

ACCOUNTANTS SUPER PRODUCT DISCLOSURE STATEMENT

14 November 2011

i THINGS YOU SHOULD KNOW:

- This Product Disclosure Statement (PDS) is a summary of key information about the Accountants Super product. Within this PDS are references to further information that it is important to understand. This important information is called Accountants Super Incorporated Information and forms part of this PDS.
- You should consider both this PDS and the Accountants Super Incorporated Information before making a decision about the product.
- The information provided in this PDS is general information only and doesn't take into account your personal financial situation or needs.
- You should obtain financial advice tailored to your personal circumstances.
- You can access a copy of this PDS and the Accountants Super Incorporated Information by following the link to the PDS on the homepage at www.accountants-super.com or ask for a copy by calling **1300 651 331**.

CONTENTS

1. About Accountants Super	3
2. How super works	3
3. Benefits of investing with Accountants Super	4
4. Risks of super	5
5. How we invest your money	5
6. Fees and costs	6
7. How super is taxed	7
8. Insurance in your super	7-8
9. How to open an account	8

Prepared and issued by Professional Associations Superannuation Limited ('PASL' or 'Trustee') (ABN 14 056 917 303 AFSL 222590 RSE L0000352) as Trustee for Professional Associations Superannuation Fund (PASF) (ABN 78 984 178 687 RSE R1000429). Accountants Super is a division of PASF.

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1. ABOUT ACCOUNTANTS SUPER

Accountants Super was established in 1989 to assist members save for their retirement, and since 1 July 2006 has been a division of the Professional Associations Superannuation Fund (PASF). Accountants Super has three membership categories:

- 1. Employer-sponsored:** An employee whose employer is contributing to Accountants Super on their behalf
- 2. Self-employed:** A person who is considered by the Australian Taxation Office (ATO) to be self-employed and eligible to claim a tax deduction on their contributions as a self-employed person
- 3. Stand-alone:** If you wish to join Accountants Super you can do so by completing a *Member application form* and making an initial contribution/transfer of \$1,500 or more. This category also includes spouse members.

Accountants Super has over \$410 million of assets under management and leverages the economies of scale that come from being part of a larger fund, PASF. PASF is governed by a Trust Deed and currently has \$1.7 billion of assets under management and around 450,000 members.

The Trust Deed sets out the rights of members and beneficiaries, and the duties and responsibilities of the Trustee. As circumstances change, it may be necessary for the Trustee to amend the Trust Deed from time-to-time. A copy of the Trust Deed is available by calling us on **1300 651 331**.

The Trustee of PASF is Professional Associations Superannuation Limited. The Trustee has engaged a number of service providers to assist with the management, operation, sales, marketing and administration of PASF including an Administrator, Custodian and Asset Consultant. The service providers may include related entities of the Trustee. Insurance benefits are underwritten by an insurance company (insurer). For more information about who we are and how we operate go to the About Us page at www.accountants-super.com

2. HOW SUPER WORKS

Super is a means of saving for retirement which is, in part, compulsory. Most Australian employers are required by legislation to contribute a percentage of an employee's Ordinary Time Earnings to a super fund nominated by the employee or, if an employee doesn't nominate a fund, to the employer's default fund. These compulsory contributions are referred to as Super Guarantee (SG) contributions. The SG rate is currently 9% and there are proposals to gradually increase this to 12% starting from 1 July 2013.

You can also make other types of contributions to super. There are different types of contributions including SG contributions, additional employer contributions (e.g. salary sacrifice contributions), voluntary member contributions, spouse contributions and Government co-contributions.

There are limitations on making contributions to super and also on withdrawals. These limitations apply to all super funds. The only conditions we apply (other than limitations required by super legislation) are:

- A minimum initial contribution of \$1,500 is required by self-employed and standalone members, and
- That you must retain a minimum of \$1,500 in your account if you are making a partial withdrawal, otherwise you are required to withdraw your entire account balance or reduce your withdrawal so that \$1,500 remains in the account.

Super receives concessional tax treatment, that is, tax savings are provided by the Government. Refer to part seven of this PDS for more information about tax.

Most people have a right to choose the fund that their employer pays SG contributions into (Choice of Fund), so it's important you take an interest in your super and help it grow into a healthy retirement asset.

Contact your employer to check whether you have Choice of Fund. Further information about Choice of Fund is available from www.ato.gov.au

You can access your super savings once you retire provided you have reached your preservation age or in other circumstances permitted by law (including death, permanent incapacity and financial hardship). These are known as 'conditions of release'. The conditions of release for temporary residents vary to those that apply to Australian citizens, New Zealand citizens or permanent residents of Australia.

There are some circumstances in which your super **may** be transferred to an eligible rollover fund without your consent. There are certain circumstances in which super **must** be transferred by the Trustee to the Australian Taxation Office (e.g. small or unidentifiable lost accounts, unclaimed super on or after age 65 and unclaimed super of former temporary residents).

General information about super is available from www.moneySMART.gov.au



For more information about contributions, preservation and the circumstances in which benefits can be paid out of Accountants Super, refer to the Accountants Super Contributions, Features and Benefits Incorporated Information. You should read the important information about contributions, preservation and benefit payments before making a decision.

Go to www.accountants-super.com and click on the PDS link to view or download a copy of the PDS and Incorporated Information. Alternatively, you can call us on **1300 651 331** to request a copy. The material relating to contributions, preservation and benefit payments may change between the time you read this PDS and the day when you sign the application form (if applicable) or acquire this product.

3. BENEFITS OF INVESTING WITH ACCOUNTANTS SUPER

Accountants Super caters for different types of members. Individuals can apply to join Accountants Super or may be joined by their employer. Whatever way you become a member, you can stay in Accountants Super as your life circumstances change (e.g. if you change jobs, stop working or become self-employed).

If eligible, you will have automatic (default) cover for Death and Total and Permanent Disablement (TPD). You can also apply for extra insurance cover for Death and TPD, as well as optional Income Protection cover. Refer to part eight of this PDS for more information about insurance.

Accountants Super is an accumulation product, which means any contributions or other amounts paid into your account accumulate over time along with any investment returns (which may be positive or negative) less any fees, costs or other charges (such as insurance premiums or taxes).

You can choose how your super is invested by selecting from nine investment options. Refer to part five of this PDS for more information.

When you retire, or meet another condition of release for payment of your super (such as permanent incapacity, death or financial hardship) your super may be payable as one or more lump sums or in the form of a pension. A standard account based pension and a transition to retirement pension (which is an account based pension subject to some restrictions) is available from another division of PASF. A transition to retirement pension is only available if you aren't fully retired but you have reached your preservation age.

For further information about the pension products available from PASF refer to the SMARTpension PDS which is available from www.smartpension.com.au or ask us for a copy by calling **1300 366 508**. You should consider the SMARTpension PDS before deciding whether to acquire this pension product.

ACCOUNTANTS SUPER OFFERS THE FOLLOWING BENEFITS:

- ▶ Choice of nine investment options with no investment switching fees, however buy/sell spreads may apply.
- ▶ Contributions can be made in many ways - BPAY®, Direct Debit or cheque.
- ▶ You can split before-tax contributions with your spouse.
- ▶ You can transfer any external Death and Total and Permanent Disablement insurance cover you have into Accountants Super (subject to insurer approval).
- ▶ Online access to your account.
- ▶ Regular email newsletters to keep you informed.
- ▶ Easy to understand website with forms, factsheets and calculators at www.accountants-super.com
- ▶ Portability – you can stay in Accountants Super when you change jobs.
- ▶ As a 'Qualifying Recognised Overseas Pension Scheme', we can accept transfers from UK pension funds.
- ▶ Binding death benefit nominations are available (otherwise death benefits may be paid to your Legal Personal Representative).
- ▶ Eligible beneficiaries of a deceased member may receive an anti-detriment payment (an increased amount in addition to the account balance of the deceased). Not all funds make anti-detriment payments.
- ▶ The Trustee has a Privacy Policy to protect your personal information.

YOU ALSO HAVE ACCESS TO:

- ▶ Dedicated Member Services Consultants at no additional cost, and
- ▶ Other financial products or services including discounted personal advice, private health insurance and banking products.

These services or products are provided by other entities (not the Trustee). For further information, refer to your Accountants Super Contributions, Features and Benefits Incorporated Information or go to www.accountants-super.com



For more information about the significant features and benefits, refer to the Accountants Super Contributions, Features and Benefits Incorporated Information. You should read this important information about significant features and benefits before making a decision. Go to www.accountants-super.com and click on the PDS link to view or download a copy of the PDS and Incorporated Information. Alternatively, you can call us on **1300 651 331** to request a copy. The material relating to significant features and benefits may change between the time you read this PDS and the day when you sign the application form (if applicable) or acquire this product.

4. RISKS OF SUPER

THINGS YOU SHOULD KNOW:

- All investments carry risk.
- Different investment options may carry different levels of risk depending on the assets that each investment option is invested in, and
- Assets with the highest expected long-term returns (such as shares and property) may also carry the highest level of short-term risk.

The significant risks associated with our investment options include inflation risk, risks associated with underlying individual investments, general market risk, interest rate risk, currency risk and derivatives risk. These risks will vary depending on the investment option and its underlying assets.

OTHER GENERAL RISKS RELEVANT TO ACCOUNTANTS SUPER ARE:

- The value of your investment will vary.
- The level of returns will vary, and future returns may differ from past returns.
- Returns aren't guaranteed, and you may lose some of your money.
- Super laws may change in the future, and

- The amount of your future super savings (including contributions and investment returns) may not be enough to provide adequately for your retirement.

Your risk profile will vary depending on a range of factors including your age, investment timeframe, where other parts of your wealth are invested and your risk tolerance.

Part five of this PDS outlines the risk profile of the Growth investment option.



For more information about risks including the risk profile of each investment option, refer to the Accountants Super Risks Incorporated Information. You should read this important information about risks before making a decision. Go to www.accountants-super.com and click on the PDS link to view or download a copy of the PDS and Incorporated Information. Alternatively, you can call us on **1300 651 331** to request a copy. The material relating to risks may change between the time you read this PDS and the day when you sign the application form (if applicable) or acquire this product.

5. HOW WE INVEST YOUR MONEY



You should consider the likely investment return, the risk and your investment timeframe when choosing an investment option.

Accountants Super offers the following investment options:

PRE-MIXED OPTIONS	ASSET CLASS OPTIONS
Aggressive	Australian Shares
Growth	Overseas Shares
Moderate	Property
Stable	Bonds
	Cash

The choice is yours! You can choose to invest your super into any one or a combination of options. You can also choose to invest your current account balance and future contributions in different ways. If you don't make an investment choice, your super will be invested in Growth which is the default investment option.



For more information about investments including details of all investment options, how to switch investment options and the extent to which labour standards or environmental, social or ethical considerations are taken into account, refer to the Accountants Super Investment Incorporated Information. You should read this important information about investments before making a decision. Go to www.accountants-super.com and click on the PDS link to view or download a copy of the PDS and Incorporated Information. Alternatively, you can call us on **1300 651 331** to request a copy. The material relating to investments may change between the time you read this PDS and the day when you sign the application form (if applicable) or acquire this product.

GROWTH (DEFAULT OPTION)

Suitability	This option is generally suitable for members with a medium term investment timeframe prepared to accept potentially modest to material fluctuations in asset values over shorter time periods. It is also the default option that members who do not exercise an investment choice will be invested in. Members may elect to make an investment choice at a later stage.	
Objective	To achieve a return (net of fees and taxes) of at least 3% per year above the Consumer Price Index over rolling 5-year periods.	
Strategic asset allocation	Shares	50%
	Property	10%
	Alternative assets	17%
	Private capital	3%
	Bonds	20%
	Cash and cash-like assets*	0%
Strategic asset allocation ranges	Shares	40% to 60%
	Property	5% to 15%
This may include both overseas and Australian assets.	Alternative assets	10% to 25%
	Private capital	0% to 10%
	Bonds	15% to 25%
	Cash and cash-like assets*	0% to 10%
Minimum suggested investment timeframe	5 years.	
Risk level	This option may expect a negative return approximately 4 years in 20.	

*Includes term deposits, commercial paper and floating rate notes.

You can switch investment options at any time by completing the *Investment choice form* which is available by calling **1300 651 331** or go to Member Online Services at www.accountants-super.com and make your investment choice online. There is no switching fee, however buy/sell spreads may apply.

6. FEES AND COSTS

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your fund balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.*

To find out more

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

* The inclusion of this statement is a regulatory requirement. Accountants Super's fees are not negotiable by members.

Fees and costs may be paid directly from your account or may be deducted from investment returns or Fund assets. You can use the fees and costs information below to compare costs between different super products. However, bear in mind the nature of the investment option that you are comparing.

The fees and costs are the same for all investment options, except for management costs which vary depending on the investment option's underlying investment costs.

THE FEES AND COSTS FOR THE GROWTH OPTION, OUR DEFAULT INVESTMENT OPTION, ARE:

TYPE OF FEES OR COST	AMOUNT
Fees when your money moves in or out of the fund	
Establishment fee	Nil
Contribution fee	Nil
Withdrawal fee	\$42.50
Termination fee	Nil
Management costs	
The fees and costs for managing your investment	Estimated 0.48% of assets per annum + \$2.00 per week administration fee + 0.50% of your account balance per annum.
Other service fees such as family law fees may apply. Refer to the Accountants Super Fees and Costs Incorporated Information.	

Example of annual fees and costs for the default investment option

This table gives an example of how the fees and costs in the default investment option for this product can affect your investment over a one-year period. You should use this table to compare this product with other super products.

EXAMPLE – GROWTH OPTION		BALANCE OF \$50,000 WITH TOTAL CONTRIBUTIONS OF \$5,000 DURING YEAR
Contribution fees	Nil	For every \$5,000 you put in, you will be charged \$0
PLUS Management costs	0.98% + \$104.00 (\$2.00 per week)	And , for every \$50,000 you have in the fund you will be charged \$490.00 each year plus \$104.00 in administration fees regardless of your balance.
EQUALS Cost of fund		If you put in \$5,000 during a year and your balance was \$50,000, then for that year you will be charged fees of: \$594.00* What it costs you will depend on the investment option you choose.
*Additional fees may apply: Establishment fee - Nil And , for each benefit payment, you may be charged a withdrawal fee of \$42.50.		

THINGS YOU SHOULD KNOW:

- ▶ The Trustee can change the amount of fees without your consent. Any material increases in fees must be notified at least 30 days in advance. Estimated fees may vary from year-to-year depending on the experience of Accountants Super and its underlying investments.



For more information about the fees and costs including fees and costs applicable to all investment options, refer to the Accountants Super Fees and Costs Incorporated Information. You should read this important information about fees and costs before making a decision. Go to www.accountants-super.com and click on the PDS link to view or download a copy of the PDS and Incorporated Information. Alternatively, you can call us on **1300 651 331** to request a copy. The material relating to fees and costs may change between the time you read this PDS and the day when you sign the application form (if applicable) or acquire this product.

7. HOW YOUR SUPER IS TAXED

Taxes may apply to your super contributions, investments returns on super and withdrawals. Generally, however, any taxes are at concessional rates.



A much higher tax rate applies to contributions which exceed Government contribution limits.

Contributions: Concessional contributions (e.g. employer contributions including salary sacrificed amounts and deductible member contributions made by eligible persons) are subject to a tax rate of 15% provided we hold your Tax File Number (TFN). Non-concessional contributions (e.g. non-deductible member contributions) are usually not subject to tax. If your concessional contributions and non-concessional contributions in a financial year exceed Government contribution limits, additional (excess) taxes of 31.5% (for excess concessional contributions) and 46.5% (for excess non-concessional contributions) will apply.

We deduct any relevant contributions tax from member accounts monthly and pay the tax to the Australian Taxation Office (generally quarterly).

If you have an excess tax liability because you exceeded the non-concessional (after-tax) contributions cap, this tax **must** be paid from your super. You can also **choose** to pay any excess tax incurred from exceeding the concessional (pre-tax) contribution limit out of your super but this is not mandatory.

Taxes may apply to transfers of super into your account from an untaxed source (e.g. certain public sector schemes and other amounts paid into the Fund such as certain elements of foreign pension transfers and certain eligible employment termination payments).

Investment returns: Net investment returns are subject to a tax rate of up to 15%, however the effective tax rate may be less due to tax credits or other rebates that the Fund receives.

Withdrawals: If you are under age 60 but have reached your preservation age, the taxable component of lump sum super payments is taxed at a maximum rate of 15% (plus Medicare levy). A tax-free threshold, which may increase from year-to-year, applies.

Benefits paid after age 60, death benefits paid to eligible dependants and terminal illness benefits are generally tax free. Different taxes apply to super pensions received by those under age 60. Generally, transfers to another super fund do not incur tax.

Further information about tax is available from www.ato.gov.au



You should provide your Tax File Number (TFN) when acquiring this product. If your account was established by your employer, your employer will usually provide your TFN to the Fund. If the Fund doesn't hold your TFN, higher tax will apply to your concessional contributions, we can't accept member contributions from you, the tax on super benefits paid to you may be higher and it may be more difficult to locate any lost super benefits or consolidate your super.



For more information about tax relevant to super, refer to the Accountants Super Taxation Incorporated Information. You should read this important information about tax before making a decision.

Go to www.accountants-super.com and click on the PDS link to view or download a copy of the PDS and Incorporated Information. Alternatively, you can call us on **1300 651 331** to request a copy. The material relating to tax may change between the time you read this PDS and the day when you sign the application form (if applicable) or acquire this product.

8. INSURANCE IN YOUR SUPER

The main types of insurance cover available with your super account are Death and TPD insurance and Income Protection insurance.

You may also be able to transfer Death and TPD insurance (e.g. under a personal insurance policy) into Accountants Super subject to insurer approval.

Eligibility

Eligible employees enrolled into Accountants Super by their employer may receive automatic Death and TPD cover (AutoCover). AutoCover is not provided to self-employed members or stand-alone members, however these members can apply for cover.

Eligibility for AutoCover depends on your employment status, when contributions are received from your employer and other criteria in the insurance policy. Limited AutoCover applies in certain circumstances, including if you are not actively employed on the date AutoCover commences.

You can also apply for Death and TPD cover and optional Income Protection cover, by completing the relevant form. Cover only commences after the insurer has assessed and accepted your application.

Cost of insurance

There are costs (premiums) associated with all types of insurance cover. If you have insurance cover, you are responsible for paying the insurance costs through a direct deduction from your super account. Premiums are automatically deducted from your account monthly in arrears and paid to the insurer. Insurance cover stops in certain circumstances (e.g. when the maximum insurable age is reached or there isn't enough money in your super account to pay the premium). Restrictions or exclusions may also apply.

The premium rates for AutoCover are \$1 per week if you are in a white collar occupation or \$1.93 per week if you are in a blue collar occupation. Any additional unit of cover is subject to the same premium rates.

The premium rates for Income Protection cover depend on your age, amount of cover, and your chosen waiting period and benefit payment period.

SECTION CONTINUES

8. INSURANCE IN YOUR SUPER SECTION CONTINUED

Amount of cover

The amount of Death and TPD cover that AutoCover provides ranges from \$96,000 to \$3,000 depending on your age. Additional units of Death and TPD cover are available on application. If an application for insurance is made using the *Member application form* within 30 days of joining Accountants Super, up to four total units of Death and TPD cover (including the one unit of AutoCover) may be granted without having to undergo a full underwriting process. The amount of Income Protection cover depends on your earnings. You can only be paid an insured amount if you satisfy the relevant definitions, in the insurance policy and the payment is permitted under the Trust Deed and super legislation.

Changing or cancelling insurance

You can apply to change the amount or add insurance cover at any time (e.g. you can increase your cover or apply for Income Protection insurance). To request a change to your insurance cover, you must complete the relevant form and have your request accepted by the Insurer.

If you have insurance (through AutoCover or cover you have applied for), you can cancel it at any time by completing a *Death and TPD insurance opt out form* or *Income Protection opt out form* available from www.accountants-super.com or by calling us on **1300 651 331**.



If you are eligible for AutoCover, unless you cancel it, the cost of AutoCover will be deducted from your account.

Insurance terms and conditions (in particular, eligibility conditions, when cover ends and exclusions) may affect your entitlement to insurance cover or the payment of insured benefits so you should read the Accountants Super Insurance Incorporated Information before deciding whether the insurance is appropriate for you. The terms and conditions in the insurance policy are subject to change from the time you become a member to the time you potentially make a claim.



For more information about insurance including when cover starts and ends, eligibility criteria for commencement of cover and payment of insured benefits, the level and types of cover available, premium costs, exclusions and other important terms and conditions, refer to the Accountants Super Insurance Incorporated Information. You should read this important information about insurance before making a decision. Go to www.accountants-super.com and click on the PDS link to view or download a copy of the PDS and Incorporated Information. Alternatively, you can call us on **1300 651 331** to request a copy. The material relating to insurance may change between the time you read this PDS and the day when you sign the application form (if applicable) or acquire this product.

9. HOW TO OPEN AN ACCOUNT

You will automatically become an Accountants Super member if your employer's super contributions are paid to Accountants Super as their default fund. You may also become a member by completing a *Superannuation choice form* which you can obtain from your employer or from our website and nominate Accountants Super as your super fund. The effective date of your membership depends on when contributions are received into your account but may be an earlier date (usually the date you commenced work with your employer).

You can also join Accountants Super as a personal member (including self-employed and spouse members) by completing and signing the *Membership application form* and returning it as directed. The effective date of your membership depends on when the Trustee accepts your application and monies are received into your account.

You can choose how your super is invested, what insurance cover you would like, what contributions to make, whether to transfer super from other funds into your Accountants Super account and how your super is paid in the event of your death. To tell us the choices you wish to make for your super, complete the relevant form(s). If you don't complete and return the relevant form(s), the default options will apply for how your account is invested and for insurance.

Read the Accountants Super Incorporated Information before making any choices or other decisions.

Cooling-off period

If you have applied to become a member by completing a *Member application form* (e.g. you are a self-employed or stand-alone member), you are generally entitled to a cooling-off period of 19 days, during which time you may cancel your membership. Employers wishing to join employees to Accountants Super must complete an *Employer join form*.

New participating employers also have a cooling-off period after their *Employer join form* has been accepted.

Complaints

At Accountants Super we want you to be completely satisfied with the way we look after your super. If you have a problem, or believe an error has been made, we want to resolve matters promptly.

If you have a complaint relating to this product, contact the Complaints Officer:

Phone: **1300 651 331**

Fax: 1300 655 490

Write to: Accountants Super, Locked Bag 5092, Parramatta NSW 2124

Email: complaints@accountants-super.com

Access www.accountants-super.com and follow the links via Contact Us to make your complaint.



For more information about opening an account, cooling-off and complaints handling, refer to the Accountants Super Contributions, Features and Benefits Incorporated Information. You should read this important information about opening an account, cooling-off and complaints handling before making a decision.

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