

AGEST Super

straightforward.simple.fair. 

Your complete guide to AGEST

Super choice.
Super flexible.
Super performance.



**Combined Product Disclosure Statement
and Financial Services Guide**

1 May 2008



Australian Government Employees Superannuation Trust

The benefits of AGEST

AGEST's objective is to make your superannuation easy, simple and rewarding, so here's what we can provide and where to find more information.

We encourage you to read this booklet and contact us if you have any questions.

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Here you can learn how superannuation works, and how you can join or contribute to AGEST.

Fees, costs and taxes 11

This section explains AGEST's fees and costs, and government taxes.

Insurance cover 15

Members who receive a contribution from their employer automatically receive death and permanent disablement insurance cover.

Other members can apply for insurance cover. Read this section for further details.

Allocated Pensions 25

Here you can learn how to convert your superannuation into an income stream.

Investment options 29

You can choose an investment strategy that best suits your needs. The Balanced option is where your money will be placed if you do not make a choice.

There are 12 investment options, and you can choose any percentage of each (from 0% to 100%). There are no additional fees to make an investment choice.

Forms

Once you know what benefits you wish to take advantage of, complete the relevant application form(s) and send them to us.

Financial Services Guide

The inside back cover provides information about the type of advice you may receive from us, how our employees are remunerated, and your rights as a client.



Superannuation seminars

AGEST conducts regular superannuation seminars. There is no cost to attend, and everyone is welcome. Each session lasts for about 2½ hours. Topics covered include:

- ✦ features and benefits of AGEST
- ✦ contribution splitting
- ✦ co-contributions
- ✦ salary sacrifice contributions
- ✦ spouse contributions
- ✦ taxation of contributions
- ✦ taxation of benefits
- ✦ access to benefits
- ✦ lump sum rollovers
- ✦ allocated pensions.

The upcoming seminars are listed on our website or you can call us for details.

If you are interested in attending, please:

- ✦ register online at www.agemt.com.au/seminars or
- ✦ call **03 9674 9333** or
- ✦ send an email to seminars@agemt.com.au confirming:
 - ✦ your name
 - ✦ the number of people who will be attending with you, and
 - ✦ the date and time of the seminar you wish to attend.

This document was prepared on 1 May 2008 by AGEST Super Pty Ltd, the trustee of AGEST. The Australian Securities & Investments Commission (ASIC) has granted an Australian Financial Services Licence (No. 233707) to AGEST Super Pty Ltd. This allows the trustee to provide superannuation products to members and prospective members of the fund. The contents of this document are of a general nature and have been prepared without taking into account your particular financial needs, circumstances or objectives. You should assess your own financial situation and read this 'Combined Product Disclosure Statement and Financial Services Guide' before making an investment decision.

Introduction

This section is designed to give you an understanding of how AGEST, and superannuation in general, works.

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How to become a member

1. Read this booklet.
2. Complete the *Member Application* form.
3. Decide whether you wish to take advantage of any of the flexible options.
4. Complete the forms for the options you require.
5. Send the forms to:
AGEST Administration
Locked Bag 20
Wollongong NSW 2500

Alternatively, you can join AGEST online at www.agem.com.au
(this facility is not yet available for new Allocated Pension accounts)

Introduction

Welcome to AGEST

AGEST is the Australian Government Employees Superannuation Trust.

The fund commenced in 1990 with a strong focus on the Australian public sector. In 2006, membership was expanded to allow anyone who is eligible to join a super fund, to join AGEST.

AGEST has around 180,000 members and \$3 billion in members' assets. There are over 7,000 employers, from both the public and private sectors, currently contributing to the fund every month. Rollovers from other funds are accepted at any time, whether or not you have an employer who is contributing to AGEST for you.

You can join AGEST whether or not you are currently employed, and you do not have to leave AGEST if you stop working with your current employer – as your new employer can also contribute to AGEST for you. Alternatively, you can simply leave your money in AGEST, accruing investment earnings with very low fees.

AGEST's fees are very low, and as an industry fund it is focused solely on managing superannuation savings in the interest of its members. All profits are shared by members. There are no commissions paid to financial advisers.

Who looks after AGEST?

AGEST Super Pty Ltd is the trustee company that is responsible for the management and investment decisions of AGEST. It has an equal number of member and employer representative directors, who are appointed on the nomination of the ACTU and the Government, plus an independent Chairperson who is jointly appointed by the ACTU and the Government. Appointments continue until withdrawn by their nominee or they resign.

AGEST is operated and managed in accordance with the rules of the Trust Deed and superannuation legislation.

Specialists are employed to look after the fund and its investments.

Why join?

AGEST does not pay commissions or dividends to shareholders; it acts only in its members' best interests. This is why AGEST's fee structure is one of the lowest of all major superannuation funds in Australia.

It really is your 'fund for life', with a range of superannuation products and services to suit everyone. Whether you are just starting out in the workforce, have been working for many years or are already in your retirement years, AGEST caters for you.

Many members of other funds who wish to increase their superannuation savings through 'salary sacrifice' contributions become members of AGEST for that purpose. AGEST provides members with many benefits that are not available in some other funds.

Non-superannuation benefits

Your AGEST membership gives you access to banking products from Members Equity Bank, commission-free (fee-for-service) financial planning with Industry Fund Financial Planning and commission-free investments with Members Equity Investment Funds.

These organisations can be contacted on the following numbers:

Members Equity Bank
13 15 63

Industry Fund Financial Planning
1300 138 848

Members Equity Investment Funds
1300 655 286

Please note that publicising these services does not represent a recommendation or endorsement by AGEST. AGEST is not responsible for these products or services.

How to join

Simply complete the *Member Application* in the forms section of this booklet and send it to us. Your membership will commence when we receive a contribution or rollover for you. Alternatively, you can join online at www.agemt.com.au (this facility is not yet available to new Allocated Pension accounts).

If you do not complete a *Member Application*, but your employer contributes to AGEST for you and supplies us with your name, date of birth and address, you will be 'deemed' to be a member of AGEST.

If you would like to commence an Allocated Pension, you will need to read the 'Allocated Pensions' section of this booklet to determine which form to complete.

Employers can register to contribute to AGEST by completing the *Employer Registration* form in the forms section of this booklet, or they can register online at www.agemt.com.au.

To consolidate your superannuation from other funds into AGEST, also complete the *Transfer Your Super* form.

Change jobs but not your super fund

Members have the ability to keep all of their super in just one fund, meaning less fees and less confusion.

If you are a member of AGEST and leave your employer, you can ask any future employer (government or non-government) to make contributions to AGEST on your behalf. The new employer simply registers with AGEST. Employers do not have to pay any fees to do this.

If your new employer does not contribute to AGEST, you can simply leave your benefit in AGEST, accruing investment earnings with low fees.

Contributions

You can gain more from your AGEST membership by adopting all or any of the following strategies to increase your superannuation even more.

Employer contributions (also known as concessional contributions)

You may ask any employer to contribute to AGEST for you. You can do this by either completing a 'Standard Choice form' if you have received one from your employer, or by completing the *Choosing AGEST* brochure that usually accompanies this booklet.

Voluntary contributions (also known as post-tax or non-concessional contributions)

You can add to your superannuation by making personal voluntary contributions (these are also known as non-concessional contributions). If you are eligible, the Government will make a co-contribution of up to \$1,500.

You can make voluntary contributions using BPAY, Direct Debit, cheque or payroll deduction. Call us or log in to your account at www.igest.com.au for details, or talk to your pay office for payroll deductions.

Your voluntary contributions may attract a Government 'co-contribution' if your annual income is below \$58,980. This means that more money is added to your account, paid for by the Government. Please refer to our *Co-contribution* brochure for further details.

Total voluntary contributions are capped at \$150,000 per annum. (This will increase annually to remain at three times the concessional contributions limit, which is initially \$50,000 p.a.). For those individuals who may wish to make a larger one-off payment (i.e. above \$150,000), an averaging provision of \$450,000 is permitted over a 3-year period.

Please note that AGEST can only accept these contributions if you have quoted your Tax File Number.

CONTRIBUTION TYPE	UNDER AGE 65	AGE 65 BUT LESS THAN 70	AGE 70 BUT LESS THAN 75	AGE 75 AND OVER
Voluntary Contributions	Yes	Yes – subject to work test	Yes – subject to work test	No
Employer Contributions	Yes	Yes	Yes – excluding Super Guarantee (SG) contributions	No (the only exception being for mandated employer contributions)

Rollovers

You can rollover (transfer) benefits from other superannuation funds into AGEST to consolidate your savings and save on administration fees. AGEST does not charge a fee for this service.

To arrange a rollover into AGEST, contact your other fund and complete their documentation. Alternatively, simply complete the *Transfer Your Super* form at the rear of this booklet.

Salary sacrifice contributions (also known as concessional, pre-tax or employer contributions)

Your employer may allow you to make contributions through salary packaging, even if you are a member of another fund. This method, known as salary sacrifice, allows employees to arrange for part of their gross salary to be paid into superannuation.

Salary sacrifice contributions are paid into AGEST on a pre-income-tax basis and are instead subject to Government superannuation taxes. To arrange salary sacrifice contributions, contact your HR/Payroll office.

Total concessional contributions to superannuation accounts (including salary sacrifice and superannuation guarantee contributions) will be capped as follows:

- ✦ *If you are under 50 years of age: \$50,000 p.a.* This cap will be indexed to Average Weekly Ordinary Time Earnings (AWOTE) in increments of \$5,000.
- ✦ *Age 50 or more: \$100,000 p.a.* This cap will not be indexed, and will remain until July 2012, when the \$50,000 p.a. cap will apply to all age-groups.

Contributions in excess of these thresholds will be taxed at 31.5% (in addition to the 15% contributions tax).

Additionally, concessional contributions may be subject to a further 31.5% tax if you have not quoted your Tax File Number to AGEST.

Spouse contributions and contribution splitting

You may want to consider establishing an AGEST account for your spouse. If you contribute to your spouse's account, you may be eligible for a tax rebate, while contributions made by your spouse may qualify them for a co-contribution.

You will also be able to use the account for 'contribution splitting'.

Please refer to our *Contribution Splitting* brochure for more details about contribution splitting.

Keeping in touch with us

It is very important that you always let us know when you change your address. You can update your address by writing to us, by phoning us, or via our website.

Keeping you informed

In addition to this booklet, new members will receive a welcome letter and membership card, confirming membership details.

Benefit statements are issued twice a year, and an Annual Report is issued in August each year.

On our website you can view your current account details, see the latest investment returns and unit prices, subscribe to AGEST eNews (a bi-monthly email newsletter), download our trust deed and insurance policies, and learn more about superannuation and AGEST.

Of course, you can always talk to our Member Services team on **1300 724 378**.

Introduction

When you can draw on your super

The Government has placed restrictions on when you can get access to your superannuation savings. Your benefits may consist of preserved and non-preserved amounts. You can take your non-preserved benefit in cash at any time if it does not have restrictions attached. Your preserved benefit must be kept in a fund until you retire and reach a minimum age set by law. This is called your 'preservation age' and depends on your date of birth.

MEMBER'S DATE OF BIRTH	PRESERVATION AGE
Before July 1960	55
July 1960 – June 1961	56
July 1961 – June 1962	57
July 1962 – June 1963	58
July 1963 – June 1964	59
After June 1964	60

If you haven't previously worked in Australia, your 'preservation age' is 65.

You may have earlier access to your benefits if you satisfy a 'condition of release' as follows:

- ✦ you have reached your preservation age and elect to receive a non-commutable Allocated Pension or annuity
- ✦ you are a temporary resident permanently leaving Australia
- ✦ you cease employment, and your account balance is less than \$200
- ✦ you cease employment on or after age 60
- ✦ you reach age 65, whether you are still working or not
- ✦ you retire early due to disablement or invalidity
- ✦ you are diagnosed with a terminal illness, which in the normal course, would result in death within 12 months
- ✦ you die
- ✦ you meet the eligibility rules for severe financial hardship
- ✦ the government regulator agrees to early payment on compassionate grounds.

Severe financial hardship

To be considered eligible for early release of your superannuation benefit on severe financial hardship grounds, you must first satisfy the following criteria set by the Government.

If you are *under age 55 and 39 weeks*, you need to be:

- ✦ in receipt of Commonwealth income support for a continuous period of at least 26 weeks; and
- ✦ unable to meet reasonable and immediate family living expenses.

If you are *aged over 55 years and 39 weeks*, you need to be:

- ✦ in receipt of Commonwealth income support payments for a cumulative period of at least 39 weeks after reaching your preservation age (see table for preservation age); and
- ✦ not be gainfully employed, either full-time or part-time, at the time of application.

Decisions on the release of benefits on the grounds of severe financial hardship are made by the fund.

Compassionate grounds

You may qualify on compassionate grounds to access your benefits to cover expenses that you or your dependants incur for:

- ✦ medical expenses (including medical transportation)
- ✦ foreclosure on mortgage or forced sale of home
- ✦ modifications of house or car due to severe disability
- ✦ palliative care or funeral expenses.

Decisions on the release of benefits on compassionate grounds are made by the Australian Prudential Regulation Authority (APRA), which can be contacted on **1300 131 060**.

How we establish and manage your AGEST account

When you join AGEST, an account is established in your name. Contributions and rollovers into the fund are added to your account, and benefit payments, fees, taxes and insurance premiums (if applicable) are deducted from your account.

AGEST uses *units* and *daily unit prices* to process transactions on your account, perform switches between investment options and track the value of your investment in the fund.

When money is deposited into your account, that money buys a number of *units* and the value of each unit (in dollars) is known as the *unit price*. When money is withdrawn from your account, the number of units in your account is reduced, based on the amount withdrawn and the latest unit price.

Each investment option has a different unit price that can change daily, due to changes in investment markets and the value of AGEST's assets.

Units and unit prices are:

- ✦ a simple way to calculate and track the value of your AGEST account, so you know exactly what your account is worth each day
- ✦ the most common form of recording member accounts in superannuation funds where there are many investment options to choose from and you can switch between investment options at any time.

Calculation of unit prices

Unit prices are dollar values that reflect the value of one unit of your investment at any time. They are similar in concept to share prices, in that their value can go up or down each day, reflecting the change in the value of the assets in the investment option in which you are invested.

They are calculated daily by the fund's custodian, based on a combination of actual and estimated asset values and using predetermined assumptions for tax and fee deductions. AGEST's unit pricing method involves converting the daily changes in relevant market indices into daily unit prices.

Because some assets are valued infrequently, valuation estimates are necessary for those assets until the next valuations are received, at which time the next day's unit prices will be updated to reflect the new valuations.

As daily unit pricing involves a number of assumptions, AGEST's unit prices are *best estimates* of the underlying value of each unit.

Once a unit price for a particular day is set in accordance with the fund's policy, it will not be changed for that day, even if more accurate data in respect of that date later becomes available (eg. if the valuation of a property investment at 31 March is received by the fund in late April). When new data becomes available, that data will be reflected in future unit prices.

On rare occasions and without notice, the calculation of unit prices may be delayed and all transaction processing suspended. This may occur if investment market information is not available or an extraordinary event has occurred which we deem may have significant adverse implications for the fund. If such an event occurs, transaction processing shall be suspended until the situation is resolved to our satisfaction. We would keep members posted with developments with a notice on our website.

The calculation of unit prices will also be delayed for several days around 30 June each year while the 30 June investment valuations are being determined.

No investment reserves are held for any of our investment options. This means that all investment earnings are reflected in the unit prices of each investment option.

You can find AGEST's unit prices at www.agemst.com.au. There are two sets of unit prices for each investment option – one for accumulation accounts, and one for Allocated Pension accounts – as there is no tax on investment earnings in Allocated Pension accounts.

There is a unit price for every day of the year, including weekends and public holidays.

How units are allocated to your account

The number of units allocated to your account depends on the amount of money being deposited and the unit price, for the investment option in which you are invested, on the day that we receive your money.

Put simply, **the number of units will equal the amount of the contribution (net of any tax) divided by the unit price.**

Example

Let's assume you are invested in the Balanced option and you deposit \$1,000 into your AGEST account on 11 February.

If the Balanced option unit price for 11 February is \$1.123456, then the number of Balanced option units allocated to your account is:

\$1,000 divided by \$1.123456 equals 890.110516 units

(rounded to the nearest 6 decimal places).

Every time you add more money to your account, you are allocated more units, using the calculation method as outlined above.

If the contribution is taxable (eg 15% tax on concessional contributions), we deduct the tax before allocating units to your account. Using the above example – if the \$1,000 contribution was taxable, tax of \$150 would be payable, so the number of units allocated to your account would equal **(\$1,000 minus \$150) divided by \$1.123456 equals 756.593939 units.**

Investment option switches

For switches between investment options, we use the unit price for the next business day after the switch request was received by us (where 'business day' refers to a day when the Australian Stock Exchange is open for trading).

Example

If we receive a switch request on a Monday, the switch will be effective using Tuesday's unit prices (assuming Tuesday is a business day). These unit prices will not be determined until the Wednesday.

Deductions from your account

Deductions such as fees and insurance premiums will result in a reduction in the number of units in your account equal to the amount of money to be deducted divided by the unit price, for the investment option in which you are invested, on the effective date of the deduction.

Put simply, **the number of units deducted from your account will equal the amount of the deduction divided by the unit price.**

Example

Let's assume you are invested in the Balanced option and an insurance premium of \$50 is deducted from your AGEST account on 15 March. If the Balanced option unit price is \$1.123456 for 15 March, then the number of Balanced option units deducted from your account is **\$50 divided by \$1.123456 equals 44.505526 units**

Introduction

Each time a fee or insurance premium deduction is made from your account, additional units are deducted, using this same method.

Note however that, for pension payments and lump sum withdrawals, we use the latest available unit price on the morning of the day when we are processing your benefit, to determine the number of units to be deducted from your account.

Benefit calculations

When closing your account and paying out your benefit, we use the latest available unit price on the morning of the day when we are processing your benefit. To work out your benefit, we simply multiply the number of units in your account by the latest available unit price.

We do this separately for each investment option in which you are invested, as the unit price varies from one investment option to another. We then add the result for each investment option to obtain your total benefit.

Buy/sell spreads

Some superannuation funds have what is known as a 'buy/sell spread' on their unit prices. This means that the price at which you buy units is different to the price at which you sell units, even on the same day.

AGEST does not use buy/sell spreads. This is because buy/sell spreads in AGEST would mean that members could incur some costs that are not actually incurred by the fund. This would not be consistent with AGEST's **straightforward. simple. fair.** philosophy.

Whilst we currently have no intention of introducing buy/sell spreads on our unit prices, we reserve the right to do so if, in the future, we feel it would be more equitable to do so. We would give you at least 30 days' notice if this is to occur.

Investment earnings

All investment earnings for each investment option, whether positive or negative, are reflected by the unit price. If investment earnings are positive, the unit price will go up. If they are negative, the unit price will go down. Allowances for investment fees and taxes are included in the unit prices.

We set new unit prices each day, so you can keep track of the value of your investment daily. Note that the unit price can change up or down each day.

To work out what your account is worth at any time, simply multiply the number of units in your account by the latest unit price.

Example

Let's assume you are invested in the Balanced option and you hold 2,000 units. If the latest Balanced option unit price is \$1.123456, then the value of your account is:
2,000 multiplied by \$1.123456 equals \$2,246.91.

Transactions

The following table sets out which unit price will be used for each type of transaction.

TRANSACTION DESCRIPTION	DATE OF UNIT PRICE TO BE USED TO PROCESS THE TRANSACTION
Money into your account	
Contributions	The day we receive your money
Rollovers into the fund	The day we receive your money
Insurance proceeds	The day we receive your money
Money out of your account	
Pension payments, lump sum withdrawals, surcharge payments	Latest available unit price on the morning of the day when we are processing the payment
Fees, insurance premiums	Effective date of the transaction
Investment option switches ('Business day' below refers to a day when the Australian Stock Exchange is open for trading. Normally, this will be any weekday other than a national public holiday in Australia.)	
Switch out	Next business day after receipt of the switch request
Switch in	Next business day after receipt of the switch request
Internal transfers (such as the merging of multiple accounts for the one member; transfers to/from an Allocated Pension account; contribution splitting with a spouse's account)	
Transfer out	Latest available unit price on the morning of the day when we are processing the transfer
Transfer in	Latest available unit price on the morning of the day when we are processing the transfer

Particular note should be made of the following:

- ✦ The Trustee reserves the right to alter any unit price, in the interests of equity for all members, at any time.
- ✦ Benefit payment requests will be processed using the latest available unit price on the morning of the day when the request is being processed. The processing of benefit payments can be a long process, as we require various pieces of information from you and sometimes from others (eg your employer) before we can finalise your benefit. Whilst we endeavour to process benefit requests within 7 working days, we do not guarantee this. As unit prices can move daily, up or down, you may wish to switch your account to a stable investment option (such as Cash) prior to sending us your benefit payment request, if you are concerned about the unit price that you will receive.
- ✦ We do not usually limit the number of investment switches you can make, and nor do we usually charge you a fee for making an investment switch. However, we do reserve the right to limit the number of switches you can make or charge you a switching fee.

We would only do this if your frequency of switching was excessive and impacting adversely on the fund. Excessive switching may result in costs being incurred by us that have not been anticipated in the current standard, low administration fee. We will give you at least 30 days' notice if this is to occur.

Other things you should know

Privacy

AGEST handles your personal information in accordance with a set of National Privacy Principles.

We only collect information that is necessary to administer your ongoing AGEST membership. Information that we collect is used to establish an AGEST membership account for you, to process contributions to your account, to enable benefit payments to be made, to correspond with you, to search for any unclaimed benefits you may have and to keep you up to date with opportunities available to you as a member of AGEST.

AGEST outsources the administration of its records to an external superannuation administration company, and contracts with other organisations to provide services to you on AGEST's behalf. They are authorised to use your personal information only to administer your AGEST membership, under the strictest confidence.

Your personal information will not be used or disclosed for any other purpose without your consent, except where required by law, eg. to report information to the ATO for tax-related purposes.

AGEST may search registers held by the ATO for any lost or unclaimed benefits you may have. You can opt out of this process by contacting us.

The personal information collected by AGEST from you, or through your employer, includes your contact details, date of birth and Tax File Number (if you have chosen to quote it). Over time, this will be supplemented with financial and other information necessary to administer your membership with AGEST. Before a benefit can be paid to you, we will require further identification documents and information from you, in order to ensure correct payment details.

With your consent, additional information may be collected from you or your medical practitioners or from your employer for the purpose of assessing your eligibility for insurance cover or for the assessment of a claim.

AGEST has strict security measures in place, and the staff who handle your personal information have the knowledge, skills and commitment to protect it from unauthorised access or misuse. As a member of AGEST, you may ask to see the information held about you and to have it corrected if necessary.

If you would like more information about the Privacy Act, you can contact the Federal Privacy Commissioner's hotline on **1300 363 992** or visit the Privacy Commissioner's website at www.privacy.gov.au

Understanding the risks in superannuation

When you invest in any superannuation product, there are risks involved. Even putting your money in the bank has risks, however low they may be.

At AGEST we aim to minimise risk. However, the following risks will apply.

Investment risk

AGEST offers all members a choice of twelve investment options, or any combination of them. Depending on the option(s) you choose, your investment may be exposed to investments that can (and do) fall in value. This is particularly true of investment in shares, but also applies to all other asset classes other than cash.

The fall in value of an asset can occur for many reasons, such as:

- ❖ poor company management
- ❖ adverse economic, business, political and legal environment
- ❖ rise in interest rates (which means that fixed interest investments fall in value, and companies have more interest to pay on their borrowings)
- ❖ adverse currency movements (this affects some international assets held by the fund, and local companies who import and export goods)
- ❖ poor investment decisions by the investment manager(s) selected by the trustee of the fund to manage assets on behalf of the fund.

This means that, in some years, your chosen investment option may have a negative return and your account balance may reduce.

In the pre-mixed investment options, we aim to reduce investment risk by diversification across both asset classes and individual assets. In the other investment options, there is diversification of individual assets within the relevant asset class to minimise risk.

Each investment option has different investment risks. You may wish to talk to a financial adviser before deciding which investment option best suits you.

Legislation and taxation risk

The Government may make changes to superannuation law in the future. Such changes may impact upon some or all aspects of your superannuation benefit, such as the taxation you will pay on your benefit or the rules about when and how you can access your benefit.

Inflation risk

If inflation exceeds the return on your investment, your investment will have a reduced 'purchasing power'. Some investment options are more likely to perform better than inflation over the long term, but there may be short or medium-term periods when inflation exceeds returns.

Small inactive accounts

In accordance with superannuation legislation, AGEST has nominated an Eligible Rollover Fund (ERF) to receive small inactive accounts from AGEST. Our nominated ERF is AUSfund, Australia's Unclaimed Super Fund.

We may transfer your benefit to AUSfund if your account balance is less than \$500, and either: your account has not received any contributions for over 12 months, or we have been unable to contact you for over 24 months.

These terms may be altered in the future. However, we will write to you if we intend to transfer your benefit to AUSfund, and outline the full terms of the proposed transfer.

AUSfund can be contacted by calling **1300 361 798**, by writing to PO Box 2468, Kent Town SA 5071, by sending an email to admin@ausfund.net.au or visiting its website at www.unclaimedsuper.com.au. Being transferred to AUSfund may affect your benefits, because:

- ✦ you will cease to be a member of AGEST
- ✦ you will become a member of AUSfund and be subject to its governing rules
- ✦ accounts of \$50 or more attract an administration levy of \$10 per year or part-year, while lower balances are not subject to the levy and do not earn interest. AUSfund protects all accounts from erosion due to the administration levy, so that the levy cannot exceed the interest credited to each account
- ✦ Responsible Entity operational costs of 0.41% and investment costs of 0.63% are deducted from gross fund returns prior to setting crediting rates
- ✦ AUSfund has a different investment strategy to AGEST
- ✦ AUSfund does not offer insured benefits in the event of death or disability.

If your superannuation benefits are transferred to AUSfund, your personal information will be used or disclosed by AUSfund to administer your fund benefits. AUSfund engages specialist agents to provide services and other benefits to its members, under the strictest confidence. AUSfund will not use or disclose your information for any other purpose without your consent, except where required or authorised by law.

AUSfund conducts cross-fund matching searches (where they use your information to search for an active account in your name in another superannuation fund), and will transfer your AUSfund benefits to the other superannuation fund in the event that AUSfund finds an active superannuation account in your name. AUSfund also attempts to locate missing superannuation contributions paid to the Tax Office on a member's behalf or superannuation benefits that may have been transferred to an ERF due to inactivity.

AGEST protects small accounts

If you have an account balance of under \$1,000, it is protected by law to ensure that administration costs do not exceed the investment earnings allocated to your account. This is known as 'member protection'. It means that if, in any financial year, the administration costs are greater than the investment earnings, the difference will be added to your account in the form of a rebate.

There is an exception to the member protection requirements. In a financial year when the total investment earnings to be distributed to members are less than the total administration costs to be deducted from members' accounts, member protection will not apply in the way described above.

In such a period, AGEST may charge members with small balances an administration fee equal to the amount of any positive investment earnings allocated to a member's account, plus up to \$10.

Additional payment for some death benefits

When a member of AGEST dies, a death benefit is payable comprising their account balance plus any insurance cover received from AGEST's insurer. If a member's benefit is paid to their estate or dependant(s), AGEST may pay an additional amount. This additional amount is known as an 'anti-detriment' benefit and it can be significant. It is calculated according to a Tax Office formula when a death benefit is being paid.

Cooling-off period

To make sure you're completely happy with AGEST, members and employers have a 14-day 'cooling off' period. During this time you can apply for a refund by making a written request. To do this, you must notify us no longer than 19 days after you become a member or 14 days after you receive confirmation of membership or register with AGEST as an employer.

Any money in a member's account before it is cancelled may be adjusted to allow for investment returns (positive or negative) and tax.

Where the refund is requested by an employer and the monies to be repaid include employer contributions, the employer must nominate another superannuation entity or RSA to which the employer contributions are to be paid.

If money has been paid to the fund by or on behalf of a member, restricted non-preserved or preserved benefits must be paid to another superannuation entity or RSA as directed by the member and any other monies will be paid as directed by the member.

Complaints

If you are dissatisfied with any aspect of the fund, please write to:

Michael Seton, Chief Executive Officer, AGEST
Level 3, 4 Riverside Quay, Southbank VIC 3006
Alternatively you may call us on **1300 724 378**.

We aim to resolve all complaints within 90 days. If you are dissatisfied with our response, you may contact the Superannuation Complaints Tribunal (SCT) for a further review of your complaint. The SCT can be contacted by calling **1300 780 808**, or by writing to The Secretariat, Superannuation Complaints Tribunal, Locked Bag 3060 GPO, Melbourne VIC 3001.

The SCT is an independent body set up by the Commonwealth Government to assist members or beneficiaries to resolve certain superannuation complaints. The SCT is a free service. The SCT may be able to assist you to resolve your complaint, but only if you are not satisfied with the response received from us. If the SCT accepts your complaint, it will attempt to resolve the matter through conciliation, which involves assisting you and the fund to come to an agreement. If the conciliation is unsuccessful, the SCT will make a determination which is binding.

Fees, costs and taxes

Fees, costs and taxes apply to all members. This section explains how they may affect your super benefit.

Fees, costs and taxes at a glance

- **All AGEST members are charged an administration fee (70 cents per week)**
- **Investment costs incurred by AGEST in investing assets are passed on to members**
- **All members share the cost of protecting any small account balances**
- **Superannuation is subject to Government tax, although it enjoys tax concessions, and some members may be eligible for tax rebates or deductions.**

Consumer advisory warning

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.fido.asic.gov.au has a superannuation calculator to help you check out different fee options.

Fees, costs and taxes

Fees and costs

The information in this section has been prepared using standard wording required by legislation. Please note that all AGEST members are charged the same fees, so it is not possible to negotiate your fees (contrary to what is suggested in the Consumer Advisory Warning on the previous page, which is standard wording required by legislation).

This section shows fees and other costs that you may be charged

These fees and costs may be deducted from your money, from the returns on your investment, or from the fund assets as a whole.

Taxes and insurance costs are set out on pages 11 to 24 of this booklet.

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

TYPE OF FEE	AMOUNT		HOW AND WHEN PAID	
FEES WHEN YOUR MONEY MOVES IN OR OUT OF THE FUND				
Establishment fee The fee to open your investment	Nil			
Contribution fee The fee on each amount contributed to your investment – either by you or your employer	Nil			
Withdrawal fee The fee on each amount you take out of your investment	Nil			
Termination fee The fee to close your investment	Nil			
MANAGEMENT COSTS (THE FEES AND COSTS FOR MANAGING YOUR INVESTMENT)				
Administration fee This fee covers the general administration of AGEST, the operations of the Trustee Office and communications material.	70 cents per week (or \$36.60 per annum)		\$3.05 is deducted from members' accounts monthly.	
Investment costs These are the costs for investing your superannuation. They include fees paid to external investment managers, investment consulting fees, custodian costs and internal costs relating to investment management (excluding transaction costs). The figures shown are the projected costs for the 2007/2008 financial year.	Investment Option	Investment Costs	Deducted from investment earnings before unit prices are determined.	
		%		Annual Equiv. for \$1,000 account
	Growth	0.51%		\$5.10
	Balanced	0.50%		\$5.00
	Moderate	0.46%		\$4.60
	Stable	0.41%		\$4.10
	Conservative	0.35%		\$3.50
	MultiStrategy	0.79%		\$7.90
	Australian Shares	0.38%		\$3.80
	International Shares (Hedged)	0.59%		\$5.90
	International Shares (Unhedged)	0.57%		\$5.70
	Listed Property	0.17%		\$1.70
Fixed Interest	0.41%	\$4.10		
Cash	0.02%	\$0.20		
SERVICE FEES				
Investment switching fee The fee for changing investment options	Nil			

Example of annual fees and costs for the Balanced investment option

This table gives an example of how the fees and costs in the Balanced investment option can affect your superannuation investment over a 1-year period. You should use this table to compare this product with other superannuation products.

EXAMPLE USING THE BALANCED INVESTMENT OPTION		BALANCE OF \$50,000 WITH TOTAL CONTRIBUTIONS OF \$5,000 DURING A YEAR
Contribution Fees	nil	
Plus Management Costs	0.52% + \$36.60	For every \$50,000 you will be charged \$260 each year, plus \$36.60 in administration fees regardless of your balance
Equals Cost of fund		If you put \$5,000 during a year and your balance was \$50,000, then for that year you will be charged fees of: \$296.60 What it costs you will depend on the investment option you choose.

The 0.52% cost comprises 0.50% investment costs and 0.02% for protection of small account balances.

Additional explanation of fees and costs

- Performance fees may be paid to some investment managers if their performance exceeds defined performance hurdles. Past performance fees have been included in the investment costs noted.
- All fees deducted from members' accounts are paid into an Administration Reserve and all fund administration costs are paid from the Administration Reserve. The tax deduction received by the fund in respect of administration costs is also added to the Administration Reserve, to help keep member fees low. Members do not see this tax deduction benefit on their half-yearly statement, as the weekly fee of 70 cents includes the benefit of the tax deduction.
- If the Administration Reserve reduces to zero, either the income from member fees would have to increase (by growing the number of members or increasing the weekly member fee) or future costs would have to be reduced. At 31 March 2008, the Administration Reserve was \$2.7 million.
- Any tax deduction received by AGEST in respect of its investments is distributed to members via an increase in the unit prices.
- Investment managers incur brokerage costs when buying and selling investments. These costs are distributed to members via a reduction in unit prices.
- All fees may be altered as necessary. Factors influencing fee changes include cost changes from service providers and changes in investments.

With cost increases, we seek to give advance notice of the change. Cost decreases are passed on to members as soon as practical. Because investment costs have been based on the current investment manager line-up and asset allocation, they could change without prior notice.

- Member protection costs are the costs of protecting members with a small account balance from administration fees, as required by law. The cost varies from year to year and is usually quite small. The cost in 2006/07 was 0.02% (or 20 cents for the year on a \$1,000 account). These costs are distributed to members via a reduction in unit prices.
- If you are invested in more than one investment option, all fees and insurance premiums will be deducted proportionately from each of your investment options. For example, if at the time of the deduction, your account balance is invested 54.1% in the Balanced option and 45.9% in the Stable option, the fees and insurance premiums will be deducted 54.1% from Balanced and 45.9% from Stable.

Taxes

Superannuation enjoys tax concessions. However, superannuation is still subject to Government tax, which may be applied at various points. The following information is intended as a guide to these taxes. You should contact the Australian Taxation Office (ATO) on **13 10 20** for full details.

Tax on contributions

No tax is paid on contributions from income on which you have already paid tax (after-tax income).

A tax of 15% is deducted from:

- contributions your employer makes for you;
- contributions paid from income on which tax has not been paid (eg through salary sacrifice arranged with your employer); and
- contributions for which you will receive a tax deduction (these are called deductible contributions).

Tax benefits available for contributions

A tax-offset (rebate) of up to \$540 is available if you make contributions on behalf of your spouse and your spouse earns less than \$13,800 a year.

If you are:

- not in the workforce, or
- self-employed, or
- your income from employment is less than 10% of your total income,

you may be able to claim a tax deduction for some or all of your contributions.

To claim this deduction, members must lodge a form with AGEST. The form is available at www.agesst.com.au or by calling **1300 724 378**.

Tax on rollovers between funds

There is no tax if you transfer money from one superannuation fund to another, unless the amount transferred contains an untaxed component. An untaxed component attracts 15% tax. Payments out of AGEST do not contain untaxed components.

Fees, costs and taxes

Tax on investment earnings

Investment earnings by the fund are taxed at a maximum rate of 15%. This tax is deducted before the 'after fees and tax' returns and unit prices are determined. There is no tax on investment earnings on money invested in allocated pensions.

Tax on benefit payments

On 1 July 2007 new arrangements were introduced relating to the taxation of superannuation benefits in a taxed superannuation fund such as AGEST. As at 1 July 2007, members' benefits were converted into two components – a *tax-free* component and a *taxable* component.

COMPONENTS TABLE		
OLD COMPONENT	NEW COMPONENT AS OF 1 JULY 2007	TAX TREATMENT
Pre 1 July 1983 Concessional Undeducted contributions	Tax-free component	Tax-Free
Post June 1994 invalidity		
Capital Gains Tax exempt		
Post 30 June 1983 taxed		
	Taxable component	Age 60 + - Tax-free Age 55 to 59 - Tax-free up to threshold (\$140,000) - 15% tax plus Medicare levy for amounts over threshold Under age 55 - 20% plus Medicare Levy

The *tax-free* component was crystallised as at 30 June 2007, and can only be increased through future non-concessional (after-tax) contributions, or rollovers containing a tax-free component. As of 1 July 2007, all concessional contributions (including salary sacrifice contributions, employer contributions, and any contribution for which you receive a tax deduction), rollovers containing a *taxable* component, plus any growth achieved in your account formed part of your *taxable* component.

Tax on benefit payments – age 60 or over

If you are aged 60 or over, then you will receive your benefit tax-free. This applies to both lump sum and pension payments.

Tax on benefit payments – age less than 60

If you are under the age of 60, the amount of tax payable on your benefit payment will depend on the following factors:

- ✦ How the benefit is paid (i.e. lump sum or pension)
- ✦ Your age (refer to the above table)
- ✦ Components in your AGEST account (refer to the above table)

Any *tax-free* component contained within a benefit payment will always be paid to you tax-free. The *taxable* component contained within a lump sum withdrawal is calculated on a proportional basis at the time of the withdrawal as follows:

$$\frac{\text{Taxable component of account at time of withdrawal}}{\text{Balance of superannuation account at time of withdrawal}} \times \text{Lump Sum payment} = \text{Taxable portion of payment}$$

Important note: You cannot stipulate which component (*taxable* or *tax-free*) you wish to withdraw from.

The amount of tax payable on the taxable component of your withdrawal is then calculated as per the above Components Table.

If you are a foreign national who is leaving Australia permanently, higher tax rates apply.

Special tax concessions apply if you use your super benefit to receive a regular income from a super fund. For information regarding the taxation of pension payments, please refer to the Allocated Pension section of this document from page 25.

Special tax concessions also apply to death and permanent disablement benefits. Contact us for further details.

Providing us with your Tax File Number (TFN)

Members are asked to provide their TFN. Advising your TFN is voluntary, and it is not an offence if you choose not to provide it. AGEST's intention is to use your TFN only for approved legislative purposes.

These purposes include:

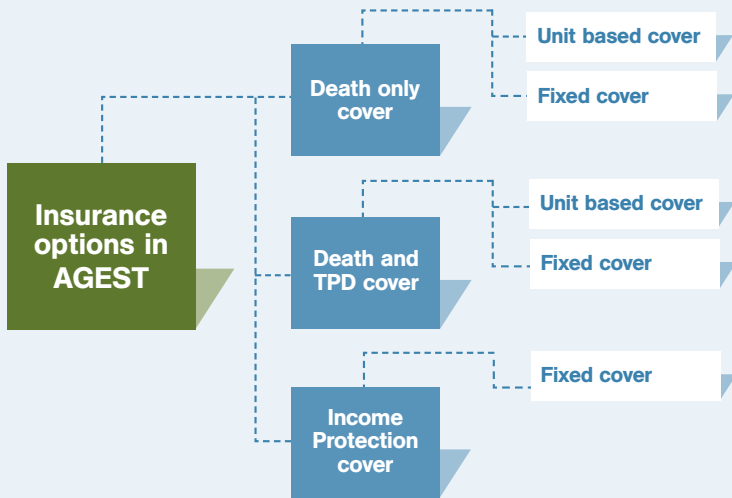
- ✦ advising the ATO for taxation and co-contribution purposes
- ✦ passing on your TFN to another fund if your benefit is transferred or rolled over (unless you request in writing for this not to be done)
- ✦ advising the ATO if no contributions are received for you for a period of 5 years, or two pieces of mail have been returned to the fund unclaimed. Under these circumstances, the law presumes that you are 'lost'
- ✦ assisting in searching for, and amalgamating, multiple accounts for you in the fund
- ✦ advising the relevant State authority if we are paying unclaimed money on or after you reach Age Pension age.

If you do not provide your TFN

- ✦ You will be unable to make any personal after-tax (Non-concessional) contributions.
- ✦ Concessional contributions (including employer and salary sacrifice contributions) may be subject to a further 31.5% tax.
- ✦ It may be more difficult for AGEST to locate and amalgamate your superannuation benefits in the future, and to pay your full benefit entitlement.
- ✦ The Australian Taxation Office will be unable to pay you a co-contribution benefit.
- ✦ Your superannuation benefit may be taxed at a higher rate than necessary when you withdraw your benefit from the fund.

Insurance cover

AGEST insurance cover at a glance:



Death and Total & Permanent Disablement insurance

- Any member can apply for insurance cover
- New members and existing members who commence or recommence having employer contributions paid into AGEST automatically receive death and TPD cover **without evidence of health** – the premium for this cover is \$2.50 per week
- You can apply for more cover or reduce/cancel your cover – the choice is yours
- You can choose the type of cover that best suits you – **Death only** cover or **Death and TPD** cover – as well as the style of cover you'd prefer (**unit based** or **fixed cover**)

Income Protection insurance

- Any member earning an income and working no less than 60 hours per month can apply for income protection insurance
- You can choose between 3 different waiting periods for benefits – **30, 60 or 90 days** – whatever suits you best

How to apply for (or alter) your insurance

- Read this booklet.
- Determine the type(s) and level of cover that best suit you.
- If you have employer contributions paid into AGEST *and* are eligible for additional cover without evidence of health *and* wish to take up the additional cover, fill in the relevant section on the *Member Application* form.
- If you wish to apply for new or additional cover, complete the *Application to Increase Insurance Cover* form and either a *Short Personal Statement* or a *Full Personal Statement*.
- If you wish to reduce or cancel your cover, complete the *Insurance Reduction* form on our website (or contact us to obtain this form).
- Return your form(s) to:
AGEST Administration,
Locked Bag 20, Wollongong NSW 2500.

Insurance cover

Death and Total & Permanent Disablement (TPD) Insurance

Our low-cost, flexible insurance products protect you and your family, 24 hours a day, 7 days a week.

New members and existing members who commence or recommence having employer contributions paid into AGEST automatically receive and pay for 10 units of death and TPD cover without evidence of health – the premium for this cover is \$2.50 per week, deducted from the member's AGEST account.

All premiums are deducted monthly from your AGEST account, so your take-home pay is not reduced.

In addition, the tax deduction we receive for your premiums is credited directly to your AGEST account.

Once granted, insurance cover and premium deductions will continue until you have insufficient funds in your AGEST account to pay premiums, or you cancel your cover. It will not cease simply because you have ceased employment.

Who is eligible for insurance cover?

In addition to this automatic cover noted above for members who receive an employer contribution into their account, any AGEST member under age 70 can apply for insurance cover (however, TPD cover ceases at age 65). Your ability to have death and TPD insurance cover is not dependent upon your employment status.

The maximum death and TPD insurance cover available is \$750,000 for employees in heavy manual or hazardous occupations, and \$2 million for all other members.

Page 19 has full details of the automatic cover for members who receive an employer contribution into their account.

Unless you are eligible for automatic cover, you must apply for insurance cover by completing the *Application to Increase Insurance Cover* form and either a *Short Personal Statement* or a *Full Personal Statement*.

Not everyone gets automatic cover

Members who do **not** have employer contributions paid into AGEST (eg members who only roll over a benefit from another fund or make a personal contribution) will not receive this automatic insurance cover, but may apply for cover by completing the *Application to Increase Insurance Cover* form and either a *Short Personal Statement* or a *Full Personal Statement*.

What insurance options are available?

You can apply for **death only** or **death and TPD** insurance cover, and you can choose two styles of cover:

- ✦ **Unit based cover** – this style of cover is purchased in 'units', where your premium does not alter from year to year but your cover reduces each year on your birthday.
- ✦ **Fixed cover** – under this style of cover, you nominate the fixed dollar amount of cover you require, and the premium will increase each year on your birthday. You can also request on the application form to have this cover indexed by 5% each year on your birthday, without ongoing evidence of health.

Applying for insurance cover

When you have determined how much cover you need, simply complete the *Application to Increase Insurance Cover* form and either a *Short Personal Statement* or a *Full Personal Statement* and send them to us. Your application will be referred to AGEST's insurer (CommInsure) for assessment.

Whilst your application is being assessed, you will be covered for up to 60 days for accidental death and/or TPD cover (as applicable) up to the level of cover you have requested (subject to some conditions and up to a maximum of \$500,000 inclusive of any cover you already have in AGEST).

When the insurer assesses your application, they will take into account your standard of health, based on your responses to questions on the forms and any additional evidence of health they may request (eg you may be required to undergo a medical examination or have a blood test). We will advise you if the insurer requires any additional information to assess your application.

Cover may be granted by the insurer with or without exclusions (eg if you have an existing injury, the insurer may grant you full death and TPD cover **other than** TPD directly related to that injury).

If cover is approved, we will advise you in writing of the terms and commencement date of cover.

Cost of insurance

The cost of your insurance depends on whether you have **unit based cover** or **fixed cover**. The underlying premium rates are the same at each age – only the style of benefit is different, to suit your individual needs.

The following page shows full details.

Unit based cover

The table below shows the unit based cover for **death only** and **death and TPD** cover.

Each unit of cover costs:

- ✦ 15 cents per week for **death only** cover
- ✦ 25 cents per week for **death and TPD** cover

Premiums are deducted monthly from your AGEST account.

Example

If you have 10 units of **death and TPD** cover, your premium is:

25 cents x 10 = \$2.50 per week.

This is deducted from your account as \$10.87 per month.

Fixed cover

The table below shows the annual premium per \$1,000 of fixed cover for **death only** and **death and TPD** cover.

Premiums increase each year on your birthday, and are deducted monthly from your AGEST account.

Example

If you are aged 40 next birthday and have \$100,000 of **death only** cover, your premium is:

\$0.60 x \$100,000 divided by \$1,000
= \$60.00 per annum or \$5.00 per month.

DEATH ONLY AND DEATH/TPD UNIT BASED COVER

AGE NEXT BIRTHDAY	1 UNIT	10 UNITS
Up to 35	\$18,000	\$180,000
36	\$17,000	\$170,000
37	\$16,000	\$160,000
38	\$15,000	\$150,000
39	\$14,000	\$140,000
40	\$13,000	\$130,000
41	\$12,000	\$120,000
42	\$11,000	\$110,000
43	\$10,000	\$100,000
44	\$9,000	\$90,000
45	\$8,000	\$80,000
46	\$7,600	\$76,000
47	\$7,000	\$70,000
48	\$6,500	\$65,000
49	\$6,000	\$60,000
50	\$5,700	\$57,000
51	\$5,500	\$55,000
52	\$4,900	\$49,000
53	\$4,200	\$42,000
54	\$3,700	\$37,000
55	\$3,300	\$33,000
56	\$3,000	\$30,000
57	\$2,700	\$27,000
58	\$2,400	\$24,000
59	\$2,100	\$21,000
60	\$1,900	\$19,000
61	\$1,600	\$16,000
62	\$1,300	\$13,000
63	\$1,100	\$11,000
64	\$900	\$9,000
65	\$800	\$8,000
66 – 70*	\$750*	\$7,500*
71+	Not available	Not available

* death only from age 66 to 70 next birthday

ANNUAL PREMIUM PER \$1,000 OF FIXED COVER

AGE NEXT BIRTHDAY	DEATH ONLY	DEATH & TPD
Up to 35	\$0.43	\$0.72
36	\$0.46	\$0.77
37	\$0.49	\$0.82
38	\$0.52	\$0.87
39	\$0.56	\$0.93
40	\$0.60	\$1.00
41	\$0.65	\$1.09
42	\$0.71	\$1.19
43	\$0.78	\$1.30
44	\$0.87	\$1.45
45	\$0.98	\$1.63
46	\$1.03	\$1.72
47	\$1.12	\$1.86
48	\$1.20	\$2.01
49	\$1.30	\$2.17
50	\$1.37	\$2.29
51	\$1.42	\$2.37
52	\$1.60	\$2.66
53	\$1.86	\$3.11
54	\$2.12	\$3.53
55	\$2.37	\$3.95
56	\$2.61	\$4.35
57	\$2.90	\$4.83
58	\$3.26	\$5.44
59	\$3.73	\$6.21
60	\$4.12	\$6.87
61	\$4.89	\$8.15
62	\$6.02	\$10.03
63	\$7.12	\$11.86
64	\$8.70	\$14.49
65	\$9.78	\$16.31
66 – 70	\$10.44	Not available
71+	Not available	Not available

Insurance cover

When does death and TPD cover cease?

Once you have **death only** or **death and TPD** cover, it continues until:

- ✦ you opt out of it; or
- ✦ your AGEST account has insufficient funds in it to pay the premiums; or
- ✦ you close the account to which your insurance cover is attached (eg you leave the fund or transfer your entire account balance to our Allocated Pension).

Death only and **death and TPD** cover does **not** cease because employment ceases. This means that you do not have to worry about insurance cover when you are between jobs or on leave without pay. Provided that you keep sufficient money in your AGEST account to pay premiums, your insurance cover continues unaltered.

Payment of death benefits

AGEST members may make either 'preferred' or 'binding' nominations as to the distribution of their AGEST benefit when they die.

Preferred nominations tell the Trustee who your preferred beneficiaries are, but the Trustee will make the final decision as to how and to whom your benefit is paid. The Trustee will exercise a discretion to allocate your benefit among the potential recipients who are described below. You can make a 'preferred' nomination online at www.agemst.com.au, on your *Member Application* form or by completing a *Change of Details* form which is available by calling **1300 724 378**.

Binding nominations provide greater certainty about who receives your benefit when you die, as your nomination binds AGEST's Trustee to pay your death benefit to a specified person(s), provided that the correct procedure has been followed. A binding nomination overrules all previous nominations except in the case of a reversionary nomination (see page 26). You can only make a 'binding' nomination using a *Binding Death Benefit Nomination* form. A copy of the form is included in this booklet. Further details and requirements for binding death benefit nominations are included on the second page of the form.

Recipients of death benefits must be one or more of the following:

- ✦ Your current spouse (including a de facto)
- ✦ Your children (including adult, step, adopted or ex-nuptial children)
- ✦ Any person(s) financially dependent on you
- ✦ Any person(s) you have an interdependency relationship with (see below for further details)
- ✦ Your legal personal representative, in their capacity as the executor or administrator of your estate.

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.

If two persons (whether or not related by family) have a close relationship, but do not satisfy the other

requirements outlined above because either or both of them suffer from a physical, intellectual or psychiatric disability, they are considered to have an interdependency relationship.

Payment of TPD benefits

TPD benefits are only payable to members with TPD cover when they satisfy the insurer's definition of TPD.

If submitting a claim for TPD, you will be required to provide medical and such other information as the insurer requires to assess your claim.

If you need to attend a medical appointment, the insurer will arrange this and advise you of details. Travel costs to and from the appointment will be at your expense and, if you do not attend the pre-arranged appointment without reasonable cause, the insurer may cease consideration of your claim until any non-attendance fees levied by the medical practitioner are paid by you.

The assessment of a TPD claim may take some time to complete, so it is important that you lodge a claim as soon as practical after becoming disabled.

Definition of Total and Permanent Disablement (TPD)

This definition is contained in our insurance policy with the fund's insurer, Commlnsure. The insurance policy can be downloaded from www.agemst.com.au

TPD means the state of health of the insured member resulting from illness, accident or injury (while covered under the terms of this policy) and as a result of which the member:

- (a) suffers the total and permanent loss of use of two limbs or the sight of both eyes or the total and permanent loss of use of one limb and the sight of one eye (where limb is defined as the whole hand or the whole foot); or
- (b) (where the member has not been unemployed for 6 or more months as at the date of disablement), is unable to follow his or her own occupation and any other occupation to which he or she is reasonably suited by education, training or experience for six consecutive months after the date of disablement and the insurer considers, on the basis of medical or other evidence satisfactory to the insurer, that the insured member is unlikely ever to be employed or attend to any such occupation; or
- (c) (where the member has been unemployed for 6 or more months as at the date of disablement), will not ever be able to perform at least 2 of the 5 specified *activities of daily living* (see definition following) on the basis of medical and other evidence satisfactory to the insurer, even with the use of a prosthetic device, mechanical and/or other machine or equipment, without the 'hand-on' help of another person.

'Activities of daily living' means the following activities:

Dressing: the ability to put on and take off clothing.

Toileting: the ability to use the toilet, including getting on and off.

Mobility: the ability to get in and out of bed or a chair.

Continence: the ability to control bowel and bladder function.

Feeding: the ability to get food from a plate into the mouth.

Automatic insurance cover when employer contributions are paid to AGEST

If your employer contributions are being paid into AGEST, this page shows important insurance information for you, including the default level of cover you will receive without evidence of health.

When, for the first time, an employer pays contributions for you into AGEST, you **automatically** receive and pay for 10 units of **death and TPD** insurance cover, **without evidence of health**.

This automatic cover is only available to you once. For example, if you cancel your cover and later an employer starts paying contributions to AGEST for you, you do not receive this automatic cover.

This applies to new members and existing members who commence or recommence having employer contributions paid into AGEST. It also applies when any type of employer contribution is paid into AGEST eg Superannuation Guarantee (SG) contributions, salary sacrifice contributions or one-off employer contributions.

The cost of 10 units of death and TPD cover is \$2.50 per week, which is automatically deducted from your AGEST account on a monthly basis (\$10.87 each month) when cover commences.

This level of automatic cover commences from the **latest** of the following four dates:

- ✦ the date that you become a member of AGEST
- ✦ the date that you commence employment with your employer
- ✦ the date which is 120 days prior to the date when the employer contribution is received by AGEST
- ✦ the earliest date in the period covered by the employer contribution for you.

Full cover will apply if:

- ✦ you are **actively at work** on the day that cover commences; and
- ✦ you have not been previously paid, and are not entitled to apply for the payment of, a benefit for TPD from AGEST, another superannuation fund or life insurance policy; and
- ✦ the employer contribution for you is paid within 120 days of the end of the period to which it relates; and
- ✦ you have received this cover no more than 120 days after commencing employment with your employer.

If **full cover** does not apply, **limited cover** will apply.

Can I increase my automatic cover without evidence of health?

Yes, but only in certain circumstances. You can apply for up to an additional 10 units of cover without evidence of health if:

- ✦ you are eligible for automatic cover (see above); and
- ✦ we receive your request to increase your cover no later than 30 days after we send you confirmation of your automatic cover.

Simply complete the relevant section on the *Member Application* and send it to us. Such additional cover will commence from the date that we receive your application.

If you apply for more cover after this time, or want more than an additional 10 units, the extra cover requested will be subject to evidence of health.

Can I reduce or cancel my insurance cover?

You can reduce or cancel your cover at any time. However, if you later want to reinstate your cover, you will need to provide evidence of health.

You can reduce or cancel your cover by completing the *Insurance Reduction* form (see our website or contact us for a copy). Note that we cannot accept cancellation requests by telephone or email because we must have your signed request in writing before we will act upon it.

If your request to reduce or cancel your cover is received by us no later than 30 days after we send you notification of your automatic cover, the reduction in cover and premium will be backdated to its commencement date – that is, no cover will apply and any premium deductions already made will be reversed. If the request is received by us after this time, it will take effect from the date we receive your request.

Some important definitions

Actively at work

Means being at work with an employer and performing the normal duties of your occupation. You will still be considered to meet the requirements of this definition if you are not at work on the respective date but you are still employed by an employer and the reason for absence is not due to illness or injury.

Full cover

Means you are covered for claims arising from any illness or injury.

Limited cover

Means you are only covered for claims arising from an illness which became apparent or an injury which occurred on or after the date that your cover most recently commenced or recommenced and excludes suicide during the first 13 months after cover most recently commenced or recommenced. If you have been previously paid, or have been entitled to apply for the payment of, a benefit for Total & Permanent Disablement from AGEST, another superannuation fund or life insurance policy, no TPD cover applies under limited cover, only death cover.

Important Note

Insurance benefits provided by AGEST are underwritten by insurance policies between the fund's insurer (The Colonial Mutual Life Assurance Society Limited, trading as CommInsure) and the Trustee of AGEST.

If there is any inconsistency between the contents of this booklet and the insurance policies, the contents of the insurance policies shall prevail.

You can obtain copies of these insurance policies from our website or by contacting us.

Insurance cover

Examples of our death and TPD cover

Read these examples for a good understanding of when death and TPD cover is automatically granted to members and the type of cover that will apply.

Example 1

Anthony is aged 30 next birthday. He commences work with his employer on 9 January 2008 and immediately chooses AGEST for his employer contributions.

He is paid on a calendar-month basis. His employer sends his January 2008 contributions to AGEST, which receives them on 15 April 2008.

Anthony's 10 units of Death and TPD insurance cover will automatically commence (without evidence of health) on 9 January 2008, and a premium deduction from his AGEST account of \$10.87 per month (or \$2.50 per week) will apply from the same date. His cover will initially be \$180,000 on a *full cover* basis.

He will receive a 'welcome to AGEST' letter shortly after 15 April 2008. If he wishes to apply for another 10 units of cover without evidence of health, he must do so before 15 May 2008. If he does, he will receive the additional cover from the date AGEST receives his application and his total insurance cover will then be 20 units (or \$360,000) – all received without evidence of health.

Example 2

Claire commences work with her employer on 9 January 2007 and initially has her employer contributions being sent to the superannuation fund she used in her previous job.

She is paid on a fortnightly basis.

Claire later decides to join AGEST and asks her employer to send employer contributions to AGEST. Her employer first sends her employer contributions to AGEST in respect of the fortnight commencing 13 November 2007 and AGEST receives those contributions on 15 December 2007.

Claire's 10 units of Death and TPD insurance cover will automatically commence (without evidence of health) on 13 November 2007 and a premium deduction from her AGEST account of \$10.87 per month (or \$2.50 per week) will apply from the same date. When cover commences, Claire is aged 40 next birthday, so her cover will initially be \$130,000 on a *limited cover* basis (it will be limited because she has received this cover more than 120 days after commencing employment with her employer).

She will receive a 'welcome to AGEST' letter shortly after 15 December 2007. She decides to apply for another 5 units of cover without evidence of health, and does so before 14 January 2008. She could have applied for 10 units, but decided that 5 units was sufficient. She will receive the additional 5 units of cover from the date we receive her application, and her total insurance cover will then be 15 units (or \$195,000) on a *limited cover* basis – all received without evidence of health.

Example 3

William commenced work with his public sector employer on 1 May 1987 and has been a member of the Commonwealth Superannuation Scheme (CSS) since then.

He has a small AGEST account that he established many years ago, but no insurance cover has been provided under this account for many years.

In 2008 he decides to commence salary sacrifice contributions to AGEST. He arranges this with his employer, who first sends his salary sacrifice contributions to AGEST in respect of the fortnight commencing 6 March 2008. AGEST receives those contributions on 28 March 2008.

William's 10 units of Death and TPD insurance cover will automatically commence (without evidence of health) on 6 March 2008 and a premium deduction from his AGEST account of \$10.87 per month (or \$2.50 per week) will apply from the same date. When cover commences, William is aged 50 next birthday, so his cover will initially be \$57,000 on a *limited cover basis* (it will be limited because he has received this cover more than 120 days after commencing employment with his employer).

He will receive a 'confirmation of insurance' letter shortly after 28 March 2008. William already has sufficient insurance cover elsewhere, so he decides to cancel his automatic cover. If AGEST receives his cancellation request on or before 27 April 2008, the cancellation will be backdated to 6 March 2008 and all premium deductions will be reversed. If AGEST receives his cancellation request after 27 April 2008, the cancellation will be effective from the date the cancellation request is received and no past premiums will be reversed.

Additional notes

- ❖ If you have 2 or more accounts in AGEST, you will only be entitled to insurance from the account with the highest level of insurance cover. Any premiums deducted from other accounts will be refunded to those accounts.
- ❖ Allocated pension members cannot apply for insurance cover in respect of their Allocated Pension account. However, if they are under age 65, they can set up a non-allocated pension account in AGEST and then apply for insurance cover which, if granted, will result in premiums being deducted from that account.
- ❖ If an insurer pays us an insured amount as a result of a member's death or TPD, it will be added to the member's AGEST account and invested in the same investment option(s) as the member has nominated for the future contributions (the Balanced option, if no nomination has been made).
- ❖ If you are invested in more than one AGEST investment option, the deduction of insurance premiums will be spread across all your investment options, in proportion to the balance held in each option on the deduction date.

Income Protection Insurance

AGEST can provide you with low-cost Income Protection insurance. It can cover you for up to 75% of your income whilst you are temporarily disabled and unable to work. The maximum benefit period is 2 years. Cover applies 24 hours a day, 7 days a week.

Who is eligible to apply?

You may apply for Income Protection insurance provided that you:

- ✦ are employed or self-employed and working not less than 60 hours per month on a regular basis when you apply for this cover
- ✦ are at work, performing your normal duties, on the day you apply for Income Protection insurance and the day your cover commences (or you are absent from work for reasons other than sickness or illness, such as annual leave)
- ✦ you are under age 65.

You may apply for any amount of cover, but the maximum benefit you can be paid is 75% of your Salary. If you become Totally Disabled due to injury or illness, while insured for Income Protection under AGESt, and you are still Totally Disabled after expiry of the waiting period, you will be eligible for a Monthly Income Benefit.

Waiting period

You have a choice of waiting period when you apply for Income Protection Insurance:

- ✦ 30 days; or
- ✦ 60 days; or
- ✦ 90 days.

The waiting period is the period that must elapse after becoming disabled before you are eligible for benefits. During the waiting period, you have to be Totally Disabled (or Partially Disabled if applicable). Benefits only commence to be paid at the end of the waiting period.

The waiting period commences only when you are Totally Disabled and a Registered Medical Practitioner confirms your total disability. The waiting period cannot begin until after you have been accepted for cover.

What is the maximum available benefit?

A maximum benefit of \$20,000 per month applies. However, benefit payments are limited to a maximum of 75% of your Salary. So don't over-insure yourself.

How to calculate your premium

Firstly, you need to determine:

- ✦ the level of cover you require (noting that a maximum benefit of 75% of Salary will be paid if you later make a claim); and
- ✦ the waiting period for benefits that you wish to select (30, 60 or 90 days)

You can then use the table opposite to work out the monthly premium that we will deduct from your AGESt account, if the insurer accepts your application. Note that the premium usually increases each year on your birthday.

You can also request on the *Application to Increase Insurance Cover* form to have this cover indexed by 5% each year on your birthday, without ongoing evidence of health. This will help to keep your cover up-to-date.

AGE NEXT BIRTHDAY	\$ PREMIUM PER MONTH PER \$1,000 OF MONTHLY INCOME BENEFIT		
	WAITING PERIOD FOR BENEFITS		
	30 DAYS	60 DAYS	90 DAYS
Up to 20	\$3.91	\$2.61	\$1.74
21	\$3.91	\$3.04	\$1.74
22	\$3.91	\$3.04	\$1.74
23	\$4.35	\$3.04	\$1.74
24	\$4.35	\$3.04	\$1.74
25	\$4.35	\$3.04	\$1.74
26	\$4.35	\$3.04	\$1.74
27	\$4.35	\$3.04	\$1.74
28	\$4.35	\$3.04	\$1.74
29	\$4.35	\$3.04	\$1.74
30	\$4.35	\$3.04	\$1.74
31	\$4.78	\$3.48	\$1.74
32	\$4.78	\$3.48	\$1.74
33	\$5.22	\$3.48	\$1.74
34	\$5.22	\$3.91	\$1.74
35	\$5.65	\$3.91	\$2.17
36	\$5.65	\$3.91	\$2.17
37	\$6.09	\$4.35	\$2.17
38	\$6.52	\$4.78	\$2.17
39	\$6.96	\$4.78	\$2.61
40	\$7.39	\$5.22	\$2.61
41	\$7.39	\$5.22	\$3.04
42	\$7.83	\$5.65	\$3.04
43	\$8.26	\$6.09	\$3.48
44	\$8.70	\$6.09	\$3.91
45	\$9.57	\$6.52	\$4.35
46	\$10.00	\$6.96	\$4.78
47	\$10.44	\$7.39	\$5.22
48	\$11.31	\$7.83	\$5.65
49	\$12.18	\$8.26	\$6.09
50	\$12.61	\$9.13	\$6.96
51	\$13.48	\$9.57	\$7.39
52	\$14.78	\$10.44	\$8.26
53	\$15.65	\$10.87	\$9.13
54	\$16.96	\$11.74	\$10.00
55	\$17.83	\$12.61	\$10.87
56	\$19.13	\$13.48	\$11.74
57	\$20.87	\$14.35	\$12.61
58	\$22.18	\$15.65	\$13.91
59	\$23.92	\$16.96	\$15.22
60	\$25.66	\$18.26	\$16.52
61	\$27.83	\$19.57	\$17.83
62	\$30.00	\$21.31	\$19.57
63	\$26.96	\$21.74	\$16.09
64	\$22.61	\$18.26	\$12.18
65	\$13.91	\$10.87	\$5.22
66+	not available	not available	not available

Insurance cover

How do I apply for Income Protection insurance?

To apply, simply complete the *Application to Increase Insurance Cover* form and either a *Short Personal Statement* or a *Full Personal Statement* and forward it to us.

Your application will be referred to AGEST's insurer (CommInsure). Your cover will not commence until you provide any other information the insurer may require, and until the insurer approves your application. You must also have sufficient money in your AGEST account to pay the premiums.

The insurer may require some members to provide additional information, undergo a medical examination or have a blood test as part of the assessment. AGEST will advise you if the insurer requires any additional information to assess your application.

Note that the insurer may decline your application or accept it subject to exclusions.

Example

Lucy is 37 years old and earns \$80,000 per annum. She wishes to acquire income protection insurance through her AGEST superannuation account for the maximum 75% of her salary and with a waiting period of 90 days.

Step 1

Determine level of monthly cover required

$$= \frac{75\% \times \$80,000}{12}$$

= \$5,000 per month

Step 2

Calculate monthly premium.
Monthly cover required divided by \$1,000 x Premium (see Note)

$$\frac{\$5,000}{\$1,000} \times \$2.17$$

= \$10.85 per month

(Note: Refer to table on page 21 – premium for age next birthday of 38 and a waiting period of 90 days is \$2.17).

When does my cover start?

Subject to maximum cover restrictions, your selected level of Income Protection cover commences when ALL of the following have occurred:

- you have completed and returned the relevant forms;
- you have provided any other information the insurer may require;
- the insurer approves your application.

Level of benefit payable

If you become Totally Disabled due to injury or illness, while insured for Income Protection under AGEST, and you are still Totally Disabled after expiry of the waiting period, you will be eligible for the payment of a Monthly Income Benefit.

The Monthly Income Benefit will be the lesser of:

- the level of cover that you have been accepted for (as at the date you became Totally Disabled); or

- 75% of your Salary (less any other income as detailed below) as at the date you become Totally Disabled.

If you receive, or are entitled to receive, income from one of the following sources while receiving a Monthly Income Benefit, your benefit will be reduced by the amount of that income:

- sick leave payments;
- any amount payable under legislation such as workers' compensation (including settlement for permanent impairment), social security benefit or motor accident compensation;
- any benefits payable under other Income Protection policies;
- any income earned by you from personal exertion while disabled;
- the income equivalent of any commuted income benefit;
- any income you could reasonably be expected to earn in your occupation where the type of work you can perform is available via your employer; or where you have terminated employment with your employer, any income you could reasonably be expected to earn in your occupation where the type of work you can perform is available in the marketplace;
- any combination of the above.

Returning to work in the waiting period

You may return to full-time work once for up to 5 consecutive days without having to restart the waiting period. The days you worked are added to the waiting period.

If you return to full-time work for more than 5 consecutive days during the waiting period, a new waiting period will apply subject to cover being in place.

Recurring claims

If within six months of benefit payments having ceased to be paid to you, you are again Totally Disabled due to the same cause, it will be treated as the same claim and a new waiting period will not apply.

A benefit paid under this condition will be limited to the balance of the maximum benefit period. However, you must still be a member of AGEST.

How long is a benefit paid for?

Your Monthly Income Benefit will be paid until the earlier of:

- the end of the benefit period (maximum is 2 years);
- you cease to be Totally Disabled;
- you reach age 65;
- you die.

If you die while receiving a Monthly Income Benefit, the insurer will pay an amount equal to the total monthly benefit for an extra month after your death. It will be paid either to your dependants or your estate.

Payment of Monthly Income Benefits will stop if you travel or reside overseas for longer than six months (and may resume only when you are again residing in Australia).

What if I return to work in a reduced capacity?

If, after receiving a Monthly Income Benefit because you are Totally Disabled (or Totally Disabled for at least 7 out of 12 consecutive days in the waiting period), you return to work in a reduced capacity, and receive a reduced Salary due to continued disability, you may be eligible for the payment of a Partial Disability benefit.

This benefit will be a proportion of the Monthly Income Benefit whilst you are in receipt of a reduced Salary and you are not engaged in any other occupation.

If you are eligible to receive a Partial Disability benefit, it will be paid after the waiting period until the earlier of:

- the end of the 2-year maximum benefit period (which will include the period during which you received Monthly Income Benefits for Total Disability); or
- you are able to return to full duties; or
- you are engaged in another occupation; or
- you receive full Salary; or
- you die; or
- you reach age 65.

When does my cover cease?

You will be covered for Income Protection whilst there is sufficient money in your account to pay the premiums.

Your cover will also cease if:

- you cease to be a member of AGEST; or
- the relevant policy issued to AGEST by CommInsure is no longer in force (affected members will be given plenty of advance warning if this was to occur); or
- you die; or
- you reach age 65.

Can I cancel or reduce my Income Protection insurance?

Yes, you can do this at any time.

If you wish to reduce or cancel your cover, you must write to us requesting this. The request must contain your full name and membership number, specify the level of cover you wish to reduce your insurance cover to, and be signed and dated. Faxes and emails are acceptable but we cannot accept telephone calls, as we must have your request in writing.

Your insurance will be reduced or cancelled from the date on which we receive your request.

Situations in which you will not be covered

Whilst some of the following restrictions may seem severe, if they were not in place, the premium for your cover would be much higher.

The situations in which the insurer will not pay any Income Protection benefits are:

- where your illness or injury arose from:
 - service in the armed forces of any country other than the Australian Armed Forces Reserve; or
 - war or an act of war (whether declared or not); or
 - a deliberate self-inflicted injury or act; or
 - normal pregnancy or childbirth;
- where the injury or illness first occurred before you became a member of AGEST or before the policy commenced; or
- if premiums have not been paid in respect of your cover.

Benefits may not be paid if the insurer is not notified within 12 months (or as soon as is reasonably possible) of you becoming disabled and, as a result, the insurer's management of the claim is prejudiced.

Pre-existing conditions

You will be paid Income Protection benefits for pre-existing health conditions only if you made a full and accurate disclosure to the insurer of those conditions of which you were aware, or could reasonably have been expected to be aware, and cover for those pre-existing conditions was accepted by the insurer.

Can I claim a tax deduction for Income Protection premiums in my Income Tax Return?

No, you cannot claim a tax deduction for the premiums.

This is because the fund pays the premiums on your behalf to the insurer – you do not pay them directly yourself.

However, the benefit of the tax deduction received by AGEST is passed on directly to your account.

What tax do I pay on Income Protection benefits?

Any monthly income benefit paid to you is taxable income and attracts PAYG tax, the same as salary and wages. PAYG tax will be deducted from the benefit before it is paid to you.

Some definitions

Partial Disability/Partially Disabled

If a member returns to work in a reduced capacity after:

- receiving a Monthly Income Benefit for Total Disability; or
- being Totally Disabled for at least 7 out of 12 consecutive days in the waiting period

and receives a reduced Salary due to continued disability, the member will be considered to be Partially Disabled.

The insurer will pay the member a proportion of the Monthly Income Benefit while they are in receipt of a reduced Salary and not engaged in any other occupation.

The proportion of the Monthly Income Benefit payable for Partial Disability is

$$\frac{A - B}{A}$$

where:

A = the member's monthly Salary prior to becoming Totally Disabled

B = the member's monthly Salary whilst Partially Disabled.

Salary

For members who are employed by an employer, Salary means their regular annual remuneration, including:

- the value of fringe benefits taken by way of salary sacrifice (provided they would have been paid for at least 6 months after the Monthly Income Benefit is first payable); and
- performance-related annual bonuses and commissions (averaged over the last 3 years, or such lesser period as the member has been in receipt of such payments).

For members who are casual workers or contractors, Salary will be the annualised average remuneration received over the 12 months prior to the commencement of the waiting period or, if less than 12 months, the period of employment.

Where a member directly or indirectly owns all or part of the business from which he or she earns his or her usual income, Salary shall mean the total amount earned by the business over the financial year as a direct result of the member's personal exertion or activities through his or her usual occupation, less his or her share of business expenses, but before the deduction of income tax, for that business (or the relevant proportion for part of a financial year).

Total Disability/Totally Disabled

Means an injury or illness that stops the member from performing one or more of the important duties of his or her regular occupation necessary to produce income as confirmed by a Medical Practitioner, as a result of which the member is not engaged in any occupation.

Allocated Pensions

(including Non-commutable (Transition to Retirement) Allocated Pensions).

AGEST has a low-cost Allocated Pension that enables members to convert their superannuation savings into a flexible, regular income.

For the past 2 years (2007 and 2008), the AGEST Allocated Pension has won the SuperRatings Pension Fund of the Year award.



Any member who has reached their preservation age (age 55 for members born before 1960) can receive an Allocated Pension, even if they are still working.

Allocated Pensions at a glance

- **Investment options, fees and costs** are the same as for all other AGEST members.
- **Insurance cover** is not available for Allocated Pension accounts, but you can keep another account in AGEST and use it for your insurance needs.

AGEST caters for both regular and non-commutable Allocated Pensions. This booklet and the *Allocated Pension Application* form at the rear of this booklet caters for both of these Allocated Pensions.

How to apply for an Allocated Pension

1. Read this booklet.
2. Determine the investment option(s) that best suit you.
3. Consolidate any superannuation or other money you wish to convert to this Allocated Pension into one account (either in AGEST or another fund) prior to establishing your Allocated Pension.
4. Arrange for monies held outside of AGEST to be transferred to AGEST.
5. Complete the *Allocated Pension Application* form.
6. Send the form (along with the identification requirements outlined on the form) to:
AGEST Administration
Locked Bag 20, Wollongong NSW 2500

Allocated Pensions

What is an Allocated Pension?

An allocated pension is a flexible form of investment which gives you a regular income and, if you have satisfied a 'condition of release' (see page 6), allows you access to your lump sum benefit. You determine how much pension you want each year, after taking account of your personal circumstances. Your account continues to attract investment earnings, and pension payments are deducted from your account when paid to you.

Allocated pension payments attract taxation concessions. Your pension payment must be at least the minimum amount required, as set by legislation and illustrated in the table on page 27.

Pension payments cease when your account balance has reduced to zero. This means that pension payments will continue longer if you elect to receive the minimum level of pension. It also means that continuation of the pension is dependent on investment earnings – the higher the rate of investment earnings allocated to your account, the longer you will be able to receive pension payments. Of course, any lump sum withdrawals from your account will also affect your future pension payments and how long they last.

Why invest in the AGEST Allocated Pension?

It is a sound investment strategy for many retired members. Consider the following benefits of having an allocated pension with AGEST:

- ✦ Tax-free income stream if you are aged 60 or over
- ✦ Tax-free investment earnings on your Allocated Pension account
- ✦ Low administration and investment fees
- ✦ Tax concessions apply to income payments, often making them tax-free even if you are under 60
- ✦ Flexibility – your pension can be adjusted at any time within the limits set by legislation
- ✦ Regular income payments are credited to your bank account
- ✦ Control how often you wish to receive your pension payments – monthly, quarterly or yearly
- ✦ Investment choice is available for your account balance
- ✦ You can withdraw lump sums if you need additional cash, if you have satisfied a 'condition of release' (see page 6)
- ✦ You can make a preferred or binding nomination as to the distribution of your remaining account balance upon your death.
- ✦ You can nominate a reversionary beneficiary, so that your pension can continue to be paid to your spouse (or dependant child).

Who is eligible for an AGEST Allocated Pension?

Anyone can convert their superannuation to an AGEST Allocated Pension, subject to the preservation requirements outlined on page 6.

Consolidate your money before commencing an Allocated Pension

It is very important to note that you cannot make any payments (contributions or rollovers) into your Allocated Pension once it has been established.

Before establishing your Allocated Pension, you should consolidate into one superannuation account any money you wish to use in your Allocated Pension. This can be done in AGEST or in another fund. This consolidated amount should then be used to establish your AGEST Allocated Pension.

If you are not already a member of AGEST, and wish to consolidate your money in AGEST before commencing your Allocated Pension, you will need to complete a *Member Application* to establish an account for this purpose.

Once your money has been consolidated, you will then need to complete an *Allocated Pension Application* to establish your Allocated Pension.

If you have an existing Allocated Pension, you can establish an additional one, although you should be aware that the normal fees will also apply to the additional account.

Retaining your existing AGEST superannuation account

If you establish an Allocated Pension, you can keep money in your existing AGEST superannuation account.

Where is my Allocated Pension money invested?

Your Allocated Pension account is invested with the same investment managers who manage all of AGEST's other assets. This saves you transfer fees.

Members are able to choose whether they invest their Allocated Pension in one or a mix of our investment options.

If you transfer your account from superannuation to the Allocated Pension, you can elect to retain the same mix of investments that you held in your superannuation account, or change the mix.

However, you must re-nominate your investment option(s) when applying for an AGEST Allocated Pension. If you do not complete the Investment Options section on the *Allocated Pension Application*, your account will be invested in the Balanced option.

You may switch your investment choice at any time by completing an *Investment Choice Application* or switching online at www.ages.com.au

Crediting investment returns to your account

Investment returns are allocated to Allocated Pension accounts in the same manner as for all other AGEST members.

Investment earnings are adjusted to allow for the fact that no tax is paid on an Allocated Pension's investment earnings.

Past returns are shown on page 33.

Fees

The AGESt **Allocated Pension fee** is exceptionally low by industry standards. It is the same as for other members of AGESt, and is outlined in the 'Fees, costs and taxes' section of this booklet on pages 11 to 14.

Minimum pension levels

The Government has set minimum levels of income you must receive from your Allocated Pension account each year. These levels are based on the commencement date of your pension and your age and account balance every 1 July.

The following table illustrates the Monthly Pension levels at each age, assuming a balance of \$100,000 in your account. If your account balance is more or less than \$100,000, you should adjust the levels shown in the tables on a pro-rata basis.

AGE	MINIMUM %	EQUIVALENT MINIMUM MONTHLY PENSION
PER \$100,000 IN YOUR ACCOUNT		
Under 65	4%	\$333
65-74	5%	\$417
75-79	6%	\$500
80-84	7%	\$583
85-89	9%	\$750
90-95	11%	\$917
95 and over	14%	\$1,167

In addition to the above minimum pension levels, income payments from a Non-commutable (Transition to Retirement) Allocated Pension are limited to a maximum of 10% of the account balance per annum.

Tax

No lump sum tax on rollover

Money transferred into an Allocated Pension is not subject to eligible termination payment (ETP) tax, except in cases where the money includes an untaxed component, for example, employer ETPs and benefits from some public sector funds.

No tax on Allocated Pension investment earnings

There is no tax on the investment earnings on money invested in an Allocated Pension.

Some or all of your pension may be tax-free

The taxable amount of your pension will be assessed firstly on your age, then if need be, the components contained within your pension.

If you are aged 60 or over (or once you turn 60), there will be no tax deducted from your Allocated Pension payments, and they are not reportable to the Australian Taxation Office (ATO). However, the Allocated Pension payments are reportable for Centrelink purposes.

If you are aged under 60, some of your Allocated Pension may be taxable. The taxable portion of your pension income payments will simply be determined using the following calculation:

Taxable component at commencement of Pension	X	Pension payment amount	=	Taxable portion of Pension payment
Commencing Allocated Pension balance				

Tax (if any) will be deducted from the taxable portion of your pension on a PAYG basis. You will, however, receive a 15% rebate on the taxable portion of your pension payment. The remaining portion of your pension payment will be considered a tax-free component and will be paid to you tax-free.

Example: Peter is 55 years old. He commences an AGESt Allocated Pension with \$200,000 in his account, with a *tax-free* component of \$120,000 and a *taxable* component of \$80,000. Peter's monthly minimum pension payment will be \$667 (4%), and his pension payments will be taxed as follows:

Tax-free amount	=	$\frac{\$120,000}{\$200,000}$	x	\$667	=	\$400
Taxable amount	=	$\frac{\$80,000}{\$200,000}$	x	\$667	=	\$267
Tax rebate	=	\$267	x	15%	=	\$40

In this situation, Peter will only be taxed on \$267 less a \$40 tax rebate per pension payment.

For information regarding the taxation of lump sum withdrawals, please refer to page 14.

Reversionary beneficiaries

AGESt offers new pension accounts the ability to nominate a *reversionary* beneficiary. By nominating a reversionary beneficiary, AGESt is able to continue paying your Allocated Pension payments to either your spouse or a dependent child after your death. Normally, upon the death of an Allocated Pensioner, their benefit is paid to their nominated beneficiaries or estate as a lump sum payment. The lump sum option is still available, and occurs when no reversionary beneficiary is nominated.

There are certain rules when nominating a reversionary beneficiary including:

- ✦ You can only nominate one reversionary beneficiary.
- ✦ A reversionary beneficiary can only be nominated at the **commencement** of an Allocated Pension.
- ✦ A nominated reversionary beneficiary is generally binding on the Trustee and cannot be changed. A reversionary beneficiary nomination can only be altered or cancelled by completing a new AGESt Allocated Pension application and transferring your existing Allocated Pension into the new account.
- ✦ A nominated reversionary beneficiary must be either a spouse (including de-facto spouse) or a dependent child.
- ✦ A reversionary beneficiary can request a lump sum payment (commutation) of the allocated pension upon the death of the original Allocated Pensioner.
- ✦ If the nomination is a dependent child, reversionary pension payments must cease when the child turns age 25, upon which the remaining balance of the Allocated Pension is to be paid to them as a tax-free lump sum. If the dependent child is permanently disabled, the reversionary pension can continue beyond their 25th birthday.
- ✦ If a spouse (when nominated as a reversionary beneficiary) pre-deceases the original Allocated Pensioner, the pension balance upon the death of the original Allocated Pensioner will be paid out to either the original Allocated Pensioner's dependants and or to their estate as a lump sum benefit.

Allocated Pensions

Taxation of reversionary pensions

Under the new superannuation laws introduced on 1 July 2007, benefit payments to a member are tax-free when the member is aged 60 or over.

Upon a primary pensioner's death, the taxation of a reversionary pension is based on the higher of the two ages of the primary and reversionary pensioners. The table below is a guide as to how a reversionary pension would be taxed. Please refer to page 18 for more information regarding the payment of death benefits.

Other information

Frequency of payment

Your pension may be paid annually, quarterly or monthly direct to your bank account on the 15th day of the month.

When do payments commence?

If you invest in an Allocated Pension before 1 June in any year, a payment must be made to you before 30 June of that year. The payment is a proportional amount of your annual pension.

If you invest in an Allocated Pension on or after 1 June in any year, you can choose whether to have a pension payment in that financial year or not. However, you must receive a pension payment by 30 June in the following year.

Pension payment draw-down options

If you invest your account balance in more than one investment option, you can nominate the option(s) from where your pension payments are to be drawn. The methods available are:

The Proportional Method: you can specify the proportion of the pension payment to be withdrawn from each investment option.

The Priority Method: you can nominate the order of investment options from which you would like to draw down your pension payments.

The Pro-Rata Method (Default): you can elect to have the pension payments withdrawn from each investment option in proportion to the balance in each investment option at the time of withdrawal. This is the default method if you do not nominate a preferred method.

Reporting to you on your investment

Benefit Statements will be forwarded to you twice a year.

What if you are entitled to a Government pension?

If you are entitled to a Government pension of any size, Centrelink or the Department of Veterans' Affairs may send you a form seeking information about your AGEST Allocated Pension. AGEST will provide you with a Centrelink schedule when you commence your allocated pension. A revised Centrelink schedule will be provided to you along with your 30 June Benefit Statement each financial year.

	AGE AT DEATH OF PRIMARY PENSIONER		
	EXAMPLE 1	EXAMPLE 2	EXAMPLE 3
Primary Pensioner	60	56	58
Reversionary Pensioner	51	62	56
Tax status of reversionary pension	Tax-free , as the primary pensioner was aged 60+.	Tax-free , as the reversionary pensioner is aged 60+.	Taxable component subject to reversionary pensioner's marginal tax rate, with a 15% tax offset available on this amount. Full amount becomes tax-free once the reversionary pensioner turns age 60.

Please refer to page 18 for more information regarding the payment of death benefits.

Seeking financial advice

The decision as to how to invest your retirement benefit has taxation and social security implications. We recommend that you obtain professional advice prior to making your decision.

Care should be taken in seeking advice from commission-based advisers, as they are often not able to advise on superannuation products that do not pay them a commission, such as the AGEST Allocated Pension.

If your adviser has not considered the AGEST Allocated Pension, ask them why not. If it is because your adviser is not entitled to commission from AGEST, you should be aware that your adviser may not recommend the AGEST Allocated Pension, even if it is a good retirement option for you.

Some accountants and financial advisers may talk to clients about establishing their own self-managed superannuation fund (SMSF). It is important that anyone who is considering rolling into their own SMSF understands the requirements placed on them as a Trustee:

- ✦ As a Trustee of an SMSF, you are responsible for the compliance of your fund. Strict penalties apply for non-compliance.
- ✦ As a Trustee, you will need to maintain detailed records of all particulars relating to the day-to-day running of the fund for auditing purposes.
- ✦ Be prepared to pay for professional tax, auditing, accounting and legal advice, to help make sure that the SMSF is compliant – this can be expensive. **Remember – AGEST only charges 70 cents a week in administration costs!**
- ✦ Running a SMSF can take up a significant amount of personal time.

Some financial advisers charge a fixed fee instead of receiving commissions. AGEST members have access to commission-free financial planning with Industry Fund Financial Planning. Please refer to page 4 of this booklet.

Investment options

AGEST offers a wide range of investment options to suit the individual needs of members.

Investment options at a glance

You can choose pre-mixed options, single-sector options, or both.

Pre-mixed options

- ✦ Growth
- ✦ Balanced
- ✦ Moderate
- ✦ Stable
- ✦ Conservative
- ✦ MultiStrategy

Single-sector options

- ✦ Australian Shares
- ✦ International Shares (Hedged)
- ✦ International Shares (Unhedged)
- ✦ Listed Property
- ✦ Fixed Interest
- ✦ Cash

Allowable combinations

- ✦ You can choose one option or any combination of the options above

Minimum account balance

- ✦ Nil

Switching fee

- ✦ Nil

Buy/Sell spread

- ✦ Nil

Default investment option

- ✦ Balanced

How to make a choice

1. Read this booklet.
2. Determine the option(s) that best suit you.
3. If you wish to invest in an investment option other than Balanced, complete the *Investment Choice Application* form, or if you are joining AGEST, complete the relevant section on the *Member Application* form.
4. Send the form to:
AGEST Administration
Locked Bag 20
Wollongong NSW 2500

or fax it to:
1300 664 378

Alternatively, if you are already a member, you can make an investment choice online at: www.agest.com.au

Investment options

You can choose any combination of the following 12 investment options:

Pre-mixed options

- ❖ Growth
- ❖ Balanced
- ❖ Moderate
- ❖ Stable
- ❖ Conservative
- ❖ MultiStrategy

Single-sector options

- ❖ Australian Shares
- ❖ International Shares (Hedged)
- ❖ International Shares (Unhedged)
- ❖ Listed Property
- ❖ Fixed Interest
- ❖ Cash

Pre-mixed options

Many members like to choose an option which already has a **combination of assets from various investment sectors**. This is called a pre-mixed option.

AGEST has 6 pre-mixed options, and you can choose to invest some or all of your superannuation in these options.

Each of these pre-mixed options holds a different combination of investments, as determined by the Trustee of the fund from time to time. Because each option holds different investments, their investment returns will differ.

Pages 34 and 35 show our range of pre-mixed options and their features.

Single-sector options

If you want to choose your own mix of investments – a **'do-it-yourself'** approach – then single-sector options may suit you best.

Single-sector options only cover assets in one investment sector, and the name of each option tells you the relevant sector.

AGEST has 6 single-sector options, and you can choose to invest some or all of your superannuation in these options. Just like the pre-mixed options, each of these single-sector options holds different investments, so their investment returns will differ.

Pages 36 and 37 show our range of single-sector options and their features.

Rebalancing the pre-mixed options

Pages 34 and 35 show the strategic asset allocation (SAA) for each of the pre-mixed options. However, rapid market movements, new investment opportunities and irregular levels of cash flow mean that we cannot always stay close to our SAA percentages.

To ensure that members know how far away from the SAA percentages that each pre-mixed option may move, we have set ranges within which each option will always invest. These ranges are shown on pages 34 and 35.

We rebalance investments in the pre-mixed options to their SAA percentages by directing cash flow to the most 'underweight' investment sectors.

Explanation of investment sectors

Before you decide which investment option(s) to invest in, it is important to have an understanding of the types of investment in these options, their expected returns relative to each other, and the risks involved.

Our 12 investment options invest in some or all of the following 8 investment sectors. A brief explanation of each sector follows.

Australian Shares

Investing in a company's shares means that you own part of that company. Investment returns from shares are derived from dividends (income), which are company profits distributed to shareholders, and changes in share values over time. All our Australian shares are listed on the Australian Stock Exchange. When compared over time to other investments, shares provide high growth potential with a high level of investment risk.

Private equity

Private equity investments are mainly share investments in companies that are not listed on a stock exchange. Whilst the listed shares that we own are usually in relatively mature businesses, private equity investments can include start-up finance for new businesses ('venture capital') or expansion capital to assist a business with its growth strategy, as well as investment in mature businesses. Whilst there is usually a prospect of higher returns from private equity compared to listed shares, the investment risk is higher and a longer term is usually required before the maximum high growth potential is reached.

Infrastructure

Infrastructure is all around us. Whilst governments use taxpayer funds to build infrastructure, the private sector, including superannuation funds, is also involved in this sector, via the funding and building of assets such as toll roads, light rail systems, airports and energy utilities. Investment in infrastructure can be in various forms, such as equity ownership or fixed/variable interest loans. Returns from infrastructure and the level of investment risk will vary depending on the nature of the investment. In general, this sector provides medium to high growth potential with a medium to high level of investment risk.

International Shares

Investing in international shares is similar to investing in Australian shares. However, returns can be quite different, as they are also influenced by currency movements and global economic conditions.

AGEST limits its level of exposure to foreign currencies by hedging back some foreign currency exposure to Australian dollars. In AGEST's International Shares (Unhedged) option, however, no foreign currency hedging occurs.

Property

Property includes investments in established buildings or buildings under construction. Property trusts generally use funds from a group of investors to buy a range of properties. Property investment returns come from rent and increases in property values over time. When compared to other investments, property generally has a medium to high risk, and a lower expected return compared to shares over the long term.

Listed property trusts can be bought and sold via an established stock exchange (like the Australian Stock Exchange).

Absolute return

Absolute return funds (often known as 'hedge funds') focus on minimising downside risk (that is, they aim to avoid negative returns over the short term, although negative returns may still occur). The funds in which we invest are often 'fund-of-fund' products, which means that the fund invests in many different underlying funds with different investment types and styles. This provides good diversification and minimises risk. Compared to other investment sectors, this sector provides medium growth potential with a medium level of investment risk.

Fixed interest

This sector holds Australian and International fixed interest securities which earn a fixed, regular income. They usually represent loans to a government or company. Interest is paid on the amount invested at an agreed rate until the loan is repaid. Fixed interest investments tend to generate medium to low returns over the long term and carry medium risk.

The performance of fixed interest securities is heavily influenced by the movement in long-term bond yields. When long-term bond yields fall, existing bond prices rise. That is good news for holders of these bonds, because they can sell the bond at a higher price than before.

But when long-term bond yields rise, existing bond prices fall (because you can buy more attractive bonds with higher yields). That is bad news for holders of those bonds, because they can only sell the bond at a lower price than before.

So you should be aware that holding fixed interest securities when long-term bond yields are rising may result in negative returns – because we must value the security at the price it could be sold for today, rather than the amount which will be repaid in the future.

This sector is not exposed to movements in the value of foreign currencies, as all of our investments in this sector are hedged to Australian dollars.

Cash

This sector holds short-term fixed interest and money market investments. Like a bank account, interest is earned on these investments. Cash investments usually earn a lower rate of return than other asset classes over the long term, and carry the lowest level of investment risk.

Important investment information

Investment information is provided in this document to assist members in understanding their investment options in AGEST. However, the following matters should be noted in respect of this information.

- ✦ The past performance of each investment option should not be taken as an indication of future performance.
- ✦ The past performance of each investment option is based on the asset allocation and investment management style used in each investment option in the past. The Trustee may change these features at any time in the future, within the ranges specified in this document, and this may affect the relevance of past performance to future performance.
- ✦ AGEST's 12 investment options each have an *investment objective, target return, investment timeframe, investment risk and strategic asset allocation* stated on pages 34 to 37 of this document.

These are indicative only and are based on the investment expectations of each investment sector, using long-term assumptions about capital markets as obtained by the Trustee from sources including investment management companies and professional investment advisers.

Based on these assumptions, the Trustee believes that the strategic asset allocation set by the Trustee is suitable for each investment option, given its investment objective, and that the strategic asset allocation is likely to enable the target return to be achieved over the investment timeframe. However, the future performance of each investment option cannot be guaranteed, as investments can move up and down, sometimes sharply and without warning, over both short and long periods of time.

Expectations about the number of years of positive returns in every 25 years are shown for each investment option, based on the above-mentioned long-term assumptions. Actual performance may be different from these assumptions.

- ✦ If you wish to obtain more information about AGEST's investment options, you can contact our Member Services team on **1300 724 378** or visit our website at **www.ages.com.au**. You may also wish to contact a professional investment adviser.
- ✦ **If you do not make an investment choice, the Balanced option is where your superannuation will be invested.**

Investment options

Choosing investment options that best suit your needs

The choice that's right for you will depend on your own circumstances.

To start with, think about how old you are, how long before you intend to start using your super, and your attitude to risk. Can you afford to bear the ups and downs of some investment options for their expected long-term benefits? Or would you prefer a more stable return from year to year?

You may wish to spread your investment risk by investing in more than one investment option – this is called 'diversification', and is often referred to as 'not putting all your eggs in one basket'.

Each AGEST investment option is diversified to some extent itself (eg. we own hundreds of shares in the Australian Shares option, and the pre-mixed options are spread across various investment sectors), but you can further diversify your investment by choosing percentages of each option.

Which investment options produce the best returns?

Investors expect investments like shares and property to produce better long-term returns than fixed interest securities and cash deposits. If this was not the case, they would always put their money into less 'risky' assets, like cash.

If you only invest in assets like shares and property, you may achieve high long-term returns, but there is also a chance that you will experience short-term negative returns.

Assets like fixed interest securities and cash usually provide more stable investment returns over the short term, and have a lower risk than shares and property of losing capital over the long term. However, they usually offer little potential for capital growth.

Combining investment options

You can invest in more than one option. For example, you could have 10% in Growth, 60% in Stable and 30% in Cash. The choice is yours.

You can make a different investment choice for:

- ✦ your existing account balance
- ✦ future contributions and deductions
- ✦ one-off contributions or rollovers.

For example, you may decide to invest 100% of your existing account in the Balanced option, future contributions and deductions may be split 60% Listed Property and 40% Cash, and a one-off rollover into the fund might be put 100% in Fixed Interest.

So there is plenty of flexibility to meet your needs.

Watching your mix of investments

If you have chosen a mix of investment options, you should be aware that the proportions will alter over time as each option will have a different rate of investment earnings.

For example, you may have chosen 80% in the Fixed Interest option and 20% in the Cash option. But if Fixed Interest performs better than Cash, your account will accumulate more than 80% in Fixed Interest over time.

So, if you want to maintain your 80/20 ratio, you can adjust your account at any time. Simply use the *Investment Choice Application* or log into your account at www.agem.com.au

How to make an investment choice

You can change the investment options in which your account is invested, or the investment options for your future transactions, at any time.

Simply either complete the *Investment Choice Application* form or log into your account at www.agem.com.au, or if you are joining AGEST, complete the relevant section of the *Member Application* form.

Fully completed requests to change investment options will be processed using the unit prices for the relevant investment options for the next business day immediately following receipt of your request by AGEST. '*Business day*' means a day when the Australian Stock Exchange is open for trading. Normally, this will be any weekday other than a national public holiday in Australia.

A request to change investment options will be processed based on your account balance at the time that the switch is processed. That is, if there are any unallocated contributions, they will not be switched. However, when they are later processed, they will be allocated according to the investment profile that you have selected for future transactions. We suggest that you check your account online at www.agem.com.au or call us if you are unsure about the current balance of your account.

We do not usually limit the number of investment switches you can make, and nor do we usually charge you a fee for making an investment switch. However, we do reserve the right to limit the number of switches you can make or to charge you a switching fee. We would only do this if your frequency of switching was excessive and impacting adversely on the fund. Excessive switching will result in costs being incurred by us that have not been anticipated in the current standard, low administration fee. We will give you at least 30 days' notice if this is to occur.

If you submit a request to change investment options, it cannot be cancelled. Instead you will have to submit another request with your preferred investment options. If you send us your second request by mail or fax, it is important that you note on that request that it overrides any other request received by us for you on the same day.

If we receive two or more switch requests on the one day, we will process the most recent one, if we can determine this. If we cannot determine which request is the most recent one, we will not process any of them and ask you to resubmit your request. This is necessary to avoid members sending in multiple switches for the one day and then choosing the one that gives them the best outcome.

Fact sheets on each investment option

Want to know more about each investment option?

We have produced a fact sheet on each option, which we update quarterly. You can download these fact sheets from www.agem.com.au

Past investment returns allocated to members' accounts

The following tables show the investment returns allocated to AGESt members' accounts in recent years. Refer to page 31 of this document for 'Important investment information' before making a decision about your investment options in AGESt.

RETURNS (NET OF TAX & FEES) ALLOCATED TO MEMBERS' SUPERANNUATION (NON-PENSION) ACCOUNTS IN PERIODS ENDING 31 DECEMBER

INVESTMENT OPTION	2007	2006	2005	2004	2003	3 YEARS TO 31/12/2007	5 YEARS TO 31/12/2007
Pre-mixed options							
Growth	9.0%	16.5%	-	-	-	-	-
Balanced	9.4%	14.3%	15.7%	15.0%	9.4%	13.1%pa	12.7%pa
Moderate	7.8%	12.5%	-	-	-	-	-
Stable	6.9%	9.6%	-	-	-	-	-
Conservative	5.6%	6.9%	-	-	-	-	-
MultiStrategy	9.2%	7.4%	-	-	-	-	-
Single-sector options							
Australian Shares	13.5%	22.6%	20.7%	24.6%	-	18.9%pa	-
International Shares (Hedged)	5.0%	15.1%	-	-	-	-	-
International Shares (Unhedged)	-3.0%	9.4%	-	-	-	-	-
Listed Property	-5.5%	25.7%	10.8%	26.7%	-	9.6%pa	-
Fixed Interest	3.4%	3.4%	5.5%	6.8%	-	4.1%pa	-
Cash	5.3%	4.9%	4.9%	5.0%	4.1%	5.0%pa	4.8%pa

RETURNS (NET OF FEES) ALLOCATED TO ALLOCATED PENSION ACCOUNTS IN PERIODS ENDING 31 DECEMBER

INVESTMENT OPTION	2007	2006	2005	2004	2003	3 YEARS TO 31/12/2007	5 YEARS TO 31/12/2007
Pre-mixed options							
Growth	11.0%	17.9%	-	-	-	-	-
Balanced	11.4%	15.5%	17.3%	17.0%	10.3%	14.7%pa	14.3%pa
Moderate	9.4%	13.9%	-	-	-	-	-
Stable	8.2%	10.8%	-	-	-	-	-
Conservative	6.7%	7.8%	-	-	-	-	-
MultiStrategy	10.4%	8.2%	-	-	-	-	-
Single-sector options							
Australian Shares	15.8%	24.0%	21.9%	27.8%	-	20.5%pa	-
International Shares (Hedged)	7.2%	17.3%	-	-	-	-	-
International Shares (Unhedged)	-3.1%	10.3%	-	-	-	-	-
Listed Property	-6.1%	29.2%	12.5%	31.4%	-	11.0%pa	-
Fixed Interest	4.3%	3.9%	6.3%	8.2%	-	4.8%pa	-
Cash	6.3%	5.7%	5.9%	5.9%	4.7%	6.0%pa	5.7%pa

Pre-mixed investment options

INVESTMENT OPTIONS

Investment Option	Growth	Balanced	Moderate																																																																																										
	<p>DATE COMMENCED 1 January 2006</p> <p>INVESTMENT OBJECTIVE Maximise returns over the long term by investing almost totally in shares, private equity, infrastructure and property</p> <p>TARGET RETURN At least the Consumer Price Index (CPI) plus 4.0% per annum over the investment timeframe</p> <p>INVESTMENT TIMEFRAME 7 years +</p> <p>INVESTMENT RISK High Positive returns expected in 21 out of every 25 years</p>	<p>DATE COMMENCED 1 July 1990</p> <p>INVESTMENT OBJECTIVE Achieve strong returns over the long term by investing in a diversified mix of assets, primarily shares and property</p> <p>TARGET RETURN At least the Consumer Price Index (CPI) plus 3.5% per annum over the investment timeframe</p> <p>INVESTMENT TIMEFRAME 6 years +</p> <p>INVESTMENT RISK Medium Positive returns expected in 22 out of every 25 years</p>	<p>DATE COMMENCED 1 January 2006</p> <p>INVESTMENT OBJECTIVE Achieve moderate returns by investing in a mix of assets that will minimise the risk of capital loss over the medium term</p> <p>TARGET RETURN At least the Consumer Price Index (CPI) plus 2.5% per annum over the investment timeframe</p> <p>INVESTMENT TIMEFRAME 5 years +</p> <p>INVESTMENT RISK Medium Positive returns expected in 23 out of every 25 years</p>																																																																																										
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Investment Option

Stable

DATE COMMENCED
1 January 2006

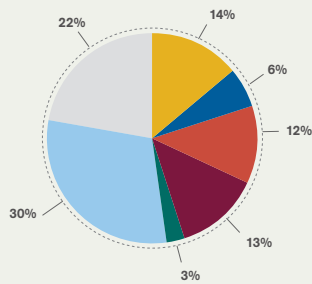
INVESTMENT OBJECTIVE
Achieve stable returns by investing in a mix of assets that will provide low volatility in returns and low risk of capital loss over the medium term

TARGET RETURN
At least the Consumer Price Index (CPI) **plus** 2.0% per annum over the investment timeframe

INVESTMENT TIMEFRAME
4 years +

INVESTMENT RISK
Medium/low
Positive returns expected in 24 out of every 25 years

STRATEGIC ASSET ALLOCATION (SAA)



	SAA %	RANGE %
Australian shares	14	10–20
Private equity	0	0
Infrastructure	6	0–10
International shares	12	8–16
Unlisted property	13	5–20
Absolute return	3	0–10
Fixed interest	30	20–45
Cash	22	15–25
TOTAL	100	

	SAA %	RANGE %
Foreign currency hedging	100	90–100

Conservative

DATE COMMENCED
1 January 2006

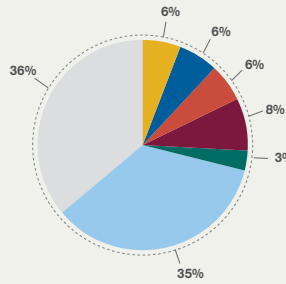
INVESTMENT OBJECTIVE
Achieve returns slightly above inflation by mainly investing in fixed interest and cash

TARGET RETURN
At least the Consumer Price Index (CPI) **plus** 1.5% per annum over the investment timeframe

INVESTMENT TIMEFRAME
3 years +

INVESTMENT RISK
Low
Positive returns expected in 24 out of every 25 years

STRATEGIC ASSET ALLOCATION (SAA)



	SAA %	RANGE %
Australian shares	6	0–15
Private equity	0	0
Infrastructure	6	0–10
International shares	6	0–15
Unlisted property	8	0–15
Absolute return	3	0–10
Fixed interest	35	20–45
Cash	36	30–40
TOTAL	100	

	SAA %	RANGE %
Foreign currency hedging	100	90–100

MultiStrategy

DATE COMMENCED
1 January 2006

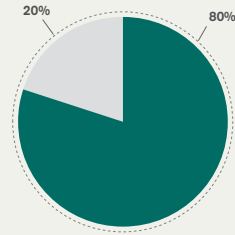
INVESTMENT OBJECTIVE
Achieve moderate returns by primarily investing in strategies that focus on minimising the risk of loss of capital

TARGET RETURN
At least the Consumer Price Index (CPI) **plus** 2.5% per annum over the investment timeframe

INVESTMENT TIMEFRAME
5 years +

INVESTMENT RISK
Medium
Positive returns expected in 22 out of every 25 years

STRATEGIC ASSET ALLOCATION (SAA)



	SAA %	RANGE %
Australian shares	0	0
Private equity	0	0
Infrastructure	0	0
International shares	0	0
Unlisted property	0	0
Absolute return	80	70–90
Fixed interest	0	0
Cash	20	10–30
TOTAL	100	

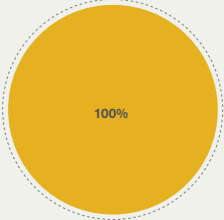
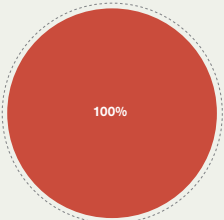
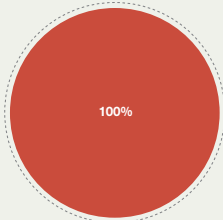
	SAA %	RANGE %
Foreign currency hedging	100	90–100

- AUSTRALIAN SHARES
- PRIVATE EQUITY
- INFRASTRUCTURE
- INTERNATIONAL SHARES
- UNLISTED PROPERTY
- ABSOLUTE RETURN
- FIXED INTEREST
- CASH

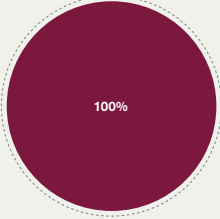
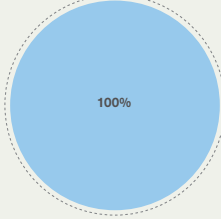
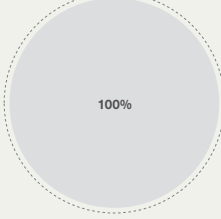
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Single-sector investment options

INVESTMENT OPTIONS

Investment Option	Australian Shares	International Shares (Hedged)	International Shares (Unhedged)																																				
	<p>DATE COMMENCED 1 October 2003</p> <p>INVESTMENT OBJECTIVE Outperform the target return</p> <p>TARGET RETURN S&P/ASX200 Accumulation Index over the investment timeframe</p> <p>INVESTMENT TIMEFRAME 7 years +</p> <p>INVESTMENT RISK High Positive returns expected in 19 out of every 25 years</p> <p>STRATEGIC ASSET ALLOCATION (SAA)</p>	<p>DATE COMMENCED 1 January 2006</p> <p>INVESTMENT OBJECTIVE Outperform the target return</p> <p>TARGET RETURN MSCI World (ex Australia) Accumulation Index 100% Hedged to \$AUD over the investment timeframe</p> <p>INVESTMENT TIMEFRAME 7 years +</p> <p>INVESTMENT RISK High Positive returns expected in 19 out of every 25 years</p> <p>STRATEGIC ASSET ALLOCATION (SAA)</p>	<p>DATE COMMENCED 1 January 2006</p> <p>INVESTMENT OBJECTIVE Outperform the target return</p> <p>TARGET RETURN MSCI World (ex Australia) Accumulation Index Unhedged to \$AUD over the investment timeframe</p> <p>INVESTMENT TIMEFRAME 7 years +</p> <p>INVESTMENT RISK High Positive returns expected in 19 out of every 25 years</p> <p>STRATEGIC ASSET ALLOCATION (SAA)</p>																																				
																																							
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Investment Option	Listed Property	Fixed Interest	Cash																																	
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- AUSTRALIAN SHARES
- PRIVATE EQUITY
- INFRASTRUCTURE
- INTERNATIONAL SHARES
- PROPERTY
- ABSOLUTE RETURN
- FIXED INTEREST
- CASH

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Investment options

Investment managers

We invest fund assets with investment managers who specialise in particular types of investment, such as shares and property.

We regularly monitor the performance of all investment managers, along with the asset allocation strategy of the pre-mixed options.

AGEST's investments (31 December 2007)

INVESTMENT TYPE/MANAGER	\$ MILLION
Australian Shares	
Ausbil Dexia	182
GMO	231
Macquarie	76
Maple-Brown Abbott	225
State Street Global Advisors	178
International Shares	
Alliance Bernstein	240
AQR	31
AXA Rosenberg	33
State Street Global Advisors	191
Turner	40
Walter Scott	84
Wellington	139
Private Equity	
IFM	5
Macquarie	7
Mesirow	5
Northgate	17
Quay Australia	3
Siguler Guff	16
Wilshire	18
Infrastructure	
Industry Funds Management	46
Lazard	73
Property	
AEW	13
Barclays Global Investors	55
DB RREEF	68
Fortius	35
Franklin Templeton	7
Industry Super Property Trust	167
Absolute Return Funds	
GMO	24
Quellos	47
Warakirri	47
Fixed Interest	
Barclays Global Investors	72
Hastings Fund Management	31
PIMCO	188
Super Loans Trust	1
Cash	
BNP 11am Account	53
Macquarie Investment Management	226
Foreign currency hedges	
Overlay Asset Management	36
Total investments*	2,910

* Excludes an investment of \$34 million in the Bridgewater All Weather Fund which was redeemed in January 2008.

Consideration of social, ethical, environmental and labour issues in our investment policy

Our investment policy does not directly take these issues into account.

All our investments are managed by professional investment managers on our behalf. They take many factors into account when they make an investment. These factors may include social, ethical, environmental and labour issues, to the extent that those issues affect the profitability of those investments.

It's your fund, so it's up to you to decide which features you wish to use. Please complete the relevant forms that will enable us to tailor your benefits.

Which form will you need to use?

❖ **Voluntary Contribution**

Use this form if you wish to make a contribution to your own account or to your spouse's account.

❖ **Transfer Your Super**

Use this form if you would like to roll over other superannuation benefits into AGEST.

❖ **Employer Registration**

Use this form if you are an employer wishing to contribute to AGEST for the first time.

❖ **Member Application**

Use this form if you would like to join AGEST. Alternatively, you can join online at www.igest.com.au

❖ **Application to Increase Insurance Cover**

Use this form if you wish to apply for new or increased Income Protection or Death and/or Total & Permanent Disablement insurance. You will also need to complete either a *Short Personal Statement* or a *Full Personal Statement*.

❖ **Short Personal Statement**

Use this form, along with the *Application to Increase Insurance Cover* if you wish to apply for new or increased insurance cover. This form should be used if the new total amount of insurance cover is less than or equal to \$6,000 per month Income Protection cover or less than or equal to \$800,000 Death or Death and TPD cover. If you are applying for more than either of these amounts, you should complete the *Full Personal Statement*.

❖ **Full Personal Statement**

Use this form, along with the *Application to Increase Insurance Cover* if you wish to apply for new or increased insurance cover. This form should be used if the new total amount of insurance cover is more than \$6,000 per month Income Protection cover or more than \$800,000 Death or Death and TPD cover. If you are applying for cover under these amounts, you should complete the *Short Personal Statement*.

❖ **Allocated Pension (including Non-commutable (Transition to Retirement) Allocated Pensions) Application**

Use this form if you would like an Allocated Pension.

❖ **Investment Choice Application**

Use this form if you are already a member of AGEST and wish to update your investment options. Alternatively, you can change your options online at www.igest.com.au

❖ **Binding Death Benefit Nomination**

Use this form if you wish to make, or confirm, amend or revoke an earlier, binding death benefit nomination.

Transfer Your Super Form

Please read the information on the back of this form.

Please send your completed form to your OLD fund for processing.

There may be a delay in processing your request or your old fund may reject your request, if you do not complete all questions.

1. About your transfer request

the whole balance of my super account

the following amount \$

2. Your personal details

Gender

F M

Title (please tick)

Miss Ms Mrs Mr Other

First name(s)

Family name

Other previous names if used by your old fund

Date of birth

Contact phone number

Home address (street)

Suburb/Town

State/Territory

Postcode

Previous address (this may help your old fund to identify your account)

Suburb/Town

State/Territory

Postcode

3. Tax File Number (TFN)

I have read the information on this form about my Tax File Number and I choose (please tick):

to provide my TFN – it is

not provide my TFN

4. OLD fund details

Name of old fund

Your old fund membership number (if known)

5. NEW fund details

Fund:

**Australian Government Employees Superannuation Trust (AGEST)
Locked Bag 20 Wollongong NSW 2500**

Fund Phone:
1300 724 378

ABN:
79 781 199 140

SPIN Number:
AGE0101AU

My Member Number in AGESt is

6. Proof of identity checklist

I have attached a certified copy of my:

Driver's Licence or Passport

OR

Birth/Citizen Certificate or Centrelink Pension Card, AND a Centrelink payment letter or Government or local council notice that is less than 1 year old and has my name and address on it.

7. Authorisation

By signing this request form, I am making the following Statements:

- ✦ I declare I have fully read this form and the information completed is true and correct.
- ✦ I am aware I may ask my superannuation provider for information about any fees or charges that may apply, or any other information about the effect this transfer may have on my benefits, and do not require any further information.
- ✦ AGESt is not a self-managed superannuation fund (SMSF).
- ✦ I discharge the superannuation provider of my old fund of all further liability in respect of the benefits paid and transferred to my AGESt account.
- ✦ I request and consent to the transfer of superannuation as described above and authorise the superannuation provider of each fund to give effect to this transfer.

Your name (print in BLOCK LETTERS)

Signature

Date



Transfer Your Super form

This form can be used to transfer another superannuation fund to AGEST.

You will need to complete a separate form for each old fund you wish to transfer to AGEST.

Things you need to consider when transferring your superannuation

When you transfer your superannuation, your entitlements under that fund may cease. You need to consider all relevant information before you make a decision to transfer your superannuation. If you ask for information, your superannuation provider must give it to you. Some of the points you may consider are:

- ✦ **Fees** – your fund must give you information about any exit or withdrawal fees. If you are not aware of the fees that may apply, you should contact your fund for further information before completing this form. The fees could include administration fees as well as exit or withdrawal fees. AGEST does not charge any entry or deposit fees on your transfer in. Differences in fees funds charge can have a significant effect on what you will have to retire on. For example, a 1% increase in fees may significantly reduce your final benefit.
- ✦ **Death and disability benefits** – The fund you are transferring from may insure you against death, illness or an accident which leaves you unable to return to work. If you choose to leave the fund, you may lose any insurance entitlements you have. Other funds may not offer insurance, or may require you to pass a medical examination before they cover you. When considering a new fund, you may wish to check the costs and amount of any cover offered.

Other important information

- ✦ If you do not complete all sections of this form, it may delay the transfer of your account balance or your old fund may reject your request.
- ✦ Before submitting this form, you may wish to check that all contributions into the other fund (eg from your employer) have been received. Under limited circumstances, your old fund may reject your request to transfer your full account balance. For example, if they expect to continue receiving employer contributions for you from an employer.
- ✦ If you are requesting the transfer of only a partial amount from your old fund, they may need to contact you if further information is required to process your request.
- ✦ After you have completed the attached form, you should send it to your old fund for processing. AGEST will write to you to confirm receipt of your rollover.

What happens if I do not quote my Tax File Number (TFN)

- ✦ You are not obligated to provide your TFN to your superannuation fund. However, if you do not provide your TFN, your fund may be taxed at the highest marginal tax rate plus the Medicare levy on contributions made to your account in the year, compared to the concessional tax rate of 15%. Your fund may deduct this additional tax from your account.
- ✦ If your superannuation fund does not have your TFN, you will not be able to make personal contributions to your superannuation account. Choosing to quote your TFN will also make it easier to keep track of your superannuation in the future.
- ✦ Under the Superannuation Industry (Supervision) Act 1993, your superannuation fund is authorised to collect your TFN, which will only be used for lawful purposes. These purposes may change in the future as a result of legislative change. The TFN may be disclosed to another superannuation provider, when your benefits are being transferred, unless you request in writing that your TFN is not to be disclosed to any other trustee.

If you provide your TFN on the attached form, your old fund will generally pass this on to AGEST when the transfer occurs. However, you can also provide your TFN to AGEST by:

- ✦ logging into your account at www.agest.com.au or
- ✦ calling us on 1300 724 378

Proof of Identity

In accordance with Government guidelines, you must provide proof of identity to enable a transfer from your old fund to AGEST.

One of the following documents only:

- ✦ driver's licence issued under State or Territory law
- ✦ passport.

OR

One of the following documents:

- ✦ birth certificate or extract
- ✦ citizenship certificate issued by the Commonwealth
- ✦ pension card issued by Centrelink that entitles the person to financial benefits.

AND

One of the following documents:

- ✦ letter from Centrelink regarding a Government assistance payment
- ✦ notice issued by Commonwealth, State or Territory Government or local council within the past twelve months that contains your name and residential address. For example:
 - Tax Office Notice of Assessment
 - Rates notice from local council

Certification of personal documents

All copied pages of ORIGINAL proof of identification documents (including any linking documents) need to be certified as true copies by any individual approved to do so (see below).

The person who is authorised to certify documents must sight the original and the copy and make sure both documents are identical, then make sure all pages have been certified as true copies by writing or stamping 'certified true copy' followed by their signature, printed name, qualification (eg Justice of the Peace, Australia Post employee, etc) and date. The following can certify copies of the originals as true and correct copies:

- ✦ a permanent employee of Australia Post with five or more years of continuous service
- ✦ a finance company officer with five or more years of continuous service (with one or more finance companies)
- ✦ an officer with, or authorised representative of, a holder of an Australian Financial Services Licence (AFSL), having five or more years continuous service with one or more licensees
- ✦ a notary public officer
- ✦ a police officer
- ✦ a registrar or deputy registrar of a court
- ✦ a Justice of the Peace
- ✦ a person enrolled on the roll of a State or Territory Supreme Court or the High Court of Australia, as a legal practitioner
- ✦ an Australian consular officer or an Australian diplomatic officer
- ✦ a judge of a court
- ✦ a magistrate, or a Chief Executive Officer of a Commonwealth court.

Have you changed your name or are you signing on behalf of another person?

If you have changed your name or are signing on behalf of the applicant, you will need to provide a certified linking document. A linking document is a document that proves a relationship between two (or more) names.

The following table contains information about suitable linking documents.

Purpose	Suitable linking documents
Change of name	Marriage certificate, deed poll or change of name certificate from the Births, Deaths and Marriages Registration Office.
Signed on behalf of applicant	Guardianship papers or Power of Attorney.

001/1052008

Any employer can contribute to AGEST for any or all of their employees.

AGEST can accept all of the contributions that employers might need to make from time to time, including employer contributions, salary sacrifice contributions and personal after-tax contributions. AGEST can also accept rollovers and spouse contributions.

We prefer employers to register with us before or at the time of paying their first contribution to AGEST, so that we can contact you if we have any questions.

You should read the information below in conjunction with our Product Disclosure Statement (PDS). If you do not have a copy of the PDS, please contact us on **1300 724 378** or download it from www.agemt.com.au

How do employers register?

Simply complete the *Registering with AGEST* form attached or register online at www.agemt.com.au

You will receive a welcome kit from AGEST after we have processed your registration form. This will include your AGEST employer number and other relevant details.

About AGEST

The Australian Government Employees Superannuation Trust (known as AGEST) is a superannuation fund with membership predominantly from the public sector. AGEST has around 180,000 members and \$3 billion in members' assets.

Over 7,000 employers are registered to contribute to AGEST. These include government departments and agencies, and non-government employers.

AGEST is a regulated superannuation fund under the *Superannuation Industry (Supervision) Act 1993* and is a complying fund for the purposes of the *Income Tax Assessment Act 1936*.

AGEST has a corporate trustee, AGEST Super Pty Ltd ABN 44 007 390 392, which controls and manages the fund. AGEST Super Pty Ltd holds an Australian Financial Services Licence (No 233707).

Employers do not pay any fees to register or make contributions to AGEST. While this alone is a great advantage, employers can also benefit from:

- ✦ convenient methods for employers to make and report their superannuation contributions
- ✦ an experienced administration and support team
- ✦ assistance for employers and employees in transferring other super arrangements or funds into AGEST
- ✦ regular updates regarding superannuation issues.

AGEST does not pay commissions. We only act in the best interests of our members.

AGEST Privacy Policy

Our members' and employers' rights to privacy have always been important to us. We comply with the National Privacy Principles as well as our existing obligations of confidentiality and security of our members' and employers' personal information.

If you wish to view our Privacy Policy, please visit our website at www.agemt.com.au. The policy explains to members and employers how we ensure that your privacy and the confidentiality of your information are protected.

Under mutual privacy obligations, we ask that you notify your employees that you will disclose to AGEST personal information that is necessary to administer their AGEST membership account. The personal information includes their contact details, date of birth and Tax File Number (if they have provided it to you).

AGEST Refund Policy

From time to time, employers may need to request a refund of contributions paid incorrectly to AGEST. Our refund policy is available on our website, www.agemt.com.au, along with a form to make a refund request.

Need more information about AGEST?

Visit our website at www.agemt.com.au or call us on **1300 724 378**.

The importance of Tax File Numbers

There were several changes to superannuation from 1 July 2007 that will affect the treatment of contributions you make on behalf of your employees.

New employees

From 1 July 2007, when a new or existing employee fills out a *Tax file number declaration* form (NAT 3092), you are required by law to pass the employee's Tax File Number (TFN) to their super fund.

If you do not pass on an employee's TFN:

- ✦ you will be guilty of an offence and liable to pay a penalty
- ✦ a higher rate of tax may apply to any employer or salary sacrifice super contributions paid
- ✦ the fund will not be able to accept any personal after-tax contributions for your employee, and this may cause the employee to miss out on a potential Government super co-contribution payment.

If you make employer super contributions for an employee, you need to give their fund the TFN within 14 days of receiving the employee's *Tax file number declaration* form.

However, if you do not make a contribution for the employee within that 14-day period, you may pass the TFN on to the fund when you do make a contribution.

The Australian Taxation Office will be monitoring employers in this regard.

Non-concessional super contributions (for example, personal after-tax contributions)

From 1 July 2007, super funds are unable to accept any non-concessional contributions received from you in respect of a member for whom the fund has no TFN record. Please note that any such contributions will be returned directly to you.

Concessional super contributions (for example, employer Super Guarantee (SG) and salary sacrifice contributions)

From 1 July 2007, if a member's TFN is not held by their super fund, an additional tax of 31.5% (46.5% tax in total) may also be deducted from the member's concessional contributions until their TFN is provided.

We encourage you to contact any of your existing employees who have not provided their TFN, and request that they consider doing so.

Your employees can provide their TFN to AGEST by:

- ✦ logging into their account at www.agemt.com.au
- ✦ calling us on **1300 724 378**, or
- ✦ downloading and completing the *Change of Details* form on our website.



Paying contributions to AGEST

Employers can contribute to AGEST by:

✦ BPAY™

We will issue you with a Biller Code and Customer Reference Number (CRN) so that you can make your payments via BPAY™ through your financial institution's website or phone service.

✦ Electronic Funds Transfer (EFT)

You can transfer contributions electronically from your bank account into AGEST's bank account.

You must record your AGEST Employer Number in the EFT Identifier to ensure that your contribution can be directed to your employer account.

If your employer number is not included it may delay the processing of your contributions.

✦ Cheque

Cheques must be made payable to: 'Australian Government Employees Superannuation Trust'.

Each time you submit a return to AGEST, you can make payments by posting a cheque to us.

You should include a copy of the relevant return you have submitted along with your cheque, to assist our team in reconciling your contributions.

✦ Direct Debit

AGEST offers two direct debit options.

▪ Direct Debit – on demand

Each time you submit an AGEST paper return or you lodge a return through our website, the total amount of your return will automatically be debited from your nominated account.

This option is suitable for employers whose total contribution for each period changes regularly.

▪ Direct Debit – regular amount

You can set a fixed deduction amount to automatically be debited from your nominated account on a regular basis. This option means that you do not need to provide any reporting to AGEST, as the contribution amount is already set. This option is suitable for employers who employ only a few staff and whose contributions for each employee might change only once or twice per year.

If you wish to use Direct Debit, please select this option on the Employer Registration form. Our team will contact you to discuss your options.

Reporting your contributions to AGEST

✦ Employer Online – via the AGEST website

AGEST's internet service is a secure facility that allows you to:

- manually enter your own contributions online
- download a spreadsheet that can be updated and submitted through the online service, or
- upload your own payroll system files that comply with AGEST's requirements. (See our web pages www.agemt.com.au/reporting for more details).

The Internet service is a secure and encrypted portal which protects all of the employers' and employees' information.

✦ AGEST Contribution Return

Our paper contribution return can be issued to you by email or post.

The contribution return uses scanning technology to electronically load all of the information you report. This means that our team can complete your payments faster. Your employees will see their contributions in their AGEST accounts sooner.

✦ Third Party Provider (eg. a clearing house or payroll disbursement provider)

If you use a third party provider to distribute your superannuation contributions, simply select that option on the Employer Registration form. It is possible that your third party provider already contributes to AGEST on behalf of other clients. If so, both AGEST and your provider will already have arrangements in place and we will use those to manage your contributions.

If we have not dealt with your provider before, our team will contact you for further information.

Your main industry

This table will help you complete the second question in the 'Other Information' section of the Employer Registration form opposite.

- | |
|---|
| 1. Aboriginal Community/Council |
| 2. Agriculture |
| 3. Education |
| 4. Financial Services |
| 5. Government (eg. Local, State, Federal) |
| 6. Health and Community Services |
| 7. Hospitality and Tourism |
| 8. IT and Communications |
| 9. Manufacturing/Mining |
| 10. Professional Services (eg. Legal, Accounting etc) |
| 11. Real Estate/Construction |
| 12. Retail |
| 13. Sporting Clubs/Associations |
| 14. Transport |
| 15. Other |

This document was prepared on 1 May 2008 by AGEST Super Pty Ltd, the Trustee of AGEST. The Australian Securities & Investments Commission (ASIC) has granted an Australian Financial Services Licence (No. 233707) to AGEST Super Pty Ltd. This allows the Trustee to provide superannuation products to members and prospective members of the fund. The contents of this document are of a general nature and have been prepared without taking into account your particular financial needs, circumstances or objectives. You should assess your own financial situation and read the current 'Combined Product Disclosure Statement and Financial Services Guide' before making an investment decision.

Registering with AGEST

New employers must complete this form and send it to AGEST. Alternatively, employers can register online at www.ages.com.au. AGEST will issue a 'welcome' kit confirming your employer account details.

You do not have to complete this form if you are already registered to contribute to AGEST.

Business name

Trading name (if different from above)

Australian Business Number (ABN)

Mailing address

Suburb/Town

State/Territory

Postcode

Street address

Suburb/Town

State/Territory

Postcode

Contact person name

Contact person position title

Work phone

Fax number

Email Address

How often will you contribute to AGEST?

 Fortnightly Monthly Quarterly

Your first contribution to AGEST will be for the period:

From to

Contributing to AGEST

How do you want to make contributions to AGEST?

 EFT BPAY Cheque Direct Debit*

*If you want to use Direct Debit, please download our Employer Direct Debit Application from our website, www.ages.com.au and return with this registration form.

How do you want to report contribution details to AGEST?

 I want to use the AGEST internet service to report contributions
 I want AGEST to send me a report to complete and return
 I use a third party provider to report my contribution (eg. a clearing house or payroll disbursement provider)

Who is your third party provider?

Making a contribution NOW (at the time of joining)

See the form on the back of this page for more information.

Other Optional Information

Employer Type: Government Non-Government

Main industry in which you participate. (You can enter the industry name or corresponding number from the table on page 2)

What is the name of the payroll system that you use (if applicable)?

Can your employees make salary sacrifice (before-tax) contributions to AGEST? Yes No

Can your employees make personal (after-tax) contributions to AGEST? Yes No

Is AGEST your Default (employer) fund? Yes No

Choice does not apply to my employees

Total employees in your workplace (approximate)?

You should keep a copy of this form for your records.

After completing this form, please send it to:

AGEST Administration
Locked Bag 20
Wollongong NSW 2500

or, if you have no contributions to make now
fax it to us on **1300 664 378** (or **+61 2 4253 6108** from overseas)

This form is part of the Product Disclosure Statement issued 1 May 2008 by the Australian Government Employees Superannuation Trust (AGEST).



Member Application

Welcome to the Australian Government Employees Superannuation Trust (AGEST).
Please complete this form if you would like to join AGEST.
Alternatively, you can join AGEST online at www.igest.com.au

1. Your personal details

Membership Number (if known)

Title (please tick)

Miss Ms Mrs Mr Dr

First name(s)

Family name

Date of birth

Gender

F M

Home phone number

Work phone number

Mobile phone number

Home address

Suburb/Town

State/Territory

Postcode

Mailing address (if different to Home address)

Suburb/Town

State/Territory

Postcode

Email Address (work or home)

2. Employment details

(if your employer will be contributing to AGEST)

Employer/Department name

Date commenced with employer

Employer's telephone number

Employer/Pay Centre number (if known)

AGS Number (if applicable)

3. Preferred beneficiaries

Complete this question if you would like to make a 'preferred' nomination as to the distribution of your AGEST benefit if you die. If you wish to make a 'binding' nomination, please complete a *Binding Death Benefit Nomination* form. The total percentages nominated below should equal 100%. Please refer to page 18 for further details.

1.

First Name

Family Name

Relationship

% of Benefit

2.

First Name

Family Name

Relationship

% of Benefit

3.

First Name

Family Name

Relationship

% of Benefit

4. Tax File Number (TFN)

I understand that I do not have to provide my TFN, and that if I do provide it, AGEST will use it only for legally authorised purposes.

TFN

(continued next page)



5. Your insurance

Members who receive a contribution from their employer automatically receive Death and TPD cover. All other members should complete the *Application to Increase Insurance Cover* and either a *Short Personal Statement* or a *Full Personal Statement* if they require any insurance cover.

Are you at work with an employer who will be contributing to AGEST for you, and are you performing the normal duties of your occupation?

Yes No

Please note that if you answered 'No' to this question, you will have limited cover.

Have you previously received, been admitted or are eligible for a TPD benefit from AGEST or another superannuation entity or another insurance policy before the date you most recently joined AGEST?

Yes No

Please note that if you answered 'Yes' to this question, you will have limited Death only cover.

If you did not answer this question, it will be assumed that you have neither been previously paid, nor are currently eligible for, a Total & Permanent Disablement benefit. Should you make a claim and this is found to be incorrect, your claim may be rejected and your insurance cover limited.

As a member of AGEST you automatically receive and pay for 10 units of Death and TPD Insurance cover if we receive an employer contribution for you, subject to some conditions. You may cancel or increase this automatic cover. Members who receive this automatic cover will receive a confirmation letter from us.

You may be eligible to apply for up to 10 additional units of Death & TPD cover without evidence of health – please refer to page 19 of this booklet for details. If you would like additional cover without evidence of health, how many additional units of cover would you like?

units (maximum 10 additional units) @ 25 cents per week per unit

If you would like insurance cover in addition to the units nominated above, you should complete and attach an *Application to Increase Insurance Cover* and either a *Short Personal Statement* or a *Full Personal Statement*.

6. Investment Options

If you want to make an investment choice, complete this question. Otherwise, proceed to Question 7. If you do not complete this question, your account will be invested in the Balanced option.

Future Contributions

I would like my existing account balance (if any), all future contributions and any death or TPD insurance proceeds received to be allocated to the following investment option(s).

Pre-mixed options

Growth	<input type="text"/>	%
Balanced	<input type="text"/>	%
Moderate	<input type="text"/>	%
Stable	<input type="text"/>	%
Conservative	<input type="text"/>	%
MultiStrategy	<input type="text"/>	%

Single-sector options

Australian Shares	<input type="text"/>	%
International Shares (Hedged)	<input type="text"/>	%
International Shares (Unhedged)	<input type="text"/>	%
Listed Property	<input type="text"/>	%
Fixed Interest	<input type="text"/>	%
Cash	<input type="text"/>	%

Total **100%**

One-off contribution or rollover

If you want to make a different investment choice for a one-off contribution or rollover, complete and attach an *Investment Choice Application*.

7. Keeping you up-to-date

Please keep me up-to-date with services and products offered to AGEST members by other companies. If you tick No, then you will not be advised of such services and products as they arise. Whether you tick a box or not, you can change your mind at any later time.

Yes No

(If you do not tick either option, AGEST will assume you agree. AGEST may contact you either by email or post.)

8. Survey

How did you hear about AGEST?

- From a work colleague
- From family or friends
- From a financial planner
- AGEST advertising (print, radio, other)
- From an employer
- AGEST was referred to on a website
- Internet search engine
- Other (please specify)

9. Acknowledgement

I hereby:

- ❖ apply to the Trustee for admission as a member of AGEST under the terms and conditions in the Trust Deed by which the fund was established
- ❖ acknowledge receiving the *Product Disclosure Statement* attached to this application
- ❖ declare that all answers in this application are true and correct, and acknowledge that incorrect answers in the insurance section may affect my insurance benefit in the event of any claim
- ❖ acknowledge that I am not fully accepted as a member of AGEST until a contribution or rollover is received.

Signature

Date

Please send this form to:

AGEST Administration
Locked Bag 20
Wollongong NSW 2500

or fax it to us on **1300 664 378**
 (or **+61 2 4253 6108** from overseas)

10. Have you received any medical advice or undergone any medical treatment, investigation or an operation, suffered from or are you contemplating surgery for any of the following:

- ✦ Any injury or complaint of the back, neck, knee or shoulder requiring time off work in the last twelve months AND/OR any disease, disorder or degeneration to the muscles, tendons, bones, discs or joints? No Yes
- ✦ Depression or mental disorder (including but not limited to stress, anxiety, chronic tiredness or fatigue, panic attacks, post traumatic stress, behavioural or nervous disorder)? No Yes
- ✦ Chest pain, asthma, bronchitis or any other lung complaint requiring hospitalisation within the last five years? No Yes
- ✦ Disorders of the kidney, bladder, prostate, ovaries, gall bladder, bowel, or liver? No Yes
- ✦ Epilepsy? No Yes

Section B – Duty of disclosure

Your Duty of disclosure

Before you enter into or become insured under a contract of life insurance with an insurer, you have a duty under the Insurance Contracts Act 1984, to disclose to the insurer every matter that you know, or could reasonably be expected to know, is relevant to the insurer’s decision whether to accept the risk of the insurance and, if so, on what terms.

You have the same duty to disclose those matters to the insurer before you extend, vary or reinstate your insurance. Your duty, however, does not require disclosure of a matter:

- ✦ that diminishes the risk to be undertaken by the insurer;
- ✦ that is of common knowledge;
- ✦ that your insurer knows or, in the ordinary course of its business, ought to know; or
- ✦ as to which compliance with your duty is waived by the insurer.

Non-disclosure

If you fail to comply with your Duty of disclosure and the insurer would not have covered you on any terms if the failure had not occurred, the insurer may avoid the cover within three years of issuing it. If your non-disclosure is fraudulent, the insurer may avoid your cover at any time.

An insurer who is entitled to avoid your cover may, within three years of issuing it, elect not to avoid it but to reduce the sum that you have been insured for in accordance with a formula that takes into account the premium that would have been payable if you had disclosed all relevant matters to the insurer.

Section C – Declaration

This section must be completed in all circumstances.

I have read the Duty of disclosure in Section B of this Personal Statement and I am aware of the consequences of non-disclosure.

I understand that the Duty of disclosure continues after I have completed this statement until my application for cover has been accepted by AGEST’s insurer (The Colonial Mutual Life Assurance Society Limited ABN 12 004 021 809 [CMLA]) in writing.

- I authorise:
- ✦ the insurer to refer any statements that have been made in connection with my application for cover and any medical reports to other entities involved in providing or administering the insurance (for example reinsurers, medical consultants, legal advisers);
 - ✦ the insurer and any person appointed by the insurer to obtain information on my medical claims and financial history from the Insurance Reference Association and any other body holding information on me.

- I declare that:
- ✦ the answers to all the questions and the declarations on this Personal Statement are true and correct (including those not in my own handwriting);
 - ✦ I have not withheld any information which may affect CMLA’s decision to provide insurance.

I acknowledge that the answers I have provided, together with any special conditions, will form the basis of the contract of insurance.

I have read and understood the Privacy Policy in AGEST’s PDS. I acknowledge and consent to the use and disclosures of my personal information as detailed in the policy.

Full name [text input field]

Signature [text input field]

Date [DDMMYYYY input field]

Please send this form, along with an Application to Increase Insurance Cover, to:

AGEST Administration
Locked Bag 20
Wollongong NSW 2500

Complete this form if you require insurance cover that is:

- more than \$6,000 per month for Income Protection cover; and/or
- more than \$800,000 for Death only or Death and TPD cover; and/or
- if you have answered 'Yes' to any of the questions on the *Short Personal Statement*.

Membership Number (if known)

Date of birth

D	D	M	M	Y	Y	Y	Y
---	---	---	---	---	---	---	---

First name(s)

Family name

Please carefully read AGEST's Product Disclosure Statement (PDS) before completing this form.

Section A – Insurance history details

1. Has an application for life, disability, trauma, accident or sickness insurance on your life ever been declined, deferred or accepted with a loading, exclusion or special terms?

 No Yes

If 'Yes', please provide details below:

Fund or insurance company name

Date

D	D	M	M	Y	Y	Y	Y
---	---	---	---	---	---	---	---

Terms offered and reason

2. Are you claiming or have you ever claimed any type of disability or sickness benefit from any source, eg. TPD benefit from any superannuation fund, Workers' Compensation, Disability Pension, Veteran Affairs or any other insurance policy providing accident or sickness benefits?

 No Yes

If 'Yes', please provide details below:

Claim type/source/reason for claim

Claim date

D	D	M	M	Y	Y	Y	Y
---	---	---	---	---	---	---	---

Claim amount

Date claim finalised

D	D	M	M	Y	Y	Y	Y
---	---	---	---	---	---	---	---

Section B – Activities and pastime details

Do you currently engage in or intend to engage in any of the following sports or hazardous activities:

i. Flying (other than as a fare paying passenger on a commercial airline)?

 No Yes

ii. Underwater diving?

 No Yes

iii. Motor sports of any kind, eg. rally driving, trail bike riding, ocean racing?

 No Yes

iv. Football of any code (including touch football or tag)?

 No Yes

v. Any other sport or hazardous activities, eg. parachuting, hang-gliding, body contact sports, paragliding, competitive water sports or recreations involving heights?

 No Yes

If you have answered 'Yes' to any of the above, please provide further details below:

What are the activity/ies you engage in?

At what level do you participate? (please tick the appropriate box)

 Recreational only (non-competition) Recreational with competition Semi-professional/professional

Number of times you participate on average in this activity/ies per annum (eg. hours flown, number of drives, events etc.)

Do you receive any income from participating in this activity/ies?

 No Yes


Section C – Personal health details

1. What is your height and current weight?

Height cm or ft/ins
 Weight kgs or st/lbs

2. Have you smoked tobacco or any other substance at any time during the last twelve months?

No Yes

If 'Yes', please indicate type (eg. cigarettes, cigars, etc.) and average amount smoked in **one** of the following boxes.

Substance smoked	Per day	Per week	Per year
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

3. Do you drink alcohol?

No Yes

If 'Yes', please provide the average number of drinks consumed in **one** of the following boxes.

Per day	Per week	Per year
<input type="text"/>	<input type="text"/>	<input type="text"/>

Section D – Family history

Have any of your immediate family (parents, brothers, sisters) suffered from or been diagnosed with any of the following?

Heart problems, stroke, high blood pressure, diabetes Unknown No Yes

Cancer (please specify type)

Any other inherited or hereditary disease * (please specify type)

* Huntington's disease, polycystic kidney, muscular dystrophy, familial polyposis, etc.

If 'Yes', please complete the following table.

Family member	Condition	Approximate age of onset	Age at death (if applicable)
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Section E – Doctor details

1. What is the name and address of the last doctor or medical centre you visited?

Full name of doctor or medical centre

Address

 State Postcode

Telephone number Fax number

2a. What was the date of your last consultation?

2b. Reason for last consultation

2c. What was the result/outcome from your last consultation? (please tick)

- Referral to specialist/health professional
- Tests conducted – results pending
- Not fully recovered yet
- Ongoing treatment (eg. ventolin inhaler)
- Routine tests conducted – results all clear/normal
- All clear/normal/full recovery – no tests or prescribed treatment required (other than contraceptive and cold/flu medication)

3. Is the doctor/medical centre mentioned on the previous page your usual doctor/medical centre?

No Yes

Section F – Lifestyle declaration

To the best of your knowledge, is there any possibility that you have ever been infected with or have you ever tested positive for AIDS (Acquired Immune Deficiency Syndrome), HIV (Human Immunodeficiency Virus) or Hepatitis or are you in a high-risk category (eg. injected drugs other than as prescribed by a medical practitioner, shared needles, engaged in unprotected male to male sexual intercourse, worked as or engaged the services of a prostitute)?

No Yes

If 'Yes', please provide details below:

Please note: If you answered 'Yes' to the declaration above, you will be asked to complete a specific lifestyle questionnaire.

Section G – Medical history

Have you ever had, or sought advice or treatment, experienced symptoms, or suffered from any of the following:

- 1. **Asthma, bronchitis** or any other lung complaint? No Yes
- 2. **Cysts, moles, sunspots** or skin lesions? No Yes
- 3. **Diabetes** or abnormal blood sugar? No Yes
- 4. **Back, neck, shoulder, knee, elbow complaints**, sciatica, disc or spine complaints, or injury of the joints, bones or muscles? No Yes
- 5. **Depression or mental disorder** (including but not limited to stress, anxiety, panic attacks, behavioural or nervous disorder)? No Yes
- 6. Chest pains, heart complaint, heart murmur, high blood pressure, raised cholesterol, palpitations or rheumatic fever? No Yes
- 7. Stroke, paralysis, neurological disorder, multiple sclerosis or blood vessel disorder? No Yes
- 8. Cancer, tumour or melanoma? No Yes
- 9. Thyroid, glandular or pancreatic disorder? No Yes
- 10. Gastric or duodenal ulcer, persistent indigestion, irritable bowel or other bowel disorder? No Yes
- 11. Any disorder of the gall bladder or liver (including hepatitis B, C or raised liver function)? No Yes
- 12. Varicose veins, haemorrhoids or hernia? No Yes
- 13. Disorder of the kidney, bladder or prostate, blood in urine or kidney stones? No Yes
- 14. Epilepsy, fits of any kind, fainting episodes or recurring headaches or migraines? No Yes
- 15. Chronic fatigue syndrome, lethargy, sleep apnoea or any sleeping disorder? No Yes
- 16. Arthritis, gout, osteoporosis, fibromyalgia, Repetitive Strain Injury (RSI) or any chronic pain syndrome? No Yes
- 17. Eczema, dermatitis, psoriasis, or any other skin disorder? No Yes
- 18. Anaemia, leukaemia, haemophilia, haemochromatosis or any other blood disorder? No Yes
- 19. Any impairment of sight (other than corrected by glasses or lenses) or blurred vision? No Yes
- 20. Any impairment of hearing, including tinnitus, or speech? No Yes
- 21. Any sexually transmitted diseases? No Yes

22. Any other illness, injury, disease or disorder not mentioned above? No Yes
23. Other than those conditions mentioned in this section, are you taking any regular prescribed medication (excluding contraceptives)? No Yes
24. Within the last three years, have you had:
- i. Any blood tests which revealed an abnormality?
 - ii. Any tests such as ECG, X-ray (excluding broken bones or joint strains), genetic test or ultrasound (other than for pregnancy)? No Yes
25. Are you considering seeking medical advice, treatment, tests or surgery in the future? No Yes
26. (Females only) Are you currently pregnant? No Yes
- i. Due date for birth of baby?

D	D	M	M	Y	Y	Y	Y
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 - ii. Have you ever had any complications with pregnancy or childbirth (eg. diabetes, ectopic pregnancy)? No Yes

If 'Yes', please provide details below:

--

Please note If you have answered 'Yes' to any part of Questions 1 to 5 in this section, we will ask you to complete a **Specific questionnaire** on the related condition.

If you answered 'Yes' to any part of Questions 6 to 25 above, please provide full details in **Section H – General health questionnaire** below.

Section H – General health questionnaire

If you have answered 'Yes' to any part of Questions 6 to 25 in Section G, please complete the table below. Please ensure that you write the relevant question number at the top of each column.

	Question <input style="width: 20px;" type="text"/>	Question <input style="width: 20px;" type="text"/>	Question <input style="width: 20px;" type="text"/>																								
1. Name of condition	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>																								
2. Date symptoms first started	<table border="1" style="display: inline-table; text-align: center;"><tr><td>D</td><td>D</td><td>M</td><td>M</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td></tr></table>	D	D	M	M	Y	Y	Y	Y	<table border="1" style="display: inline-table; text-align: center;"><tr><td>D</td><td>D</td><td>M</td><td>M</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td></tr></table>	D	D	M	M	Y	Y	Y	Y	<table border="1" style="display: inline-table; text-align: center;"><tr><td>D</td><td>D</td><td>M</td><td>M</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td></tr></table>	D	D	M	M	Y	Y	Y	Y
D	D	M	M	Y	Y	Y	Y																				
D	D	M	M	Y	Y	Y	Y																				
D	D	M	M	Y	Y	Y	Y																				
3. Date symptoms ceased (if ongoing, please state)	<table border="1" style="display: inline-table; text-align: center;"><tr><td>D</td><td>D</td><td>M</td><td>M</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td></tr></table>	D	D	M	M	Y	Y	Y	Y	<table border="1" style="display: inline-table; text-align: center;"><tr><td>D</td><td>D</td><td>M</td><td>M</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td></tr></table>	D	D	M	M	Y	Y	Y	Y	<table border="1" style="display: inline-table; text-align: center;"><tr><td>D</td><td>D</td><td>M</td><td>M</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td></tr></table>	D	D	M	M	Y	Y	Y	Y
D	D	M	M	Y	Y	Y	Y																				
D	D	M	M	Y	Y	Y	Y																				
D	D	M	M	Y	Y	Y	Y																				
Ongoing	<input type="checkbox"/> No <input type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> Yes																								
4. How often do/did you have symptoms? Please choose one of the following: daily, weekly, monthly, quarterly, half yearly, yearly, one-off, other (please specify)	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>																								
5. Severity of condition Please choose from one of the following: mild, moderate, severe, never had symptoms, symptoms have ceased	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>																								
6. Did you take medication or have you had any other treatment (eg. physiotherapy or an operation) for this condition? (please tick)	<input type="checkbox"/> No <input type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> Yes																								
If 'Yes', name the treatment/condition	Details <input style="width: 100%; height: 100%;" type="text"/>	Details <input style="width: 100%; height: 100%;" type="text"/>	Details <input style="width: 100%; height: 100%;" type="text"/>																								
7. Are you still on treatment, including medication? (please tick)	<input type="checkbox"/> No <input type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> Yes																								

8. Have you ever been off work due to this condition? (please tick) No Yes No Yes No Yes

If there is insufficient space to supply details here, please attach an additional sheet

Details	Details	Details
<div style="border: 1px solid black; height: 100px;"></div>	<div style="border: 1px solid black; height: 100px;"></div>	<div style="border: 1px solid black; height: 100px;"></div>

If 'Yes', please state the total time off work in days, months and years

<input type="text"/> Days	<input type="text"/> Days	<input type="text"/> Days
<input type="text"/> Months	<input type="text"/> Months	<input type="text"/> Months
<input type="text"/> Years	<input type="text"/> Years	<input type="text"/> Years

9. Have you had any residual, ongoing effects or restrictions as a result of this condition? (please tick) No Yes No Yes No Yes

If 'Yes', please provide details and dates

Details	Details	Details
<div style="border: 1px solid black; height: 100px;"></div>	<div style="border: 1px solid black; height: 100px;"></div>	<div style="border: 1px solid black; height: 100px;"></div>

Section I – Duty of disclosure

Your Duty of disclosure

Before you enter into or become insured under a contract of life insurance with an insurer, you have a duty under the *Insurance Contracts Act 1984*, to disclose to the insurer every matter that you know, or could reasonably be expected to know, is relevant to the insurer's decision whether to accept the risk of the insurance and, if so, on what terms.

You have the same duty to disclose those matters to the insurer before you extend, vary or reinstate your insurance. Your duty, however, does not require disclosure of a matter:

- ✦ that diminishes the risk to be undertaken by the insurer;
- ✦ that is of common knowledge;
- ✦ that your insurer knows or, in the ordinary course of its business, ought to know; or
- ✦ as to which compliance with your duty is waived by the insurer.

Non-disclosure

If you fail to comply with your Duty of disclosure and the insurer would not have covered you on any terms if the failure had not occurred, the insurer may avoid the cover within three years of issuing it. If your non-disclosure is fraudulent, the insurer may avoid your cover at any time.

An insurer who is entitled to avoid your cover may, within three years of issuing it, elect not to avoid it but to reduce the sum that you have been insured for in accordance with a formula that takes into account the premium that would have been payable if you had disclosed all relevant matters to the insurer.

Section J – Declaration

This section must be completed in all circumstances.

I have read the Duty of disclosure in Section I of this Personal Statement and I am aware of the consequences of non-disclosure.

I understand that the Duty of disclosure continues after I have completed this statement until my application for cover has been accepted by AGEST’s insurer (The Colonial Mutual Life Assurance Society Limited ABN 12 004 021 809 [CMLA]) in writing.

I authorise:

- the insurer to refer any statements that have been made in connection with my application for cover and any medical reports to other entities involved in providing or administering the insurance (for example reinsurers, medical consultants, legal advisers);
- the insurer and any person appointed by the insurer to obtain information on my medical claims and financial history from the Insurance Reference Association and any other body holding information on me;
- any hospital, doctor or other person who has treated or examined me to give to CMLA any information on my illness or injury, medical history, consultation, prescription or treatment or copies of all hospital or medical reports.

I declare that:

- the answers to all the questions and the declarations on this Personal Statement are true and correct (including those not in my own handwriting);
- I have not withheld any information which may affect CMLA's decision to provide insurance.

I acknowledge that the answers I have provided, together with any special conditions, will form the basis of the contract of insurance.

I have read and understood the Privacy Policy in AGEST’s PDS. I acknowledge and consent to the use and disclosures of my personal information as detailed in the policy.

A photocopy of this authorisation is as valid as the original. I agree to provide further medical authorities if requested.

Full name

[Empty text box for full name]

Signature

[Empty text box for signature]

Date

D	D	M	M	Y	Y	Y	Y
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Please send this form, along with an *Application to Increase Insurance Cover*, to:

AGEST Administration
Locked Bag 20
Wollongong NSW 2500

This form is part of the Product Disclosure Statement issued 1 May 2008 by the Australian Government Employees Superannuation Trust (AGEST).

Allocated Pension Application

(including Non-commutable
(Transition to Retirement) Allocated Pensions)

Please complete this form if you wish to establish an Allocated Pension in AGEST. This form can be used for both commutable and non-commutable Allocated Pensions.

If you have any questions or require assistance to complete this form please contact our Member Services Managers, on (03) 9674 9333, or by email: trustee@agest.com.au

**What type of Allocated Pension would you like?
(Please tick ONE only):**

- Standard Allocated Pension; or
 Non-commutable (Transition to Retirement) Allocated Pension (NCAP)

1. Your details

Title (please tick)

- Miss Ms Mrs Mr Dr

First name(s)

Family name

Date of birth

Gender

- F M

Home phone number

Work phone number

Mobile phone number

Home address

Suburb/Town

State/Territory

Postcode

Mailing address (if different from Home address)

Suburb/Town

State/Territory

Postcode

Email Address (work or home)

2. Rollover and contribution details

Are there any other rollovers or voluntary contributions to be received by AGEST for you?

- Yes. Provide details below and (where applicable) complete the *Transfer Your Super or Voluntary Contribution* form.
 No. Proceed to Question 3.

Old Fund 1

Fund Name

Fund phone number

Member Number

Cheque attached?

- Yes No (If No, expected date)

Expected amount

Old Fund 2

Fund Name

Fund phone number

Member Number

Cheque attached?

- Yes No (If No, expected date)

Expected amount

Voluntary Contribution details

(write here the amount of the cheque you have attached or paid by BPAY)

\$ Cheque BPAY

3. Amount to be transferred from your existing AGEST account to this Allocated Pension

Existing Membership Number (Please note that you will receive a new membership number for your new Allocated Pension)

- Full Balance** (includes your current balance and the details provided above) OR

Other Amount \$

At what date do you want this transfer to occur?

Note that if this date has passed when we are processing your application, we will use a current date.



(including Non-commutable (Transition to Retirement) Allocated Pensions)

What do you wish to do with any remaining AGEST superannuation account balance? Please choose one of the three alternatives.

- Leave it in AGEST
- Claim as a cash benefit → Payment EFT Cheque
- Roll over to another fund

New Fund Name

Address

Phone Number

New Fund Membership Number (if known)

New Fund SFN or ABN* New Fund SPIN*

* Your new fund can provide this information

4. Identification requirements

Identification documents are required for ALL transfers to the Allocated Pension. We do this to ensure that we pay pension payments to the right person. Safeguarding members' benefits in this way protects you and your money.

Please attach a certified* copy of your Driver's Licence or Passport.

* A qualified person, such as a JP, solicitor, barrister or public notary (pharmacist or bank manager) must certify the photocopy as a true copy of the original, and they must provide their name, address, occupation and phone number.

Please contact us on 1300 724 378 if you are unable to provide this proof of your identity.

5. Allocated Pension payment details

1. When do you want the first payment to be paid?

(Please allow 7 business days for your account to be established)

Date

Please note: Under current legislation, your first payment must be within this current financial year unless you invest in the Allocated Pension on or after 1 June. If so, you do not have to start receiving payments until the next financial year. Pension payments are made on the 15th day of a month.

2. How often do you want your pension paid to you?

- Monthly
- Quarterly
- Annually

3. What is the gross pension you wish to receive per payment?

- Minimum allowable
- Maximum allowable (only for NCAP)
- Other \$.

Please note: Any preferred amount that you nominate must meet at least the minimum amount (and no more than the maximum amount for Non-commutable Allocated Pensions) as per Government legislation. Please refer to the Allocated Pension section of the Product Disclosure Statement. If your preferred amount falls outside these guidelines, AGEST Administration will alter your payment to the nearest allowable amount. Note that PAYG tax may be deducted from the gross pension amount that you nominate if you are under age 60.

6. Your Bank Account details

Your pension will be paid directly into this account. The account must be in the primary pensioner's name or in joint names. Any financial institution with a BSB number is acceptable.

Name(s) in which your account is held

Name of Financial Institution

Name of Branch

Bank/State/Branch (BSB) Number

Account Number

7. Investment Options

I would like to invest my Allocated Pension account balance in the following investment option(s):

Pre-mixed options		Single-sector options	
Growth	<input type="text"/> %	Australian Shares	<input type="text"/> %
Balanced	<input type="text"/> %	International Shares (Hedged)	<input type="text"/> %
Moderate	<input type="text"/> %	International Shares (Unhedged)	<input type="text"/> %
Stable	<input type="text"/> %	Listed Property	<input type="text"/> %
Conservative	<input type="text"/> %	Fixed Interest	<input type="text"/> %
MultiStrategy	<input type="text"/> %	Cash	<input type="text"/> %
Total		100%	

Important Note: Any investment choice you have made with your AGEST superannuation account is NOT automatically transferred to the Allocated Pension. If you do not want your Allocated Pension invested in the Balanced option, you MUST complete this section. If you do not complete this section, your Allocated Pension will be invested in the Balanced option. If you require any changes to the choices made above before your pension commences, you must notify AGEST of this by completing an Investment Choice Application form. You should note on the form that it is for a new Allocated Pension which is being established.

(continued next page)

(including Non-commutable (Transition to Retirement) Allocated Pensions)

8. Pension Payment Drawdown options

Only complete this section if you have chosen 2 or more investment options in the previous section. Please indicate how you would like to draw down your pension payments.

Please choose one of the following methods. If no selection is made, the default option is the 'Pro-rata method'.

Proportional method

You can specify the proportion to be withdrawn from each of the investment options you selected in the Investment Options section.

Table with 2 columns: Pre-mixed options and Single-sector options. Includes rows for Growth, Balanced, Moderate, Stable, Conservative, MultiStrategy, Australian Shares, International Shares (Hedged), International Shares (Unhedged), Listed Property, Fixed Interest, Cash, and a Total row.

Priority method

You can specify the order of investment options from which your pension payments are drawn down from the investment options you selected in the Investment Options section. Number options below (from 1 - 12) for ALL corresponding options nominated in Section 7.

Table with 2 columns: Pre-mixed options and Single-sector options. Includes rows for Growth, Balanced, Moderate, Stable, Conservative, MultiStrategy, Australian Shares, International Shares (Hedged), International Shares (Unhedged), Listed Property, Fixed Interest, Cash.

Pro-rata method (Default)

You can elect to have the pension payments withdrawn from each investment option you selected in the Investment Options section in proportion to the balance in each investment option at the time of withdrawal.

9. Tax File Number (TFN) Declaration

If you are under age 60, you should complete a TFN Declaration form and submit it to AGEST Administration along with this application. If you do not submit this form, AGEST is required, under current tax rules, to deduct PAYG tax at 46.5% from your taxable pension payments.

If you do not have a TFN Declaration form, please visit www.ages.com.au or contact us and we will send you a form.

10. Reversionary Beneficiary Nomination

Complete this section if you wish to nominate a reversionary beneficiary. Please note that you can only nominate one reversionary beneficiary and that they must be either your spouse or a dependent child. You cannot change a reversionary nomination once made. For more information regarding reversionary beneficiaries, please refer to page 27 and 28 of the AGEST Product Disclosure Statement (PDS).

Form fields for First Name, Family Name, Relationship, and Date of Birth (DDMMYYYY).

Please proceed to Section 12 if you have nominated a reversionary beneficiary.

11. Nomination of your Preferred Beneficiaries

Complete this question if you would like to make a 'preferred' nomination as to the distribution of your AGEST benefit if you die. If you wish to make a 'binding' nomination, please complete a Binding Death Benefit Nomination form. The total percentages nominated below should equal 100%. Please refer to page 18 for further details.

Form 1: Fields for First Name, Family Name, Relationship, and % of Benefit.

Form 2: Fields for First Name, Family Name, Relationship, and % of Benefit.

Form 3: Fields for First Name, Family Name, Relationship, and % of Benefit.

(continued next page)

(including Non-commutable (Transition to Retirement) Allocated Pensions)

12. Employment

Please tick the relevant boxes:

Are you aged 65 or more?

Yes No

If you are aged 55 to 59, have you permanently retired from the workforce?

Yes No

If you are aged 60 to 64, have you ceased employment?

Yes No

Date left employer

D	D	M	M	Y	Y	Y	Y
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AGEST will use your answers to this question to determine whether any of your Allocated Pension will be classified as non-commutable.

13. Claiming a tax deduction for contributions

If you are not in the workforce, or are self-employed, or your income from employment as an employee is less than 10% of your total assessable income and reportable fringe benefits, you may be able to claim a tax deduction for contributions made into your existing AGEST account (if you have one). To claim this deduction, members must lodge a claim form with AGEST. **If you are claiming this deduction, you must lodge the claim form prior to commencing an Allocated Pension, or lodge it with this application.** If you are unsure about this, or would like a copy of the claim form, please **contact AGEST's Member Services Managers, on 03 9674 9333.** The form is also available at www.agemt.com.au

Do you wish to claim a tax deduction for contributions made into your existing AGEST account?

Yes and the Claim form is attached

Yes and the Claim form was lodged with AGEST on approximately

D	D	M	M	Y	Y	Y	Y
---	---	---	---	---	---	---	---

 Date

No, I will not be claiming a tax deduction for contributions made into AGEST.

14. Survey

How did your hear about AGEST?

From a work colleague

From family or friends

From a financial planner (Please indicate name of Financial Planning organisation under 'Other' below)

AGEST advertising (print, radio, other)

From an employer

AGEST was referred to on a website

Internet search engine

Other (please specify)

15. Special instructions

Please use this space to provide any special instructions to AGEST regarding your Allocated Pension.

16. Declaration

I declare that:

- ✦ the information shown on this application is true and correct;
- ✦ I agree to provide the Trustee within a reasonable period with:
 - any information they may request which relates to my membership of the fund, and
 - updated facts of any changes to the information provided in this application;
- ✦ I have read the Product Disclosure Statement, and this application is made subject to the terms and conditions of that information;
- ✦ I understand and accept that no party associated with the fund guarantees the performance of the investment options in AGEST;
- ✦ I understand that the investment options I have selected in this application will remain in place until I submit a new *Investment Choice Application* and it is processed;
- ✦ if I have chosen to roll over or be paid the remainder of my AGEST superannuation account:
 - I authorise my benefit to be paid or rolled over as instructed on this application;
 - I acknowledge that my insured benefit for death and disablement ceases with the payment of the remaining balance, and I or my dependants will have no claim on the Trustee even if I die or become disabled in what would otherwise have been the insured period.

Signature

--

Date

D	D	M	M	Y	Y	Y	Y
---	---	---	---	---	---	---	---

Please send this form, along with your identification documents and Tax File Number Declaration, to:

**AGEST Administration
Locked Bag 20
Wollongong NSW 2500**

This form is part of the Product Disclosure Statement issued 1 May 2008 by the Australian Government Employees Superannuation Trust (AGEST).

3. Pension Payment Drawdown options (Allocated Pensioners only)

Only complete this section if you have chosen 2 or more investment options in Section 2 above. Please indicate how you would like to draw down your pension payments.

Please choose one of the following methods. If no selection is made, the default option is the 'Pro-rata method'.

Proportional method

You can specify the proportion to be withdrawn from each of the investment options you selected in Section 2 of this form.

Pre-mixed options		Single-sector options	
Growth	<input type="text"/> %	Australian Shares	<input type="text"/> %
Balanced	<input type="text"/> %	International Shares (Hedged)	<input type="text"/> %
Moderate	<input type="text"/> %	International Shares (Unhedged)	<input type="text"/> %
Stable	<input type="text"/> %	Listed Property	<input type="text"/> %
Conservative	<input type="text"/> %	Fixed Interest	<input type="text"/> %
MultiStrategy	<input type="text"/> %	Cash	<input type="text"/> %
		Total	100%

Priority method

You can specify the order of investment options from which your pension payments are drawn down from the investment options you selected in Section 2 of this form. **Number options below, from 1–12.**

Pre-mixed options		Single-sector options	
Growth	<input type="checkbox"/>	Australian Shares	<input type="checkbox"/>
Balanced	<input type="checkbox"/>	International Shares (Hedged)	<input type="checkbox"/>
Moderate	<input type="checkbox"/>	International Shares (Unhedged)	<input type="checkbox"/>
Stable	<input type="checkbox"/>	Listed Property	<input type="checkbox"/>
Conservative	<input type="checkbox"/>	Fixed Interest	<input type="checkbox"/>
MultiStrategy	<input type="checkbox"/>	Cash	<input type="checkbox"/>

Pro-rata method (Default)

You can elect to have the pension payments withdrawn from each investment option you selected in Section 2 of this form in proportion to the balance in each investment option at the time of withdrawal.

4. Acknowledgement

- I acknowledge that AGEST's *Product Disclosure Statement* contains a detailed description of AGEST's investment options and how my *Investment Choice Application* will be processed.
- I acknowledge that AGEST does not provide investment advice and that independent financial advice may assist me if I have any queries about the information I have read.

Signature

Date

D	D	M	M	Y	Y	Y	Y
---	---	---	---	---	---	---	---

Please send this form to:

**AGEST Administration
Locked Bag 20
Wollongong NSW 2500**

or fax it to us on **1300 664 378**
(or +61 2 4253 6108 from overseas)

This form is part of the Product Disclosure Statement issued 1 May 2008 by the Australian Government Employees Superannuation Trust (AGEST).

IMPORTANT NOTICE

AGEST members may make either '*preferred*' or '*binding*' nominations as to the distribution of their AGEST benefit when they die. Allocated Pensioners may also make a reversionary beneficiary nomination when establishing their Allocated Pension.

Preferred nominations tell the Trustee who your preferred beneficiaries are, but the Trustee will make the final decision as to how and to whom your benefit is paid. The Trustee will consider your preferred nomination but will not be bound by it. The Trustee will exercise a discretion to allocate your benefit among the potential recipients who are described below as being the people you are able to nominate on this form.

Binding nominations provide greater certainty about who receives your benefit when you die, as your nomination binds AGEST's Trustee to pay your death benefit to a specified person(s) provided that the correct procedure has been followed.

A binding nomination overrules all previous nominations except in the case of a *reversionary* nomination (refer to page 27 and 28 of the AGEST Product Disclosure Statement for more information).

This form and its contents deal with binding death benefit nominations.

The person(s) you nominate on a binding death benefit nomination form must be any one or more of the following:

- ✦ Your current spouse (including a de facto)
- ✦ Your children (including adult, step, adopted or ex-nuptial children)
- ✦ Any person(s) financially dependent on you
- ✦ Any person(s) you have an interdependency relationship with (see below for further details)
- ✦ Your legal personal representative in their capacity as the executor or administrator of your estate.

It is important to note that all your nominated beneficiaries must be alive and fall within one of these categories at the time of your death for the nomination to remain valid.

What is an interdependency relationship?

Two persons (whether or not related by family) have an 'interdependency relationship' if:

- (a) they have a close personal relationship, and
- (b) they live together, and
- (c) one or each of them provides the other with financial support, and
- (d) one or each of them provides the other with domestic support and personal care.

If two persons (whether or not related by family) have a close relationship, but do not satisfy the other requirements outlined above because either or both of them suffer from a physical, intellectual or psychiatric disability, they are considered to have an interdependency relationship.

How long is the nomination valid?

If you make a binding nomination, it will be valid for three (3) years from the date you sign this form (but you may amend or revoke your nomination at an earlier date). It is important that you update your nomination regularly to ensure that your wishes are met. You may confirm, amend or revoke your nomination at any time.

If your nomination is valid, we must follow it no matter how your circumstances may have changed. For example, if you nominate your husband or wife and you later separate, but he or she still falls within one of the permitted categories described above, your nomination remains valid and binds the Trustee unless you amend or revoke it, or it expires.

Your dependants may have the right to complain to the Superannuation Complaints Tribunal (SCT) about the Trustee's decision. The SCT will review the decision and all supporting documentation and may be able to change the decision in some circumstances (for example, if the SCT determines that the nomination had expired at the date of death or a nominated beneficiary was not a dependant).

How do I make a valid nomination?

To make a binding death benefit nomination valid, you must also follow each of these procedures. Your nomination must:

- ✦ be made to us in writing on the application form over the page
- ✦ clearly set out the proportion of the benefit to be paid to each person nominated (total must add up to 100%)
- ✦ be signed and dated by you in the presence of two witnesses aged 18 or more, who are not nominated in the form
- ✦ be signed and dated by the two witnesses in your presence
- ✦ be sent to us (a nomination will not be valid until we receive it).

Note that the Trustee may not comply with your nomination if there is a court order, a family law agreement or an order relating to the splitting of the benefit that prevents the Trustee from complying with the nomination.

How do I nominate my estate to receive my death benefit?

When nominating your estate, you must place the words 'Legal Personal Representative (my estate)' in the Name field.

How do I revoke an existing nomination?

If you want to revoke a current binding death benefit nomination and not replace it, you must write 'revoke previous nomination' in the 'Beneficiary details' section of the form. Please note that to revoke a previous nomination, the form must be signed, dated and witnessed in the same manner as a nomination. If we receive a request to revoke a nomination we will write to you to confirm that your nomination has been revoked.

How do I confirm or amend an existing nomination?

To confirm or amend an existing binding death benefit nomination, simply complete a new binding death benefit nomination form and return it to AGEST.

How will I know if my nomination has been accepted?

We will write to you to confirm your binding death benefit nomination or any amendments to it. We will also write to you seeking your instructions prior to the expiry of any existing nomination. You will be advised of your nomination each time we send your Benefit Statement.

Invalid nominations

If, at the time of your death:

- ✦ your nomination has been revoked (and you have not made a new nomination), or
- ✦ your nomination is invalid (for example, it is not correctly signed and witnessed, it is more than three years old and has not been renewed, or any of the people nominated dies before you or no longer falls within one of the permitted categories),

the Trustee of AGEST will use its discretion to determine how your benefit should be paid.

Is there a fee for binding nominations?

AGEST charges no fees in relation to binding death benefit nominations, amendments or revocations.

Other things to consider

Your nomination may have taxation or legal implications, so you may wish to seek professional advice before making or revoking a binding death benefit nomination.

If you have any questions, please call our Member Services Team on 1300 724 378.

Forms are also available at www.agest.com.au

This Guide was prepared on 1 May 2008 by AGEST Super Pty Ltd, the trustee of AGEST. The Australian Securities & Investments Commission (ASIC) has granted an Australian Financial Services Licence (No. 233707) to AGEST Super Pty Ltd. This allows it to provide superannuation products to members and prospective members of AGEST.

This Guide is designed to assist you in deciding whether to use any of the services offered in the Guide. It contains information about remuneration that may be paid to AGEST Super Pty Ltd and other relevant persons in relation to the services offered. It also contains information on how complaints against AGEST Super Pty Ltd are dealt with. If you need more information or clarification of any matter, please ask us.

What advisory services are available to me?

AGEST Super Pty Ltd and its employees only provide general financial product advice and reports about AGEST. Advice is prepared without taking into account your particular financial needs, circumstances or objectives. Therefore, you should assess your own financial situation and read this Combined Product Disclosure Statement and Financial Services Guide before making an investment decision.

How will I pay for the service?

The cost of providing advice about AGEST is included in the fee charged for membership of AGEST. We do not charge any additional fees or obtain or pay any commissions for advice provided.

What commissions or fees are paid?

All AGEST Super Pty Ltd employees are paid a salary. They do not receive commissions, fees or bonuses as a consequence of any advice provided to you.

Will you give me advice that is suitable to my investment needs and financial circumstances?

No. Any advice provided to you by us is of a general nature. It has been prepared without taking into account your particular financial needs, circumstances or objectives.

Who is responsible for any advice given to me?

AGEST Super Pty Ltd is responsible for any advice provided to you. AGEST Super Pty Ltd is the trustee company that manages and controls AGEST.

Who should I contact if I have a complaint?

AGEST Super Pty Ltd is committed to handling any complaints promptly and fairly. Please direct any written complaints to:

Michael Seton
Chief Executive Officer
AGEST
Level 3, 4 Riverside Quay
Southbank VIC 3006

Alternatively, you may call AGEST on **1300 724 378**.

If you are not satisfied with our response, you have the right to take your complaint to the following free independent resolution body:

Superannuation Complaints Tribunal
Locked Mail Bag 3060
GPO Melbourne 3001
Phone: **1300 780 808**

Please refer to page 10 for further information on how complaints are handled.



Contacting your fund

If you have any questions about AGEST, contact the AGEST Member Services team.

Phone

1300 724 378 from 8am to 8pm EST weekdays
or + 61 2 4298 6011
if calling from overseas

Fax

1300 664 378
or +61 2 4253 6108
if faxing from overseas

Email

info@agest.com.au

Website

www.agest.com.au

Postal Address

Locked Bag 20 Wollongong NSW 2500

Useful reference numbers

AGEST SPIN

AGEO101AU

AGEST SFN

2683/539/47

AGEST ABN

79 781 199 140

AGEST RSE Registration

R1001556

AGEST Super Pty Ltd ABN

44 007 390 392

AGEST Super Pty Ltd AFSL Licence

233707

AGEST Super Pty Ltd RSE Licence

L0000383