17/0.15
<b>Diversified</b>								
Guaranteed Plus	0.53	1.61	2.14	0.00	0.04	0.04	2.18	0.06/0.06
Managed	0.59 <sup>(v)</sup>	1.61	2.20	0.06	0.14	0.20	2.40	0.14/0.14
Property-Biased	0.44 <sup>(v)</sup>	1.61	2.05	0.20	0.16	0.36	2.41	0.12/0.12
Secure	0.81 <sup>(v)</sup>	1.61	2.42	0.05	0.13	0.18	2.60	0.10/0.10
Security plus	0.72 <sup>(v)</sup>	1.97	2.69	0.00	0.05	0.05	2.74	0.11/0.11
<b>Sector/Specialist</b>								
Australian Equities	0.67	1.61	2.28	n/a	0.06	0.06	2.34	0.20/0.20
Cash	0.13 <sup>(v)</sup>	0.50	0.63	n/a	0.01	0.01	0.64	n/a
Diversified Fixed Interest	0.63	1.61	2.24	n/a	0.17	0.17	2.41	0.11/0.12
International Equities	0.72	1.61	2.33	n/a	0.16	0.16	2.49	0.09/0.09
Property	0.30 <sup>(v)</sup>	1.61	1.91	0.43	0.22	0.65	2.56	0.12/0.12

- (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 <sup>(i)</sup>	Estimated borrowing costs <sup>(i)</sup>
	Gross transaction costs	Less: Recovered by buy and sell margins	Net transaction costs	Net transaction costs (included in other indirect costs)	Net transaction costs <sup>(i)</sup> (excluded from other indirect costs)		
	% pa	% pa	% pa	% pa	% pa	% pa	% pa
<b>Multi-manager diversified</b>							
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
<b>Diversified</b>							
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
Security plus	0.16	0.11	0.05	0.02	0.03	0.07	0.06
<b>Sector/Specialist</b>							
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
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
Property	0.22	0.03	0.19	0.17	0.02	0.89	0.64

- (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

The **member fee** will reduce depending on the number of members in your employer's plan and is determined each year at your plan's annual review date. The **member fee** you pay is equal to:

total monthly member fee for plan

number of plan members

The total monthly fee for a plan is calculated using the following scale:

Member fee reduction	
Number of members	Monthly member fee applicable (\$)
For the first 30 members	7.05
For the next 20 members	5.99
For the next 150 members	3.17
For the balance of members	1.76

A maximum **member fee** of \$7.05 per month is applicable. This fee may be indexed annually on 1 July in line with the Average Weekly Ordinary Time Earnings (AWOTE) (all employees) index.

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**.

## 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 **fact sheet**), the following types of fees have the meaning described below.

Fee	Definition
<b>Activity fee</b>	<p>A fee is an <b>activity fee</b> if:</p> <ul style="list-style-type: none"> <li>– 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"> <li>– that is engaged in at the request, or with the consent, of a member, or</li> <li>– that relates to a member and is required by law, and</li> </ul> </li> <li>– 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.</li> </ul>
<b>Administration fee</b>	<p>An <b>administration fee</b> 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"> <li>– borrowing costs</li> <li>– 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</li> <li>– 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.</li> </ul>
<b>Advice fee</b>	<p>A fee is an <b>advice fee</b> if:</p> <ul style="list-style-type: none"> <li>– 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"> <li>– a trustee of the entity, or</li> <li>– another person acting as an employee of, or under an arrangement with, the trustee of the entity, and</li> </ul> </li> <li>– those costs are not otherwise charged as an administration fee, an investment fee, a switching fee, an activity fee or an insurance fee.</li> </ul>
<b>Buy-sell spread</b>	<p>A <b>buy-sell spread</b> 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>
<b>Exit fee</b>	<p>An <b>exit fee</b> 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>
<b>Indirect cost ratio</b>	<p>The <b>indirect cost ratio (ICR)</b>, 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>
<b>Insurance fee</b>	<p>An <b>insurance fee</b> is a fee that relates to insurance premiums and costs incurred in providing insurance.</p>
<b>Investment fee</b>	<p>An <b>investment fee</b> is a fee that relates to the investment of the assets of a superannuation entity and includes:</p> <ul style="list-style-type: none"> <li>– fees in payment for the exercise of care and expertise in the investment of those assets (including performance fees), and</li> <li>– costs that relate to the investment of assets of the entity, other than: <ul style="list-style-type: none"> <li>– borrowing costs</li> <li>– property operating costs</li> <li>– 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</li> <li>– 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.</li> </ul> </li> </ul>
<b>Switching fee</b>	<p>A <b>switching fee</b>:</p> <ul style="list-style-type: none"> <li>– 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</li> <li>– 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.</li> </ul>

## Section 6:

# How super is taxed

In this section we will discuss:

- > **Tax**  
Tax in super
- > **Contributions caps**  
Contributions caps and the 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.

## 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](http://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 Simple Super and Tailored Super. 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 rollover 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 rollover 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	
<b>Taxable component (taxed element):</b>		
Under preservation age <sup>(i)</sup>	20% plus Medicare levy	
Preservation age to age 59	Up to the low rate cap <sup>(ii)</sup>	0%
	Amounts over the low rate cap <sup>(ii)</sup>	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](http://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 do 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](http://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 Simple Super and Tailored Super
- > **How to obtain cover**  
Information on how to apply for cover
- > **Premiums**  
Information on the premium rate calculations

This section provides you with information about the Group Life insurance cover (cover) (includes Death, Total and Permanent Disablement (TPD) and Total but Temporary Disablement (TTD)) your employer may have arranged on your behalf or you may request as a member of Simple Super or Tailored Super.

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

This section sets out the general terms of the policy 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.

## Eligibility criteria

### General eligibility

You are eligible for Group Life cover if:

- you have been accepted as a member of the Fund
- you are an Australian resident and you reside in Australia (unless you are working overseas with the Insurer's written approval), 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 65.

For TPD cover you must also be:

- aged 14 or more but less than 56
- permanently employed to work at least 15 hours per week.

For TTD cover you must also be:

- aged 14 or more but less than 56
- permanently employed to work at least of 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 only be eligible for one or two units of Death cover under unit based cover insurance ie one unit of \$1 per week or \$2 per week of cover.

The maximum amount of cover available is \$5 million for Death cover and \$2 million for TPD 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 <b>under age 25 and/or you have a balance under \$6,000</b> , 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). <a href="http://amp.com.au/getinsurance">amp.com.au/getinsurance</a>	You will have your default insurance cover applied automatically <sup>(i)</sup> .	Date election made (subject to enough funds being available to pay your premiums).	<b>Limited cover</b> will apply until you are <b>at work</b> for 30 consecutive days.
	Elect to have insurance 121 days or more after joining your employer. <a href="http://amp.com.au/getinsurance">amp.com.au/getinsurance</a>	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 <b>aged 25 or over and you have a balance of \$6,000 or more</b> , 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 <sup>(i)</sup> .	Your insurance will be automatically applied <sup>(i)</sup> .	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.	<b>Limited cover</b> will apply until you are <b>at work</b> 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

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 and be underwritten for cover. We will write to you when your cover has reached the AAL for your plan.

Provided you are an employer-supported member and you satisfy all eligibility criteria, you may qualify for automatic acceptance of one unit of \$1 per week Death and TPD cover even if your plan does not have an AAL.

If an AAL is applicable and the amount of cover you have applied for is in excess of the AAL, if you do not complete a personal statement your cover will be restricted to the AAL.

To qualify for automatic acceptance, your employer must enrol you as a member of the Fund within 120 days of you commencing employment with your employer, meet the Super Law eligibility, a contribution must be remitted and a premium paid.

You must also:

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

Automatic acceptance is also conditional on Simple Super or Tailored Super being the employer's default SG fund.

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 (see this page). Please note an AAL may not be applicable to your employer's plan. Certain terms and conditions apply.

## At work

The person on the cover commencement date (or any other time as agreed between you and us - this includes Super Law eligibility):

- 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.

## 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.

## 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.

## 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 Simple Super or Tailored Super.

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

- your employment status
- the period during which you were disabled between ceasing employment and us taking over the insurance cover
- similar restrictions, limitations and any premium loadings that applied under the former policy, even if the automatic acceptance limit terms under this policy are higher than those under your former policy
- for underwriting terms, when cover is higher than the equivalent cover under your former policy, to the amount that exceeds the automatic acceptance limit
- the maximum amount of cover will be provided where your previous cover was subject to underwriting terms of your previous insurer.

- if automatic acceptance terms are applied from the previous policy, and
- other limitations that may be considered.

Please note that if your employer's 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

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. However, your total cover cannot exceed the maximum cover limits.

You will be required to submit a Personal statement when you apply for an increase in cover in the following circumstances:

- Automatic acceptance terms do not apply to your employer's plan.
- You are not eligible for automatic acceptance.
- You require cover in excess of the AAL.
- You require cover in excess of your further underwriting limits.
- 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 of greater than 30% due to salary increases, 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 that you undergo additional tests or provide further medical, financial or other information (such as your occupation) that it deems necessary. Cover does not start until the Insurer advises the Trustee (or their appointed representative) your cover has started.

Upon 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. Additional cover will commence from the date the Insurer accepts your application. Until then, your current level of cover 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](https://amp.com.au/insuranceinsidesuper) to find out more about what insurance is right for you.

## Interim Accidental Death and Accidental TPD cover

While the Insurer is assessing any health information provided, you will be covered for Accidental Death and Accidental TPD (depending upon the type of cover being applied for) equal to the amount you have applied for, up to \$435,000 and will start from when the Insurer receives your fully completed application form.

Premiums will be charged for the period of interim cover based on the amount and type of cover requested and under assessment.

Interim 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.
- 45 days pass from the date accidental cover commenced, or
- Cover would have otherwise ceased as outlined in this **additional information document**.

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.

## Increases in cover

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

- If an increase in cover of more than 30% in any 12-month period is due to salary increases.
- If the benefit basis that determines the level of cover is changed, or
- When cover reaches a pre-determined limit, which is usually the AAL.

## Worldwide cover

Worldwide cover of your insurance 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

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

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 24 months from the date your leave began.

**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 51 for further details.

## Exclusions and restrictions

### Exclusions for Death, TPD and TTD cover

No insured benefit will be payable if your death or disablement is directly or indirectly caused by or is a consequence of war, whether declared or not.

### Additional exclusion for TTD cover

#### The insured TTD

Benefit will not be payable if your total disablement is deemed by the Insurer to be:

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

### Restrictions for Death, TPD and TTD cover

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

## The Group Life benefit amount

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

The benefit formula options available are :

- units (\$1 and \$2 per week) of cover
- nominated amount
- nominated amount linked to CPI
- multiple of salary, and
- 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.

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

The following tables are to be used when unit-based cover is selected or where there is no defined cover and you are enrolled by your employer.

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

The cost of Death Only cover is 75% of the cost of Death and TPD cover.

### Tailored Super only

The cover amounts below are standard and based on a plan rating factor of 1.

Age last annual review	Death & TPD sum insured \$1 per week	Death & TPD sum insured \$2 per week	Age last annual review	Death & TPD sum insured \$1 per week	Death & TPD sum insured \$2 per week
14–20 incl	50,000	100,000	47	10,000	20,000
21–25 incl	52,000	104,000	48	9,000	18,000
26–30 incl	53,000	106,000	49	8,000	16,000
31	44,000	88,000	50	7,000	14,000
32	42,000	82,000	51	6,000	12,000
33	40,000	80,000	52	5,000	10,000
34	38,000	76,000	53	4,500	9,000
35	36,000	72,000	54	4,000	8,000
36	34,000	68,000	55	3,500	7,000
37	32,000	64,000	56	3,000	6,000
38	30,000	60,000	57	2,500	5,000
39	27,000	54,000	58	2,000	4,000
40	24,000	48,000	59	1,800	3,600
41	21,000	42,000	60	1,600	3,200
42	19,000	38,000	61	1,400	2,800
43	17,000	34,000	62	1,200	2,400
44	15,000	30,000	63	1,000	2,000
45	13,000	26,000	64	800	1,600
46	12,000	24,000	65	n/a	n/a

### Simple Super only

The premium rates below are standard rates and the cover amount is based on a plan rating factor of 1.

Age last annual review	Death & TPD sum insured \$1 per week	Death & TPD sum insured \$2 per week
14–20 incl	37,000	74,000
21–25 incl	45,000	90,000
26–30 incl	50,000	100,000
31	44,000	88,000
32	42,000	84,000
33	40,000	80,000
34	38,000	76,000
35	36,000	72,000
36	34,000	68,000
37	32,000	64,000
38	30,000	60,000
39	27,000	54,000
40	24,000	48,000
41	21,000	42,000
42	19,000	38,000
43	17,000	34,000
44	15,000	30,000
45	13,000	26,000
46	12,000	24,000

Age last annual review	Death & TPD sum insured \$1 per week	Death & TPD sum insured \$2 per week
47	10,000	20,000
48	9,000	18,000
49	8,000	16,000
50	7,000	14,000
51	6,000	12,000
52	5,000	10,000
53	4,500	9,000
54	4,000	8,000
55	3,500	7,000
56	3,000	6,000
57	2,500	5,000
58	2,000	4,000
59	1,800	3,600
60	1,600	3,200
61	1,400	2,800
62	1,200	2,400
63	1,000	2,000
64	800	1,600
65	n/a	n/a

## Group Life premium rate calculation

### Plan rating factor/occupation rating

#### Tailored Super only

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

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

This classification is referred to as the plan rating factor (PRF). The Insurer will undertake a tri-annual review of your employer's plan. A part of this review is to update the occupation profile of your employer's plan. If there is a change to the occupation profile of insured members, this may result in a change in the PRF, which will result in a change to the premiums you pay for your insurance cover.

If you are provided with units of cover for Death only or Death and TPD your insurance premiums are based on a rate of \$1 or \$2 per week, adjusted for your occupation.

#### 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 that where you are required to provide a Personal statement, the Insurer can impose a higher premium, exclusion, restrictions 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 and at your employer plan's annual review. 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.

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

When you cease employment with your employer, you may be provided with extended cover (see **leaving your employer** in section 8 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.

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

The following premium rates are to be used when a formula other than unit-based cover is selected.

### Tailored Super

The premium rates below are standard rates based on occupational rating of 1.

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

### Simple Super

The premium rates below are standard rates and the cover amount is based on a plan rating factor of 1.

Age last annual review	Non-smoker			Composite		
	Death	TPD	TTD	Death	TPD	TTD
14–20 incl	1.09	0.27	0.47	1.25	0.31	0.60
21	1.03	0.28	0.47	1.19	0.33	0.53
22	0.91	0.28	0.43	1.06	0.32	0.50
23	0.82	0.27	0.40	0.94	0.33	0.43
24	0.75	0.24	0.40	0.87	0.29	0.43
25	0.69	0.24	0.37	0.79	0.28	0.43
26	0.67	0.25	0.33	0.78	0.29	0.37
27	0.67	0.26	0.37	0.78	0.30	0.40
28	0.70	0.28	0.33	0.80	0.34	0.43
29	0.72	0.29	0.37	0.83	0.35	0.40
30	0.74	0.35	0.40	0.86	0.40	0.47
31	0.76	0.39	0.43	0.92	0.45	0.50
32	0.78	0.41	0.47	0.97	0.48	0.53
33	0.83	0.40	0.47	1.05	0.47	0.53
34	0.89	0.39	0.47	1.17	0.46	0.60
35	0.94	0.41	0.47	1.30	0.47	0.67
36	1.02	0.45	0.53	1.41	0.54	0.70
37	1.09	0.46	0.57	1.55	0.53	0.77
38	1.18	0.42	0.60	1.71	0.49	0.83
39	1.29	0.51	0.63	1.90	0.58	0.93
40	1.40	0.61	0.70	2.09	0.71	1.03
41	1.51	0.74	0.83	2.30	0.88	1.17
42	1.63	0.89	0.93	2.55	1.06	1.30
43	1.77	1.03	1.07	2.82	1.25	1.50
44	1.93	1.23	1.13	3.14	1.48	1.70

Age last annual review	No-smoker			Composite		
	Death	TPD	TTD	Death	TPD	TTD
45	2.10	1.42	1.30	3.50	1.73	1.93
46	2.31	1.69	1.47	3.83	2.09	2.17
47	2.52	2.05	1.70	4.20	2.51	2.50
48	2.76	2.48	1.93	4.60	3.06	2.77
49	3.03	3.03	2.20	5.04	3.74	3.20
50	3.30	3.67	2.57	5.50	4.54	3.70
51	3.67	4.33	2.97	6.08	5.37	4.20
52	4.10	5.08	3.37	6.75	6.28	4.77
53	4.54	5.93	3.83	7.43	7.32	5.40
54	5.00	7.07	4.43	8.15	8.71	6.17
55	5.50	8.49	5.13	8.92	10.43	7.10
56	6.16	10.06	5.90	9.89	12.31	8.17
57	6.87	11.88	6.87	10.95	14.47	9.33
58	7.66	14.21	8.03	12.10	17.26	10.77
59	8.52	17.09	9.37	13.35	20.66	12.47
60	9.46	20.48	10.97	14.72	24.67	14.47
61	10.58	24.39	12.83	16.25	29.28	16.70
62	11.82	28.95	14.93	17.90	34.66	19.30
63	13.09	34.33	17.40	19.58	40.98	22.20
64	14.49	40.47	20.13	21.39	48.17	25.50
65	16.06	n/a	n/a	23.24	n/a	n/a
66	17.42	n/a	n/a	25.40	n/a	n/a
67	19.01	n/a	n/a	27.72	n/a	n/a
68	20.71	n/a	n/a	30.20	n/a	n/a
69	22.54	n/a	n/a	32.87	n/a	n/a

## 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 that 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 balance, plus
- the proceeds of any insurance claim paid by the Insurer.

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

For more information on **how the benefit will be paid upon death** please refer to section 9.

### Terminal Illness benefit

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

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

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

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

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, a different definition of 'Terminal illness benefit' applies. 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.

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 Total and Permanent Disablement 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 total and permanently disabled, but only if you ceased work as a result of the injury or illness giving rise to TPD while the policy is in force and before your cover ceases.

You will be requested to provide the Insurer with medical evidence of your disability to enable them to determine whether or not you qualify for the payment of the TPD benefit.

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

**Permanent disability** commencing while you are

- engaged in **regular remunerative work**:
  - as a **full-time employee**, and meet the definition in Part (a) or (b),
  - other than as a **full-time employee**, and meet the definition of Part (b), or
- a person insured in the **personal division** not engaged in **regular remunerative work** and meet the definition of Part (b) or (c).

### Part (a) Unlikely to work

You suffer an injury or sickness that stops you from working in any business, occupation or regular duties continuously for the **TPD waiting period**.

### 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.

**Permanent disability** means, after considering all evidence which we believe 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 unlikely to ever be able to work in any business, occupation or regular duties, whether paid or unpaid, for which you are reasonably qualified by education, training or experience.

If your TPD Cover commenced prior to 1 July 2014, a different definition of **Permanent disability** applies.

### 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.

**Full-time 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 employee** will also include a person employed by any employer at the time of injury or sickness.

**TPD waiting period** means six consecutive months from the last day at work prior to the injury or sickness.

### 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 55 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.

### What happens if you are claiming a TPD benefit and you die before the Insurer has accepted the claim?

The Insurer will consider your eligibility to claim under your Death cover. If your Death cover is paid, your TPD claim will be cancelled. You will not receive both the insured TPD benefit and the insured death benefit from your insurance cover.

### 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 Guaranteed Plus portfolio.

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

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.

### TTD benefit

If you are totally but temporarily disabled and have TTD insurance cover, the Insurer will pay a monthly benefit for a period of up to two years. If a claim is admitted, the Insurer will pay the insured amount to the Trustee. The Trustee will then make the proceeds available to you.

The amount of your monthly income will be the least of:

- 1/12 of 30% of your TPD insurance cover
- 1/12 of 75% of your annual salary less any other income benefits received as a result of the disablement, and
- 1/12 of the total of 75% of the first \$146,000 of your annual salary plus 1/12 of 50% of the next \$73,000.

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

Salary means:

- Your current remuneration as advised by your employer (calculated as an annual amount) excluding any non-recurring component but including any regular or recurring components agreed to by the Insurer.

Income benefits include:

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

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

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

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

Total but Temporary disablement means:

- the Person insured has been absent from employment with their participating employer through illness or injury for the waiting period, and
- after consideration of medical evidence satisfactory to the Insurer, the person insured has become incapacitated to such an extent as to render him or her unable, for the time being, to resume work in their former occupation.

Waiting period means three consecutive months for which a person insured must be absent from employment through injury or illness before his or her benefit becomes payable under this policy.

### When TTD benefits cease

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

- You cease to be employed by your current employer.
- You resume active employment with any employer.
- You cease to be totally but temporarily disabled.
- You received a TPD benefit.
- You receive any other benefit under the Fund.
- You reach the age of 65,
- Benefits have been paid for the maximum payment period,
- You don't provide the Insurer with further medical evidence of your continued incapacity as it considers necessary, or
- You die.

## How to make a claim for Death and TPD

In the event of your Death (including Accidental Death), your employer or a representative acting on your behalf should contact the Trustee or the Insurer as soon as it is reasonably possible to do so.

In the event of TPD under Super Directions for Business Rollover, you, your employer or the Trustee should notify 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 or as soon as it is reasonably possible to do so.

For Terminal Illness, you or your employer should notify the Insurer or the Trustee as soon as reasonably possible.

The Insurer will generally contact you or your employer, or in the case of your death, your legal personal representative, to advise you of our claim requirements as soon as is reasonably possible. The advising of the claim requirements does not constitute an admission of liability in respect of any claim lodged.

If the Insurer does not receive notice within the time specified, they may reduce or refuse to pay the benefit 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 to provide medical, occupation, financial information and details of your daily activities. You may also be required to be interviewed and attend vocational assessments and rehabilitation. You, your employer 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:

- if you were accepted (or an increase of the insured benefit was accepted) under automatic acceptance or the Insurer's transfer terms, that you, your employer and the Trustee met all of the Insurer's requirements
- your entitlement to claim the applicably insured benefit, and
- your age.

Payment of the claim is conditional upon you (or your dependants/legal personal representative), your employer 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 9)
- 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
- when reasonably required by the Insurer (and at their expense), being examined by a medical practitioner they nominate who must confirm the condition
- 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, and
- be interviewed.

## 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:

## Death and TPD

- when you reach the annual review date which follows the earlier of the cover expiry age or retirement date. The cover expiry age for Death cover under Simple Super is 65 or 70 depending on the insurance arrangements and for Tailored Super it is age 65. For TPD cover, the cover expiry age is at age 65 under Simple Super and Tailored Super
- upon payment of a Death, Accidental Death, TPD or Accidental TPD benefit
- upon payment of the Terminal Illness benefit if it equals the total death benefit payable. If the 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 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 Simple Super or Tailored Super plan
- when you are on unpaid leave or employed overseas for longer than the period of time that 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
- you cease employment with your participating employer
- 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](http://amp.com.au/whyinsurance)) or
- if you make a fraudulent claim.

## TTD Cover

Your cover will stop when your membership ceases, or as soon as one of the following happens:

- the annual review date after you turn age 65
- when you no longer meet the eligibility terms applicable to your plan or we are notified you have ceased employment with your employer
- when you, as an employee, elect for your employer to contribute on your behalf to a different super fund other than your employer's Simple Super or Tailored Super plan
- when you are on unpaid leave or employed overseas for longer than the period of time that 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 you are eligible to do so
- when you do not pay your premium, unless you are being paid the TTD benefit
- on the date you permanently retire from the workforce
- if you make a fraudulent claim
- when you die
- 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](http://amp.com.au/whyinsurance).) or
- when you cease to work as a permanent employee on average of 15 hours per week or more.

## Section 8:

# Other important information for insurance cover

In this section we will discuss:

- **Duty of disclosure**  
Your disclosure obligations
- **Leaving your employer**  
What happens to your cover when you leave your employer
- **Additional information**  
Additional information on your insurance cover

## 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 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.

## Leaving your employer

When you leave your employer, cover may continue until the date we are notified you have ceased employment.

At any time after you leave your employer, to the date we are notified by your employer of this event, if you reach the cover expiry age 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 will 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 you have left 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 have suffered the loss of two limbs, or the sight from both eyes, or the loss of one limb and the sight of one eye, where 'limb' means the whole hand or the whole foot.

### TTD cover

TTD cover will continue from the date you leave your employer until the date we are notified by your employer you have left. However, the monthly benefit period will be limited to a maximum 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 Simple Super or Tailored Super 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.

Any TTD cover you hold will cease.

### 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.

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.

### Application to the Super Directions for Business Rollover Section

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 65.
- For TPD cover you are aged 14 or more but less than 56.
- You are an Australian resident and you reside in Australia.
- You satisfy any other eligibility criteria that apply to your employer's plan.

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.

## Continuation option

If your cover ends in your Simple Super or Tailored Super 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 continue the level of Death and TPD cover you enjoyed under your membership by purchasing another individual policy provided you:

- are an Australian resident
- reside in Australia
- submit the application for the personal insurance policy within 60 days of the date you notify us that you have ceased employment with your 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 your membership 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 facility.

The premium rates for the new policy, if issued, may be different to those under your membership and will be determined by, among other things, your gender, occupation and smoking status.

There is no continuation option for TTD benefits.

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

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

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

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

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

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

The 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.

**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.

The Super Directions for Business Rollover Section is issued by N.M. Superannuation Proprietary Limited ABN 31 008 428 322, AFSL No. 234654 as trustee of Super Directions Fund ABN 78 421 957 449. You should consider the PDS available at [amp.com.au/ssts](http://amp.com.au/ssts) before making a decision whether to acquire, or continue to hold, the product.

## 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](http://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](http://amp.com.au/videos).

## Section 9:

# 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 dependent**  
Defining a dependent 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 Guaranteed Plus portfolio. Generally, death benefits will be paid in the form of a lump-sum when the claim has been admitted and the Trustee has made a decision as to 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.

## Payment of 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](http://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 10:

# Other information you need to know

In this section we will discuss:

- **How we'll keep in touch**  
How we keep you updated
- **Your Privacy**  
Use and disclosure of 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](http://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/ssts](http://amp.com.au/ssts).

## 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 Simple Super and Tailored Super 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](mailto: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](http://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.

## Unclaimed super 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](http://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](http://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](http://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 Simple Super and Tailored Super, 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.

Log into 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, and
- perform investment switches, update beneficiaries and provide your tax file number.

Access My AMP at [amp.com.au/myamp](http://amp.com.au/myamp).

## Enquiries and complaints process

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](mailto: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](http://afca.org.au)

**Email:** [info@afca.org.au](mailto: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 Simple Super or Tailored Super account is split, then your spouse will not automatically have an 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

Simple Super and Tailored Super 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 life insurance policies and Statutory Funds.

A copy of the Trust Deed is available upon request.

## Distribution of the Plan Reserve account

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 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 Guaranteed Plus portfolio and will distribute the balance in the account at least once a year in the same manner.

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

## Policy committee

Superannuation legislation requires that 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 reduces 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 assist 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.

For details of 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.

## 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](http://amp.com.au).

For any other inquiries, please call AMP Customer Service on 133 056.

## Contact us

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