



# XYZ Super

Product disclosure statement – Personal plan  
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## Contact details

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### Read this

This PDS provides a summary of the key information you need to make a decision. It includes links to additional information that is part of this PDS marked with a “! ”.

**This is important information you should read before making a decision to invest in this product.**

The information in this document is general information only and doesn't take into account your personal financial situation or needs. You may wish to consult a licensed financial adviser to obtain financial advice that is tailored to suit your personal circumstances.

# 1. About XYZ Super

## About super

Superannuation (super) is a way to save for your retirement. It is a long-term investment. You usually can't access your super until you are aged between 55 and 60, but there are some special circumstances where you can withdraw it earlier than this.

Tax concessions and other government benefits generally make it one of the best long-term investment vehicles.

## About XYZ Super

With more than 2 million customers in Australia, XYZ Super is one of the country's most significant investment managers.

XYZ Super offers significant scale, with more than \$80 billion in assets under management (as at 30 June 2008) and a network of more than 800 qualified financial planners.

XYZ Super listed on the Australian Stock Exchange in 1994.

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# 2. How super works

## Contributions

Generally, if you are employed and earn more than \$450 a month, your employer will be making contributions into a super fund for you.

Most people can choose which super fund they'd like their super contributions paid into but in some cases your super fund may be determined by the terms of your employment. If you don't have a choice about your super fund or don't tell your employer where to pay your super they will put it into a super fund that they've chosen.

Regardless of whether you have chosen your super fund or it is decided for you, you can make your own additional contributions. You can do this by:

- asking your employer to deduct extra money from your pay before tax is taken out and to pay this into your XYZ Super account (called salary sacrifice);
- putting any money you have saved into your XYZ Super account; and
- transferring super you have in another fund into your XYZ Super account.

## Investments

XYZ Super invests your money. Your super will increase with positive investment returns and decrease if there are negative investment returns.

You can choose how you'd like your money invested from the six investment options that XYZ Super offers. Usually, you can transfer your money to a different investment option within our fund or to another super fund at any time.

If you do not choose which investment option you'd like your money invested in, your super will go into the Balanced Option.

See **'How we invest your money'** for further details.

## Withdrawals

Generally, you can't access your super until you've reached age 55-60.

**For more information about the rules applying to super contributions see [www.superinfo.gov.au](http://www.superinfo.gov.au).**

**For more information about how super works, including about making additional contributions and withdrawals see [www.xyzsuper.com.au/pds](http://www.xyzsuper.com.au/pds).**

### 3. Benefits of super

Because some of your income must be paid into a super account when you start work, you start saving for your retirement early. The longer you have to save, the easier it may be to reach your retirement goals.

The investment earnings are added to your account regularly. Compulsory contributions paid by your employer are added to your account at least quarterly. Because your investment earnings stay in your account, you will continue to receive returns on these earnings in later years.

The Australian Government provides a range of incentives for people to save for their retirement through superannuation. As a result, super is taxed differently from other investments and there can be significant tax advantages in saving for your retirement using super.

Currently, if your income is less than \$61,920 and you make an extra contribution to your super out of after-tax earnings you may be eligible to receive a special payment from the Government into your super (called the Government co-contribution).

You may be able to get death, total and permanent disablement or salary continuance insurance through your XYX Super account which means you're paying for the insurance out of your before-tax income.

XYZ Super will help you maximise your retirement savings because we have:

- competitive fees (see section 6 for more on our fees);
- a track record as one of Australia's top performing funds;
- flexible contributions, allowing you to make voluntary contributions as well as employer contributions;
- choice of six different investment options (see section 5);
- access to a network of world-leading investment managers; and
- insurance options to look after you and your family.

For more information about the benefits of investing in super, including the extent to which we take labour standards or environmental, social or ethical considerations into account when we invest, see [www.xyzsuper.com.au/pds](http://www.xyzsuper.com.au/pds).

### 4. Risks of investing in super

All investments have some level of risk. Super funds invest in a range of asset classes – for example, cash, bonds, property and equities – that have different levels of risk, and offer a variety of investment options, reflecting different weightings of these asset classes. The likely investment return, and the level of risk of losing money, is different for each investment option depending on the underlying mix of assets. Those assets with potentially the highest return over the longer term (such as equities) also have the highest risk of losing money on a shorter term view.

When considering your investment in super, it is important to understand that:

- the value of investment options will go up and down;
- returns are not guaranteed;
- you may lose some of your money;
- previous returns don't predict future performance; and
- laws affecting your superannuation may change.

The appropriate level of risk for you will depend on your age, investment time frame, where other parts of your wealth are invested, and how comfortable you are at the possibility of losing some of your super in some years.

We and/or your financial adviser can help you understand investment risk and help you design an investment strategy that is right for you.

For more information about the risks of investing in super see [www.xyzsuper.com.au/pds](http://www.xyzsuper.com.au/pds).

## 5. How we invest your money

XYZ Super has six investment options. Each one has a different level of risk and potential level of returns. **You should consider the likely investment return, risk and your investment time frame when choosing which option to invest in.**

You can choose one option or a combination of different options. If you don't make a choice, your super will go into the Balanced Option, which is summarised in the table below.

### Investment details for Balanced Option

<b>INVESTMENT RETURN OBJECTIVE*</b>	Inflation + 4%
<b>MIX OF ASSET CLASSES</b>	<ul style="list-style-type: none"> <li>• Australian shares 33%</li> <li>• International shares 23%</li> <li>• Direct property 12%</li> <li>• Infrastructure 14%</li> <li>• Absolute return strategies 1%</li> <li>• Private equity 4%</li> <li>• International fixed interest 8%</li> <li>• Cash 5%</li> </ul>
<b>DESCRIPTION OF OPTION</b>	This option is designed for members who want a moderate level of return over the medium term. There will be some fluctuations of returns from year to year.
<b>MINIMUM SUGGESTED TIME FRAME</b>	5 years
<b>SUMMARY RISK LEVEL</b>	Medium to high May result in high returns. Some risk of losing money.

\* The investment objective is the investment return this option will seek to achieve after fees and taxes. It is the amount above the increase in the rate of inflation. For example, if the objective for an investment option is inflation +4% and the inflation rate is 2.3% then the objective return would be 6.3%.

You can transfer your money into other options at any time, or ask that future contributions be paid into a different option.

We may change the types of investments included in each investment option, add an option or remove one of our investment options at any stage. We will tell you if we do this.

For more information on the **Balanced Option**, including information about risks see [www.xyzsuper.com.au/pds](http://www.xyzsuper.com.au/pds).

For information on our other investment options see [www.xyzsuper.com.au/pds](http://www.xyzsuper.com.au/pds).

## 6. Fees and costs

### Consumer Advisory Warning

The amount of money you get when you withdraw from the fund will be affected by the fees you pay for XYZ Super to manage your account. The amount of fees and costs you pay can have a substantial impact on the long-term value of your investment.

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).

To see how fees and costs may affect your super, use the calculator on our website or on the ASIC website at [www.fido.gov.au/fido/fido/nsf](http://www.fido.gov.au/fido/fido/nsf)

## Main fees and costs for Balanced Option

This section provides summary information about the main fees and costs for our Balanced Option. Similar information is included in other PDSs so you can compare XYZ Super's fees and costs with those for other funds.

These fees and costs are maximum amounts – you may pay less in some cases.

For more details about fees and costs for the Balanced and other investment options, see [www.xyzsuper.com.au/pds](http://www.xyzsuper.com.au/pds)

Main fees and costs for our Balanced Option	
WHAT IT'S FOR	HOW MUCH
Fees and costs when you make a contribution to the fund	4.2% of your initial contribution and any additional amounts invested in the fund
Fees and costs while your money is in the fund	0.89% of your account balance per year <b>Plus</b> \$1.47 per week <b>Plus</b> you may also have to pay: <ul style="list-style-type: none"><li>• performance based fees in some circumstance</li><li>• a fee of \$30 if you switch to a different investment option</li></ul>
Fees and costs when you withdraw money from the fund	0.2% of your account balance

## Other fees and costs

There are other fees and costs for this option and for the product. Keep in mind that the level of fees and costs can change.

The fees and costs for our other investment options are different.

## How fees and costs are charged to your account

Fees and costs related to investment costs are deducted from your investment earnings before the earnings are added to your account. Fees and costs related to administration of your account are deducted directly from your account and the amounts will be shown on your annual account statement.

## Example

Other funds use the same example as the one below so you can compare fees and costs.

### Standard example for our Balanced Option

Based on the fees and costs outlined above, if you transfer an existing super balance of \$100,000 into the Balanced option and a further \$5,000 goes in each year for the next 10 years, you could have paid up to \$20,500 if you withdraw at the end of 10 years. This is an overall cost of 1.3% of your account balance per year.

The example is based on standard assumptions that all super funds must use. This means you can use this example to compare XYZ Super's fees and costs with other funds. However, the actual fees and costs you will pay will depend on what investment options you choose and how well these investments perform.

## Fees paid to a financial adviser [note to issuers: if applicable]

**[If you have a financial adviser, some of our fees may be paid to your adviser.**

You may also have to pay other fees to your adviser. See the Statement of Advice given to you by your adviser.]

**[Some of our fees may be paid to the employer fund's financial adviser.** What it costs you will depend on the agreed adviser service fee your employer negotiates with XYZ Super and the employer fund's financial adviser.]

## 7. How super is taxed

There are a number of ways that super is taxed. **If you don't tell us your tax file number, you may pay extra tax on your contributions or when you later access your benefit, or not be able to make some types of contributions.** It will also be more difficult to trace different super amounts in your name so that you receive all your super benefits when you retire.

The following tax rules apply except if you exceed the before or after-tax contribution limits. If you exceed the contribution limits for super you will pay extra tax.

XYZ Super will pay the tax applying to your account directly to the Australian Tax Office and deduct this tax from your account balance.

**Contributions into your super that are made before tax** is taken out of your pay are taxed at 15%.

**Contributions into your super made from your after-tax savings** are not taxed.

**Withdrawals** from your account may be taxed if you are aged less than 60. Once you turn 60, generally no tax will apply to withdrawals.

**Investment earnings** are generally taxed at 15%.

For information about how tax applies to super contributions, investment earnings and withdrawals see [www.superinfo.gov.au](http://www.superinfo.gov.au).

## 8. Insurance in your super

When you join XYZ Super, you can apply to receive personal insurance cover that is paid for out of your super account. The types of cover available are:

- death only or death and total and permanent disablement cover; and
- income protection cover.

To apply for insurance cover, you need to:

- specify on the *Application for membership* form what cover you want and how much; and
- meet the eligibility criteria.

The costs of your cover depend on the amount of cover you request, your age, gender, occupation and (in the case of income protection cover) your salary.

If you make an insurance claim, we and the insurance company will determine whether you are entitled to be paid based on the terms the policy, the fund's rules and the law.

You can request to change or cancel your cover at any time. You must do so in writing to the address listed on the cover of this PDS.

For more information about XYZ Super's insurance cover, the premiums and eligibility for cover, as well as changing or cancelling insurance cover, conditions and exclusions see [www.xyzsuper.com.au](http://www.xyzsuper.com.au). You should read this information before you decide whether to apply for insurance.

## 9. How to open an account

1. Read this PDS and the other important information referred to in the PDS.
2. Complete the *Application for membership* form included with this PDS or available from [www.xyzsuper.com.au](http://www.xyzsuper.com.au).
3. You or your employer can then start to make regular and/or ad hoc payments into your account.

A **cooling-off period** applies. We will return your money to you and no fees will apply (but there may be some tax payable) if you cancel your membership in writing:

- within 19 days from the date we receive your application; or
- within 14 days from the date your membership is confirmed.

If you feel we are not dealing with you as you would like, you can make a complaint to us.

**XYZ Super's contact details** are on the front cover.

For more information on XYZ Super's cooling off period and complaints process see [www.xyzsuper.com.au](http://www.xyzsuper.com.au).