



**Club Plus Superannuation Pty Limited**  
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**club**  
**plus**  
SUPERANNUATION



*Annual Report 2008*

2008



# A message from the Chairman and CEO

## Chairman's Message

I present this report on behalf of the Board of Club Plus after what can only be described as a mixed year. While the fund has made some significant strides forward with respect to its overall management, internal structure and member servicing, our annualised investment return has been disappointing.

Unfortunately, the fund has not been quarantined from the much reported global economic downturn and the consequent impact on equity markets. While this year's balanced option return of negative 4.1% is not one that any member will be happy about, when compared with an average industry return of negative 6.8%, and some as high as negative 16%, Club Plus has managed to limit the damage.

It should be remembered that superannuation is a long term investment and that over both the 10 year and 20 year periods the fund has declared returns in excess of 10% net per annum. This year's average balanced manager return of - 6.8% on top of last year's positive 15.2% means that over the same period Club Plus has added real value of over 4% to members accounts.

This year has seen the commencement of a new management structure at the fund with our inaugural CEO being appointed. Due to the size of the fund and the complexity of superannuation, the day to day running of the fund is now being handled by Mr Paul Cahill.

Since his appointment in October 2007, Paul has commenced a process of taking the fund to a best practice position. The fund has only recently completed a new 3 year strategic plan and Paul and his team are currently implementing the outcomes from that plan. It is hoped that the key initiatives arrived at in the strategic plan will enhance members retirement incomes and experiences with Club Plus.

The installation of a member services team headed up by Mr Charlie Sala, the appointment of a master custodian to improve the security and administration of the fund's investment, an up grading of income protection rates offered to members, an extension of the life insurance terms offered to members and other related advancements are some of the enhancements emanating from the new strategic plan.

The fund is currently re-vamping its investment structure with a review of the fund's investments currently underway. It is expected that once the investment review is completed and the changes made, fund investment performance will also be enhanced.

I would like to take this opportunity to thank my fellow Board members and our new CEO, Paul Cahill and his team, all our service providers and suppliers for their efforts this year. Hopefully we will see a more stable investment environment over the coming 12 months however this will depend on forces outside of our control.

Once again I would like to thank all of the members of the fund for their support and remind them that your best interests are the number one priority of the Club Plus Board.

**Wayne Krelle**  
*Chairman*

## Chief Executives report

As the inaugural CEO of the fund, I have started in what can only be described as a very difficult and challenging year. Since I started with the fund I have been putting into place many of the structural requirements necessary to have a world class fund both now and into the future. To date the progress on the structural reform has been very impressive with the fund well on its way to being a best practice fund.

The changes that have been introduced during the 2007/08 year will mean that going forward members will now receive a superior level of service and greater value for money. New insurance changes and a stream lining of fees charged will make the fund's overall product offer much easier to understand and also use.

Our Club Plus pension fund is now fully operation and judging by the numbers of members using it and the benefits that it provides, its introduction has been a resounding success.

The coming 12 months will again see changes to the fund for the betterment of the members. The fund intends to increase its marketing and communications efforts at a member level to ensure that our members get the best possible information on what are the best options for them both now and into the future. This 'member's first' approach will be a key feature of the fund going forward. Safety and security of member's funds will also continue to be our number one priority.

I consider that Club Plus is in a very exciting stage of its development and going forward the changes currently underway should make our fund well received both now and into the future. Once again thank you for being supportive of Club Plus and remember that Club Plus is a not for profit industry fund with all profits being returned to the members.

**Paul Cahill**  
*CEO*

# Who manages your fund

## The Board during the period 1 July 2007 to 30 June 2008

The Club Plus Superannuation Board is made up of 10 representatives of the Club Industry listed on this page.

The Chairman is Wayne Krelle and the Fund Secretary is Tara Moriarty. There are also sub committees that are made up of Board representatives and include:

**Investment Committee** – attended by Wayne Krelle, Tara Moriarty, Janet Southcott & Richard Tait.

**Audit, Risk and Compliance Committee** – attended by John Hawker, Stephen Banister, Peter James and Adrian Caddy.

**Operations and Claims Committee** – attended by Wayne Krelle, Tara Moriarty, John Morris and Charlie Gibson.

The CEO Paul Cahill attends all Board and sub committee meetings. There may be representatives from service providers attend the Board or sub committee upon invitation.

## Licensing Details

Club Plus Superannuation Pty Limited (ABN 95 275 115 088) holds an Australian Financial Services Licence No.245362, RSE Licence number L0000529 and is Trustee for Club Plus Superannuation Scheme (ABN 26 003 217 990), RSE licence number R1000757.

The Responsible Officers, under the licence, include John Morris, Stephen Banister and Peter James.

Club Plus has decided that no Director will be authorised to give general or Club Plus specific advice under the licence.

## Indemnity Insurance

The fund pays for Trustee Indemnity Insurance to protect the fund and the Trustee Directors against the financial effects of any honest mistake that might occur in running the fund. This insurance may not cover penalties or fines for breaches of the Superannuation Industry (Supervision) Act 1993 or any other legislation governing superannuation funds.

## Who provides services to Club Plus?

### ADMINISTRATION

Australian Administration Services (AAS)  
(ABN 62 003 429 114)

### AUDITOR

Bell Partners (ABN 50 080 339 019)

### TAX AGENT

Ernst & Young (ABN 75 288 172 749)

### INVESTMENT CONSULTING

Mercer Investment Consulting (ABN 32 005 315 917)

### COMPLIANCE

Mercer Legal (ABN 11 091 577 632)

### FINANCIAL ADVICE

Money Solutions (ABN 36 105 811 836)

### ARREARS COLLECTION

Industry Funds Credit Control (IFCC)  
(ABN 85 071 737 856)

### INSURANCE

Death & TPD: Colonial Mutual Life Assurance Ltd  
(ABN 12 004 021 809)

Income Protection: International Underwriting Services  
(ABN 12 004 021 809)

### LEGAL ADVISERS

Minter Ellison (ABN 91 556 716 819)

Ebsworth & Ebsworth (ABN 95 256 510 215)

Kemp Strang (ABN 88 258 900 990)

### INSURANCE BROKER

AON (ABN 17 000 434 070)

### BANK

Westpac (ABN 33 07 457 141)



Wayne Krelle  
(Chairman)



John Hawker  
(Deputy Chairman)



Stephen Banister  
(Deputy Fund Secretary)



Tara Moriarty  
(Fund Secretary)



Adrian Caddy  
(Director)



Peter James  
(Director)



Richard Tait  
(Director)



Janet Southcott  
(Director)



Charlie Gibson  
(Director)



John Morris  
(Director)



Paul Cahill  
(CEO)

## Investment Choices

*Club Plus offers members the option of choosing the manner in which their superannuation savings are invested. There are six different investment options offered:*

<i>Cash Option</i>	<i>Conservative Option</i>
<i>Balanced Option</i>	<i>Growth Option</i>
<i>High Growth Option</i>	<i>Australian Shares Option</i>

## Defaults Investments

If you did not make an investment choice when first joining Club Plus, your funds were automatically invested in the default investment option. The defaults are:

Joined Club Plus	Option
Prior to 1 January 2008	Balanced Option

Joined Club Plus from 1 January 2008	
Age	Option
Age 30 or less	High Growth Option
Aged 31 to 45	Growth Option
Aged 46 or older	Balanced Option

*Please see below on how to make an Investment Switch.*

## Investment Switches

You may spread your investment across as many of the investment options as you wish. You will need to complete a Member Investment Choice form to make an investment switch. If your request is received by the 20th day of the month, the switch will occur on the first day of the next month. If received after the 20th day your switch will occur on the first day of the after month. To make a switch, the following conditions must be met:

- Where you invest in an option, the minimum investment must be 10%.
- The total percentage of your investment in the options adds up to 100%.

If your nomination does not meet the above conditions they will be invalid and your form will be returned to you.

**Your money will remain invested in that option unless you elect to change options. You may switch between options at any time.**

## Investment Risks

All investments carry some form of risk. These may include:

- Market risk, including investor sentiment, economic impacts, regulatory conditions and political events.
- Company risk, such as changes to management, legal action against the company or profit/loss announcements.
- Credit risk where the borrower is not able to meet loan obligations.
- Inflation risk that erodes the real value of an investment.
- Interest rate risk where movements in interest rates affect the value of certain assets, especially bonds.
- Liquidity risk where certain investments, especially unlisted or alternative investments may be difficult to sell quickly and may be realised at a discount.
- Currency risk where the value of international investments may be affected by movements in the Australian dollar relative to foreign currencies.

The description accompanying each option contains a "time horizon", which is the period over which each option was designed to achieve its goal. You should consult with your financial adviser to determine whether the time horizon matches your long-term outlook.

## Investment Management

The management of your investments is the responsibility of the Trustee. The Trustee has an investment policy that governs the appointment of specialised investment managers who are responsible for the day-to-day management of outsourced investments.

The Trustee regularly review each investment managers performance in comparison to the benchmark. Where measures are not kept the Trustee may terminate and replace the Investment Manager.

## Common Pool Investments

The assets of members invested in the Cash, Conservative, Balanced, Growth and High Growth options will be invested within a common pool of investments. The Trustee, in conjunction with the fund's investment consultant, will determine the proportion of the common pool that relates to each of the investment options, based on their asset allocation. The investment return is then determined.

## Derivatives

Investment Managers engaged to invest the assets of Club Plus (other than the Asset Overlay Manager) are permitted to use derivatives for hedging purposes only. All investment managers are required to submit copies of their risk management statement to Club Plus to ensure that they comply with this requirement.

No manager employed by Club Plus will use derivatives as a core investment Asset (although the Overlay Manager may use derivatives in the rebalancing process). The role of the Asset Allocation Overlay manager is to monitor the overall assets of the Scheme and by using derivatives to shift the amount invested in different asset classes, ensures that the benchmark for each asset class is maintained within ranges set by the Trustee.

*For example, the benchmark allocation for Australian Shares in the Balanced Option is 37%. If the value of the investments held in Australian Shares increased by 20%, then the Balanced Option would be overweight in Australian Shares. That means that the proportion of the fund's assets held in Australian Shares would be too high, and that the proportion held in other asset classes would be too low. The Overlay Manager would then trade derivative contracts in Australian Shares and the other asset classes in order to "rebalance" Club Plus' assets.*

## Socially Responsible Investments

Socially responsible investment refers to investments that take into account environmental, labour standards and other social issues within portfolios. Under such investments, the investments will only be with companies and sectors that have socially responsible policies in place.

The Trustee in the development of its investment goals and the investment managers appointed by the Trustee have not taken into account any socially responsible factors.

## Reserving Policy and Interim Crediting Rates

Club Plus does not maintain reserves for the specific purpose of smoothing returns.

Each month, an Interim Crediting Rate will be declared for each investment option. The Interim Crediting Rate represents the estimated earning rate for the month, with 0.5% being deducted from the rate. This occurs due to the monthly rates being based on information supplied by the Investment Managers each month that is unaudited. The Investment Managers supply final statements as at 30 June that contain audited figures and take into account all taxes payable by the Investment Managers.

When the 30 June Statements are received from the Investment Managers, the Club Plus Trustee will determine the final crediting rates to be applied for the year. This will be based on the return on investments, and any amounts that are available for distribution after the payment of all operating expenses.



## How your Investment Return is Calculated

Club Plus allocates investment returns to members accounts annually after 30 June. If you change your investment option, make a full or partial claim on your account an interim crediting rate is applied to your account.

## How are Investment Returns Calculated?

The calculation of investment returns occurs using different estimated earning rates for each month, for each of the six investment options. These estimates will take account of known and estimated changes in investment values to the end of each month and for part or all of a current month until these values are updated, Investment returns equal to the 90 Day Bank Bill rate will be used (less 15% for tax).

After 30 June each year, investment returns will be allocated to your account at the final crediting rates. Each transaction to your account will have Investment returns applied at the rate for that month. For example, if in July the earning rate for the month was 1.5% and your employer paid a contribution of \$200 to your account on the 1st of July then that contribution would earn a \$3.00 investment return for that month. Using the same principle, investment returns would be applied to that contribution at the earning rates for August, September, etc. at the earning rates for those months. Where an amount is only invested for part of a month, then investment returns are paid for the part month only. For example, a contribution received on 25 April would earn 5/30ths of the investment returns rate for the month.



# Club Plus investments (continued)

## CASH OPTION

### OVERVIEW

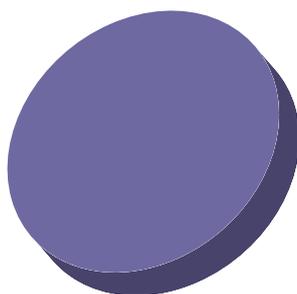
The Cash Option is designed to suit members who do not wish to see any reduction in the capital value of their account balance and who accept the lower long-term return compared to other options. It may also be suitable for someone near retirement who intends to use their retirement payout for capital expenditure rather than longer term investment. It may be suitable for someone with an investment horizon of at least three (3) years.

Whilst this option is designed to consistently provide a positive return on investment, long-term investment may result in a low accumulation of retirement savings.

### INVESTMENT OBJECTIVE

The long term objective of this option is to achieve a return after deduction of fees and taxes, of at least the average return on retail cash management trusts after 15% tax and fees. Retail cash management trusts are investment products which hold short term securities such as 90 day bank bills and short term Government securities. The average returns on these trusts is published monthly in the Reserve Bank Statistical Bulletin in table F04 under "Cash Management Trusts".

### ASSET ALLOCATION



Australian Shares	0%
Overseas Shares	0%
Direct Property	0%
Listed Property	0%
Alternative Investments	0%
Australian Bonds	0%
Overseas Bonds	0%
Cash	100%

Asset Allocation at 30 June 2008

## CONSERVATIVE OPTION

### OVERVIEW

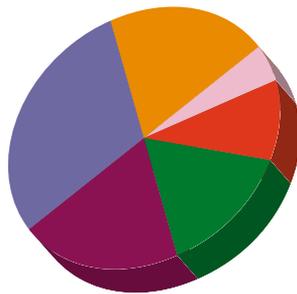
The Conservative Option is designed to suit members who have a conservative outlook (ie they do not like investments that are volatile) to investing their superannuation. It may be suitable for someone with an investment horizon of three (3) years or more.

The Conservative Option has also been designed to minimise the risk of a negative return over the three (3) year time horizon however negative annual returns are still a possibility. It is estimated that this investment option will have a positive return nine out of every ten years.

### INVESTMENT OBJECTIVE

The long term objective of this option is to achieve a return after the deduction of fees and taxes, of at least 3% pa above CPI inflation over a member's working life. CPI is the Consumer Price Index for all capital cities and is a commonly adopted measure of price inflation.

### ASSET ALLOCATION



Australian Shares	20%	15 - 25%
Overseas Shares	5%	0 - 10%
Direct Property	10%	0 - 15%
Listed Property	0%	0 - 5%
Alternative Investments	15%	0 - 20%
Australian Bonds	20%	10 - 30%
Overseas Bonds	0%	0 - 10%
Cash	30%	10 - 40%

Asset Allocation at 30 June 2008  
Benchmark Ranges at 30 June 2008

## BALANCED OPTION

Default option for new members aged 46 and over at the time of joining club plus

### OVERVIEW

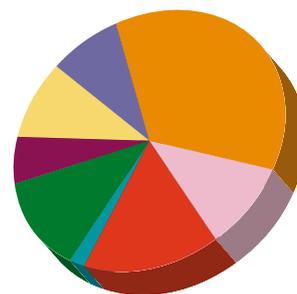
The Balanced Option has been designed as a mix of investments that will provide a steady rate of return to members with a moderate level of volatility. This option may be suitable for someone with an investment horizon of five (5) years or more.

There is some degree of volatility with this option, and it is estimated that this investment option will have a positive return eight out of every ten years.

### INVESTMENT OBJECTIVE

The long term objective of this option is to achieve a return after the deduction of fees and taxes, of at least 4% pa above CPI inflation over a member's working life. The CPI is the Consumer Price Index for all capital cities and is a commonly adopted measure of price inflation.

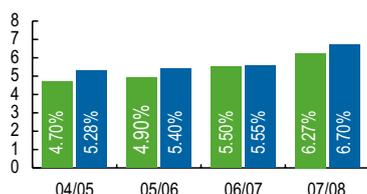
### ASSET ALLOCATION



Australian Shares	36%	32 - 42%
Overseas Shares	10%	0 - 15%
Direct Property	16%	0 - 18%
Listed Property	2%	0 - 10%
Alternative Investments	13%	0 - 17%
Australian Bonds	6%	0 - 11%
Overseas Bonds	9%	0 - 13%
Cash	8%	0 - 20%

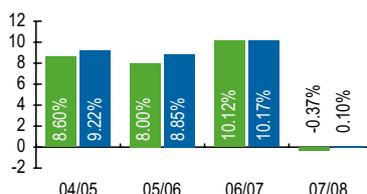
Asset Allocation at 30 June 2008  
Benchmark Ranges at 30 June 2008

### PERFORMANCE TO JUNE 2008\*\*\*

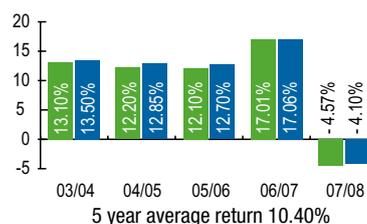


Net Earning Rate (%)  
Net Crediting Rate (%)

### PERFORMANCE TO JUNE 2008\*\*\*



### PERFORMANCE TO JUNE 2008\*\*\*



- The Balanced Option is the default investment option for all members who joined Club Plus prior to 1 January 2008, and for members aged 46 and over who joined the fund from 1 January 2008.
- The High Growth Option is the default investment option for all members aged 30 or less who join Club Plus after 1 January 2008.
- The Growth Option is the default option for members aged between 31 and 45 who join Club Plus from 1 January 2008.
- The rates shown for the Cash, Conservative, Growth and Australian Shares Options are for four years. As these options commenced from 1 July 2004, there are no performance information for prior years.
- The rates shown for the High Growth Option is for one year. As this option commenced 1 January 2008, there is no performance information for prior years.

*It is important to note that the Conservative, Balanced, Growth and High Growth Options all invest a portion of their assets in Australian Shares. If you choose to split your investment across a number of options that includes the Australian Shares option, your actual exposure to Australian shares in Club Plus will be higher than just the percentage that you invest in the Australian Shares option.*

### GROWTH OPTION

Default option for members aged between 31 and 45 at the time of joining club plus

#### OVERVIEW

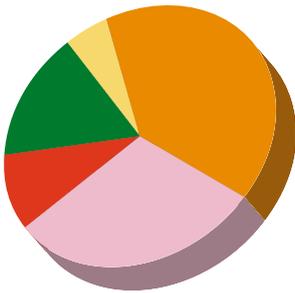
The Growth Option has been designed to suit members who have a longer term investment time horizon of seven (7) years or greater, and can absorb the volatility associated with a growth oriented investment.

This option is likely to be more volatile than the Balanced Option, and it is estimated that this investment option will have a positive return seven out of every ten years.

#### INVESTMENT OBJECTIVE

The objective of this option is to achieve a return after the deduction of fees and taxes, of at least 5% pa above CPI inflation over the member's working life. The CPI is the Consumer Price Index for all capital cities and is a commonly adopted measure of price inflation.

#### ASSET ALLOCATION



Australian Shares	40%	35 - 45%
Overseas Shares	30%	0 - 45%
Direct Property	10%	0 - 15%
Listed Property	0%	0 - 10%
Alternative Investments	15%	0 - 20%
Australian Bonds	0%	0 - 10%
Overseas Bonds	5%	0 - 10%
Cash	0%	0 - 10%

Asset Allocation at 30 June 2008  
Benchmark Ranges at 30 June 2008

### AUSTRALIAN SHARES OPTION

#### OVERVIEW

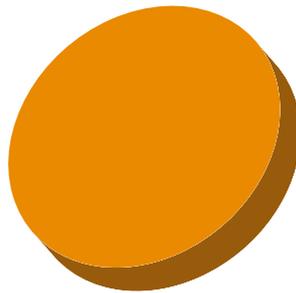
The Australian Shares Option gives Club Plus members the opportunity to have their funds invested with investment managers who invest solely in the Australian share market. This option may be suitable for someone with an investment time horizon of ten (10) years or more.

There is a high degree of volatility with this option, and it is estimated that this investment option will have a positive return six out of every ten years.

#### INVESTMENT OBJECTIVE

The long term objective of this investment option is to achieve a return after the deduction of fees and taxes that exceeds the return of the Australian share market less 15% tax and manager's fees. The return of the Australian Share market is measured by the percentage change in the S&P ASX 300 Accumulation Index. The Australian Share managers used by Club Plus are active managers which generally hold only 50 to 100 of the companies included in the index. Therefore the return achieved by these managers will not exactly match the index.

#### ASSET ALLOCATION



Australian Shares	100%	0 - 100%
Overseas Shares	0%	0 - 10%
Direct Property	0%	0 - 10%
Listed Property	0%	0 - 10%
Alternative Investments	0%	0 - 10%
Australian Bonds	0%	0 - 10%
Overseas Bonds	0%	0 - 10%
Cash	0%	0 - 10%

Asset Allocation at 30 June 2008  
Benchmark Ranges at 30 June 2008

### HIGH GROWTH OPTION

default option for members under age 31 years at the time of joining club plus

#### OVERVIEW

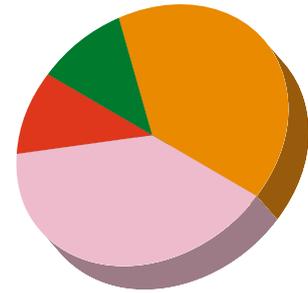
The High Growth Option has been designed to suit members who have a longer-term investment time horizon of ten (10) years or greater, and can absorb the volatility associated with a growth oriented investment.

This option is likely to be more volatile than the Growth Option, and it is estimated that this investment option will have a positive return six out of every ten years.

#### INVESTMENT OBJECTIVE

The objective of this option is to achieve a return after the deduction of fees and taxes, of at least 5.5% pa above CPI inflation over the member's working life. The CPI is the Consumer Price Index for all capital cities and is a commonly adopted measure of price inflation.

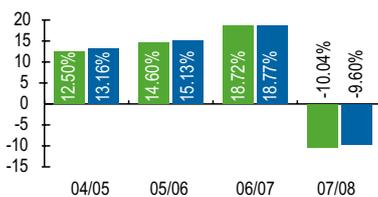
#### ASSET ALLOCATION



Australian Shares	40%	35 - 45%
Overseas Shares	40%	0 - 45%
Direct Property	10%	0 - 15%
Listed Property	0%	0 - 5%
Alternative Investments	10%	0 - 15%
Australian Bonds	0%	0 - 10%
Overseas Bonds	0%	0 - 10%
Cash	0%	0 - 10%

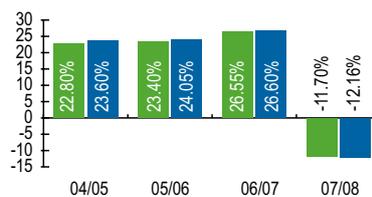
Asset Allocation at 30 June 2008  
Benchmark Ranges at 30 June 2008

#### PERFORMANCE TO JUNE 2008\*\*\*



Net Earning Rate (%)  
Net Crediting Rate (%)

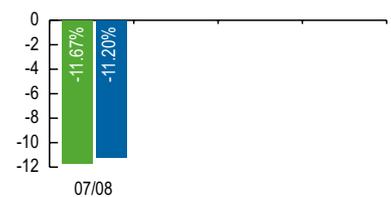
#### PERFORMANCE TO JUNE 2008\*\*\*



Please note that past performance is not a reliable indicator of future performance. The figures shown above are for comparative purposes only.

#### PERFORMANCE TO JUNE 2008\*\*\*

##### NEW INVESTMENT OPTION FROM 1 JANUARY 2008



## Club Plus investments (continued)

### Investments that exceed 5% of the fund's assets

The Trustee is required to disclose whether any individual investment (such as shares in a company) exceeds 5% of the fund's assets.

At 30 June 2008, there were no individual investments that exceeded 5%. No individual asset held by the investment managers who invest on behalf of Club Plus exceeds 5% of the total assets of the fund.

### Manager holdings at 30 June.

Manager	30 June 2008	30 June 2007
Acadian Global Equity Fund	37,730,375	44,529,873
Advance Smaller Companies Wholesale Fund	6,891,323	11,479,651
AMP Infrastructure Debt No 2	27,371,028	18,808,386
AMP Life Limited (Direct Shareholding)	1,874,190	2,835,098
ANZ Energy Infrastructure Trust	34,944,764	19,147,109
Australian Prime Property Trust (Commercial)	29,744,865	25,990,636
Australian Prime Property Trust (Retail)	71,084,187	55,535,688
Babcock & Brown Direct Inv Fund Mezzanine Debt Trust	12,555,523	11,382,487
Babcock & Brown Senior Debt Trust	2,891,504	-
Barclays Aust Alpha Equity Fund	67,768,800	62,447,603
Barclays Aust Share PST	-	5,020,771
Barclays Hedged International Alpha Equity Fund	26,511,190	30,478,395
BGI Global Ascent Fund	9,687,677	-
BT Core Wholesale Australian Share Fund	61,851,381	59,450,925
BT Core Australian Share PST	-	5,041,731
BT Global Return Fund	19,045,379	-
Cash	6,847,892	6,000,000
Challenger Small Companies Fund	-	23,128,368
Colonial First State Diversified Property	16,956,606	14,692,570
Colonial First State Private Property Syndicate	25,688,697	21,716,985
Commonwealth Bank (Direct Shareholding)	11,823,999	16,262,782
Credit Suisse International Share Fund	27,556,496	33,708,608
Credit Suisse Australian Fixed Interest	-	31,054,258
Dimensional Australian Value Trust	52,800,553	60,923,292
Dimensional Emerging Markets Trust	1,199,942	-
Hastings Yield Fund	15,946,596	15,228,498
HHG Pty Ltd (UK Direct Shareholding)	153,754	324,106
IFM Australian Infrastructure	6,310,146	-
Industry Super Property Trust	35,894,840	33,062,249
Lazard Australian Select Equity Trust	22,439,290	28,652,283
Legg Mason Property Securities Trust	25,270,172	40,685,672
Maple-Brown Abbott Aust Equity	62,123,777	59,411,429
Maple-Brown Abbott Aust Equity PST	-	4,925,607
Mellon Global Alpha Trust	7,847,433	-
Members Equity (Super Business Loans)	4,869,938	4,624,655
MIR Australian Equities	-	30,277,526
Perennial Value Australian Shares Trust	61,249,835	68,220,697
Perennial Western Asset Management Global Bond Fund	31,676,174	32,829,478
Perpetual Diversified Infrastructure Fund	10,320,069	10,237,670
Perpetual Exact Cash Fund	139,468,467	147,429,977
PIMCO Global Bond Fund	30,789,045	31,726,634
State Street Global Advisers (Tactical Asset Allocation)	35,922,139	24,940,174
Vanguard Australian Fixed Interest Index Fund	87,205,097	53,080,961
Vanguard Australian Shares Index Fund	2,433,348	-
<b>TOTAL</b>	<b>1,132,746,491</b>	<b>1,145,292,832</b>

# Club Plus' financial position at 30 June 2008

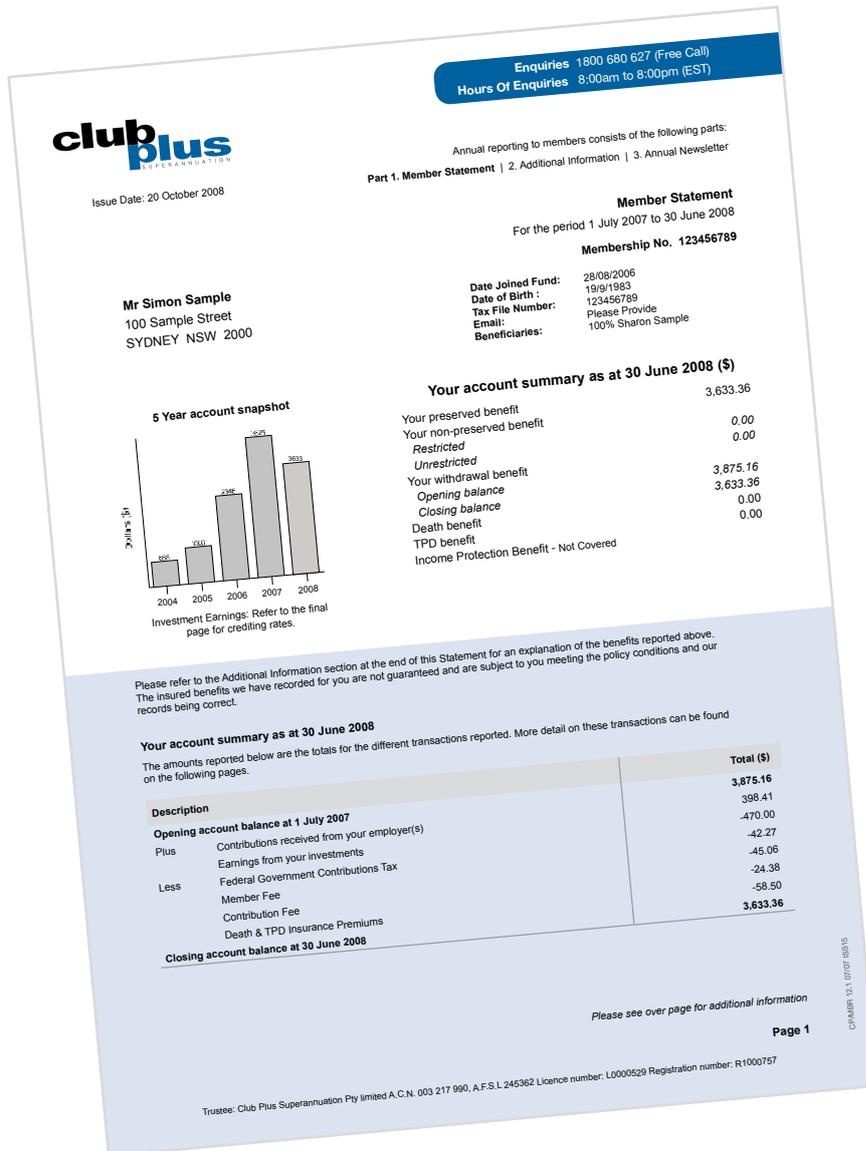
## Statement of Financial Position as at 30 June 2008

	2008	2007
	\$	\$
<b>ASSETS</b>		
Cash	13,523,266	6,716,633
Trade and other receivables	64,127,594	84,666,082
Investments	1,132,746,491	1,145,292,832
<b>TOTAL ASSETS</b>	<b>1,210,397,351</b>	<b>1,236,675,547</b>
<b>LIABILITIES</b>		
Trade and other payable	2,260,195	1,819,657
Benefits Payable	502,703	3,583,208
Tax Liabilities	7,544,376	23,558,854
<b>TOTAL LIABILITIES</b>	<b>10,307,274</b>	<b>28,961,719</b>
<b>NET ASSETS AVAILABLE TO PAY BENEFITS</b>	<b>1,200,090,077</b>	<b>1,207,713,828</b>
<b>NET ASSETS</b>		
Net Assets opening balance @ 1 July	1,207,713,828	982,849,731
<b>PLUS</b>		
Employer contributions	114,304,079	109,942,747
Member contributions	20,521,808	27,073,378
Rollovers/Transfers	43,064,781	25,172,204
Other Income	1,660,663	1,927,798
Investment earnings	(59,426,907)	189,304,277
<b>LESS</b>		
Benefits paid	104,293,546	81,094,600
Insurance premiums	12,055,833	12,080,908
Management/Administration fees	4,621,488	4,779,103
Tax Expenses	6,777,308	30,601,696
<b>Net Assets opening balance @ 30 June</b>	<b>1,200,090,077</b>	<b>1,207,713,828</b>

*This financial summary is based on partly audited accounts.*

*The full audited accounts and auditors report will be available to members on request after November 2008.*

# Your Member Statement



## Front Page

The front page of your member statement shows your personal details and a summary of the transactions to your account during the period 1 July 2007 to 30 June 2008.

## Following Pages

These pages provide a detailed break-up of each transaction to your account including the date that each transaction occurred.

## Additional Information

This provides additional information about your statement and an explanation of the information that is provided in the statement.

**If you have any questions about your member statement please contact Club Plus on 1800 680 627.**

Club Plus Income Protection insurance will provide you with a replacement for your income for up to two years in the event that a sickness or injury prevents you from working. This insurance complements the existing death and total and permanent disablement insurance that is provided by Club Plus.

\*The following information on Income Protection is only valid for sickness or injury that prevented you from working up to 30 June 2008.

Income Protection insurance cover is automatically provided - there is no questionnaire or medical examination required to receive the cover. The cost is the equivalent of approximately 0.85% of your salary (based on 9.4% of the Superannuation Guarantee Contributions received from your employer) and is deducted from your Club Plus member account each week.

The Income Protection insurance is arranged for Club Plus by one of this country's biggest providers of income protection insurance, International Underwriting Services Pty Limited (IUS). The IUS policy is underwritten by Allianz Australia Insurance Limited.

From 1 July 2008 new Income Protection insurance arrangements were introduced. For more information on the new Income Protection arrangements please refer to the Member Booklet (PDS) dated 1 July 2008.

### When will cover commence?

If you were an active employed member at 1 January 2005, and did not opt-out of Income Protection insurance cover, your cover commenced on that date.

For any active employed member who commences employment after this date, cover will commence from the date of employment.

### When are you covered?

As an active employed member, you will have income protection cover, provided your employer makes Superannuation Guarantee contributions to Club Plus for you, and there are sufficient funds in your Club Plus account to pay the insurance premiums. You are covered 24 hours a day, seven days a week, worldwide.

### When does cover cease?

Your cover ceases when one of the following events occurs:

- You cease to be employed by an employer who participates in Club Plus
- There are insufficient funds in your Club Plus member account to deduct premiums,
- In the case of sickness when you turn age 65, and in the case of accident when you turn 70.

Note that cover will continue even if you are receiving income protection payments as a result of a sickness or injury.

### How much does cover cost?

The cost of insurance is based on the amount that your employer pays in Superannuation Guarantee (SG) contributions. The premium is approximately 0.85% of your salary, calculated from the SG contributions, which are 9% of your salary. The amount deducted from your member account each week will equate to 9.4% of SG contributions made by your employer.

#### **Example:**

*Joe works for City Bowling Club and earns \$25,000 per year (\$480.77 per week).*

*He will pay \$4.09 per week Income Protection insurance premium.*



### How much cover is provided?

You are covered for up to 90% of your salary (including overtime and allowances) up to the limit of the maximum amount of salary used for calculating Superannuation Guarantee (\$36,470 per quarter for the year ending 30 June 2008). If you have agreed with your employer to salary sacrifice part of your income, the part of your income that you have salary sacrificed will not be included in your salary when determining the cover provided. The following conditions apply:

- There is a 21 day waiting period, therefore no benefits will be payable if you are unable to work for a period of 21 days or less;
- The maximum period that a benefit will be paid in respect of any sickness or injury is 24 months;
- The amount payable will be reduced by any other payments received (i.e. Workers' Compensation);
- Superannuation Guarantee contributions of 9% of the income that you received prior to the sickness or injury will be paid into Club Plus on your behalf for the duration of the claim payment period;
- Insurance premiums will continue to be deducted and your Income Protection insurance cover will be maintained throughout the payment period.
- You will be covered for sickness until you turn 65, and for accident until you turn 70.

#### **Example:**

*Joe works for City Bowling Club and earns \$25,000 per year (\$480.77 per week). He is unable to work for a period of twelve months due to injuries as a result of a car accident.*

*During the twelve months he is away from work, he is entitled to weekly payments of \$432.69 (90% of his usual pay) from his Club Plus Income Protection Insurance. Additionally, a superannuation contribution of \$38.94 per week (representing 9% of his salary) is paid into his Club Plus Superannuation account.*

Additional Benefits include:

- Rehabilitation Assistance and Return to Work Assistance - whilst you are receiving payments due to injury or sickness, assistance will be available to help you to return to work;
- Extended Between Job Cover - if you cease work with an employer who participates in Club Plus and are planning to recommence work with another employer who participates in Club Plus, you will have cover for up to ninety days prior to recommencing employment. This cover is only available where the position with the new employer has been accepted prior to terminating employment with the previous employer.
- Homemaker Assistance - where an injured person's non-working spouse or partner who performs "home-maker" duties is injured a benefit of up to \$200 may be paid for a maximum of 10 weeks.
- Funeral Expenses - where a person dies during the benefit payment period, an amount equivalent to one week's benefit will be paid toward funeral expenses.

## Exclusions

For members who join Club Plus after 1 January 2005, cover will not be provided for any sickness that the member was under treatment for or had advice for in the six-month period prior to their cover commencing. For existing actively employed members at 1 January 2005, there are no exclusions relating to pre-existing sickness, provided they were at work immediately before the cover commenced.

No benefit will be payable where an absence from work relates to an injury that occurred prior to 1 January 2005.

Other exclusions include injuries arising from:

- War;
- Radioactivity, or nuclear material;
- Nuclear, biological or chemical terrorism;
- Intentional self inflicted injury, suicide or attempt at suicide.

Additionally, the policy does not cover any Event directly caused by or resulting from:

- You being a pilot or crew member of any aircraft: or engaging in any aerial activity except as a passenger in a properly licensed aircraft;
- Pregnancy, childbirth or miscarriage other than a complication arising from any of those conditions which requires hospitalisation in the first 33 weeks of pregnancy. No benefit will be paid during a period of maternity leave;
- Any professional sporting activity;
- A criminal act committed by you;
- Any pre-existing sickness. This will not apply to active employed members who are covered at inception of the Policy, provided they were at work immediately before the cover commenced;
- Any pre-existing injury.

## Is cover compulsory?

No, you can elect to opt out of Income Protection insurance at any time by advising Club Plus in writing.

## Do I need Income Protection insurance if I'm already covered for Total and Permanent Disablement?

The two types of insurance cover you for different circumstances. The main differences are:

### Total and Permanent Disablement

This insurance covers you in the event that you suffer an illness or accident that permanently prevents you from working at any occupation that it is reasonable to expect you to perform.

The benefit is payable as a lump sum, and you can take out up to \$2,000,000 worth of cover with Club Plus.

### Income Protection Insurance

This insurance covers you in the event that you suffer a sickness or accident that temporarily prevents you from working at full capacity in your current occupation.

The benefit is generally payable as a fortnightly payment (plus Superannuation Guarantee Contributions) and is only payable for a period of up to 24 months.

It is recommended that before making any decision regarding your insurance coverage that you seek advice from a qualified financial adviser. Please note that the information above is of a general nature and is intended only as a brief guide to the policy. Actual terms and conditions etc. will be governed by the policy document, which is available on request.

## Club Plus Income Protection Insurance - ADDITIONAL COVERS

The additional insurance benefits are provided by International Underwriting Services and are underwritten by Manchester Unity Australia Ltd (ABN 99 087 648 771).

### When did cover commence

Cover commenced from 1 April 2005

### Who is covered?

All Club Plus members who are eligible for Income Protection Insurance Cover will be entitled to the additional benefits. You must be an 'active employed member of Club Plus', less than 70 years of age and had sufficient funds in your Club Plus Superannuation membership account at the time of the incident that led to the claim, to allow income protection insurance premiums to be deducted.

### What is an active employed member?

An 'active employed member' is a person who is employed by an employer who pays Award or Superannuation Guarantee contributions to Club Plus. If you have ceased to be employed by an employer who participates in Club Plus, or your employer pays Superannuation Guarantee contributions to another superannuation fund, then you will not be entitled to Club Plus Income Protection insurance.

### When does cover cease?

Your cover ceases when one of the following events occur:

- You cease to be employed by an employer who makes Superannuation Guarantee contributions for you into Club Plus;
- Your death (with the exception of the funeral expense - refer to the additional benefits below);
- There are insufficient funds in your Club Plus member account to deduct premiums; or
- You have reached 70 years of age.

### How much does cover cost?

The cost of this insurance is being met by International Underwriting Services on behalf of Club Plus. The cost of this insurance cover is not included in the premiums that are deducted from your Club Plus Superannuation member account for Income Protection Insurance.

### What are the benefits?

Benefits are provided in the event of:

- Emergency Ambulance Transportation; and
- Accidental dental cover.

### Emergency Ambulance Transportation

This means transportation by ambulance, in circumstances of Injury or Sickness or pregnancy, to the nearest available hospital which is equipped to deal with the nature of the emergency where the patient is:

- At risk of serious morbidity or mortality and requiring urgent assessment and resuscitation; or
- Suffering from suspected acute organ or system failure; or
- Suffering from an illness or injury where the viability or function of a body part or organ is acutely threatened; or
- Suffering from a non-prescribed drug overdose, toxic substance or toxin effect that is not as the result of intentional self-administration; or
- Experiencing severe psychiatric disturbance whereby the health of the patient or other people is at immediate risk; or
- Suffering acute severe haemorrhage and requiring urgent assessment and treatment.
- Non-emergency transportation by ambulance may be covered when medically justified by and authorised by the hospital or medical officer concerned.
- Inter-hospital transfers are not covered.

### Accidental Dental Cover

The Accidental Dental benefit covers injury caused solely and directly by external means and excludes injuries caused whilst eating or arising out of or in the course of sporting activities. Benefits will be paid for dental items that are specifically related to the injury, and provided by a registered Dentist in private practice recognised by Manchester Unity.

### Exclusions

The following exclusions apply to the additional benefits.

No benefit will be paid as a result of an event that happened:

- As a result of war, invasion or civil war (but not terrorism);
- In the course of employment of an Insured Person or Immediate Family;
- While flying, except as a fare-paying passenger on a commercial aircraft;
- On or before the date the application for membership is accepted by Manchester Unity;
- While engaging in racing or professional sports;
- While committing an illegal act;
- As a result of drug or alcohol abuse, or any other self-inflicted injury.

The following exclusions apply to accidental dental cover only.

No benefit shall be paid for an injury:

- Caused by or happening while the Insured Person is eating;
- Caused by or happening while the Insured Person is engaged in a sporting activity.

### Making a claim

Every claim for Benefit under the insurance policy shall be made in the form prescribed by Manchester Unity and shall be accompanied by such evidence of Accident and resulting injury and/or death as Manchester Unity may determine. No notice period is required before a benefit is payable, but no benefit is payable until Manchester Unity has assessed the claim and agreed that a benefit should be payable under these Rules.

All certificates and evidence required by Manchester Unity to assess your claim shall be furnished as required at the Insured Person's expense.

### Report of claim forms

Manchester Unity will, upon receipt of a notice of claim furnish such forms as are usually required by Manchester Unity for filing Proof of Claim.

### Proof of claim and time limit

Written Proof of Claim must be furnished to Manchester Unity at their office within ninety (90) days after the date of the Event. Failure to furnish such proof within the time required shall not invalidate nor reduce any claim if it was not reasonably possible to do so, provided that the proof is furnished as soon as is reasonably possible and in no event except in the absence of legal capacity, later than twelve (12) calendar months from the time it would normally be required.

*As a member of Club Plus employed by a Club Plus employer you are automatically accepted for 1 unit of Death, Terminal Illness and TPD insurance cover, without medical assessment, up to age 65 at a cost of \$1.50 per week. Your level of cover is based on your age and decreases each birthday (see table of insured benefits on page 18).*

## Death, Terminal Illness & TPD Insurance

Although you are covered for Death, Terminal Illness and TPD, you can only claim one insurance benefit. For example, if you become Totally and Permanently Disabled and you claim a TPD insurance benefit and you die after receiving the TPD benefit, your beneficiaries are not entitled to claim a Death or Terminal Illness insurance benefit.

Your cover for Death, Terminal Illness and TPD insurance cover costs \$1.50 per week per unit of cover. Insurance premiums are deducted from your account on the last Friday of each month.

The amount of insurance cover you have will depend on your age. To check the value of each unit of Death, Terminal Illness and TPD Insurance cover for your age please refer to the table on page 18.

At the end of each month, once your insurance premiums are deducted from your account, the premiums are forwarded to Club Plus' life insurer.

*Please read all of this section to ensure that you understand how your insurance works and when you are covered. If you have any questions please call the Club Plus Enquiry Service on 1800 680 627.*

Death, Terminal Illness and TPD insurance cover is provided to Club Plus members 24 hours a day, 7 days a week for anywhere in the world provided you have sufficient funds in your member's account to continue paying premiums.

New members automatically receive one unit of Death, Terminal Illness and TPD insurance (default cover).

### Spouse members

If you become a member of Club Plus due to your spouse making contributions on your behalf, you are not eligible for insurance cover. If you become a member of Club Plus as a non-member spouse (due to a payment split under the Family Law provisions) you are not eligible for insurance cover.

### When does cover start?

Your default cover for Death, Terminal Illness and TPD starts on the later of the following dates:

- the date you commence employment with your employer;
- and where your employer's first employer contribution to Club Plus does not relate to the date you commenced employment with your employer (eg. if your employer's first contributions were made to another superannuation fund on your behalf)
- the date which is the beginning of the period to which your employer's first contribution to Club Plus on your behalf relates.

However, if you are not in 'active employment' on the date cover starts, then your Death, Terminal Illness and TPD insurance cover will be on a Limited Cover basis only. Once you have returned to 'active employment' for two consecutive months the Limited Cover provision will be removed and full cover will apply.

Your Death, Terminal Illness and TPD insurance cover will also be on a Limited Cover basis if your employer does not make a contribution on your behalf within 180 days of the date on which you commenced employment with your employer. Where Limited Cover is provided for this reason, the Limited Cover provision will be removed and full cover will apply after 12 months. For example, if you commenced work on 1 April 2008 but your first employer contribution is not received by Club Plus by 28 September 2008, you would be provided with Death, Terminal Illness and TPD insurance cover on a Limited Cover basis until 1 April 2009 and full cover after that date.

### What is Limited Cover?

'Limited Cover' means you are only covered for claims arising from:

- an illness which first became apparent; or
- an injury which first occurred,

on or after the date your cover last commenced, recommenced or increased under Club Plus's insurance policy.

**Importantly**, whilst you have only Limited Cover, you will not be covered for Death, Terminal Illness or Total and Permanent Disablement arising from an illness, which first became apparent, or an injury which first occurred, before the date your cover last commenced, recommenced or increased under Club Plus's insurance policy (i.e. excluding pre-existing illnesses or injuries).

The amount of your 'Limited Cover' will be one unit of Death, Terminal Illness and Total and Permanent Disablement cover.

However, whilst you have only Limited Cover, a benefit will not be paid if:

- you die due to suicide which happens within 13 months of cover commencing; or
- you suffer from a terminal illness or become totally and permanently disabled due to intentional self-inflicted injury or infection or attempt at suicide.

### What does 'at work' mean?

You are 'at work' if you are:

- actively performing all the duties and work hours of your usual occupation with your employer free from any limitation due to illness or injury and you are not entitled to or receiving income support benefits from any source (e.g. workers' compensation benefits); or
- on leave approved by your employer for reasons other than illness or injury, and on the last working day immediately before you commenced the leave you were:
  1. actively performing all the duties and work hours of your usual occupation with your employer free from any limitation due to illness or injury; and
  2. not entitled to or receiving income support benefits from any source (e.g. workers' compensation benefits).

# Insurance

## Death, Terminal Illness and Total & Permanent Disablement Cover (continued)

### What does 'active employment' mean?

You are in 'active employment' if you are employed (including full paid leave except leave which is caused by illness or injury) by an employer to carry out identifiable duties and in our opinion are not restricted by injury or illness from being capable of carrying out the identifiable duties of your current and normal occupation on a full time basis.

### When does cover start if I apply for additional units of cover?

All applications for additional units of cover will start from the date the insurer advises acceptance in writing. However, the insurer will provide accidental Death and accidental TPD cover while an application for cover, or an increase in cover, is being assessed. Under this type of cover, the Death or Total and Permanent Disablement must occur within 60 days of the accident.

An accident is defined as being a bodily injury caused solely and directly by accidental, external and visible means, independent of any other cause.

Accidental Death cover and accidental TPD cover is provided based on the level of cover or additional cover applied for (subject to a maximum of \$1,000,000). For full details contact the Club Plus Enquiry Service on 1800 680 627.

### When does cover end?

Your Death, Terminal Illness and TPD insurance cover will continue under Club Plus until one of the following happens:

- a Death, Terminal Illness or Total and Permanent Disablement Insurance benefit becomes payable; or
- you die; or
- you reach the cover expiry age which at present is age 65; or
- if your account is transferred to the Club Plus Sub-Fund (account balance is less than \$500 and no contribution has been received in the preceding six months),
- the date we receive your written request for cover to end; or
- the date you cease to be a member of Club Plus; or
- the date you no longer have sufficient funds in your account to cover the cost of the next insurance premium; or
- the date you join any armed forces, other than the Australian Armed Forces Reserves; or
- the policy terminates.

If your cover ends due to Club Plus receiving your written request for your cover to end, and you later wish to have your cover reinstated, the automatic acceptance limit will not apply to you and you will need to complete an 'Application to Increase Insurance Cover' form.

This form must include evidence of health, satisfactory to the insurer, and must be accepted in writing by the insurer.

### Changing from one employer to another

Where cover ceases due to you ceasing employment with a Club Plus employer, cover will be automatically reinstated to your previous level and type of cover if you recommence 'active employment' with the same or a different Club Plus employer and the break in employment is no longer than 6 months. Cover will recommence from the date that you commence 'active employment' with the Club Plus employer, provided your new employer makes contributions to the Fund on your behalf.

If the break in employment is longer than 6 months, then insurance cover will commence at the default level (1 unit of Death, Terminal Illness and TPD insurance cover). In either case, if you are not in 'active employment' at the start of employment then 'Limited Cover' will be provided, at the default level (1 unit of Death, Terminal Illness and TPD insurance cover), until you have returned to 'active employment' for 2 consecutive months. (See page 16 for what 'Limited Cover' means).

If you have previously had cover declined, cover will only be available if you provide evidence of health satisfactory to the insurer and the insurer accepts you for cover.

### Is insurance cover compulsory?

Although 1 unit of Death, Terminal Illness and TPD insurance cover is automatic when you join Club Plus, it is not compulsory and you may choose to cancel cover at any time by advising Club Plus in writing. If you elect not to have insurance cover and subsequently want cover at a later date, you will only be eligible for cover if you provide evidence of health satisfactory to the insurer and the insurer accepts you for cover.

### Do you want Additional cover?

Additional cover can be applied for at any time, with the maximum allowable cover being \$2,000,000.

To apply for additional cover, please contact Club Plus on 1800 680 627.

**Please note:** If your application for additional cover is declined, any existing insurance cover under Club Plus is not affected.

## Exclusions

No benefit will be paid for you if your Death, Terminal Illness or Total and Permanent Disablement is caused directly or indirectly by an act of war which occurs outside of Australia. In the event that the World Health Organisation declares a Level 5 Pandemic situation, no benefit will be payable where a member dies within 30 days of cover commencing, and the sole or dominant cause of the member's death is a Pandemic illness (or a condition which arose as a direct consequence of a pandemic illness).

### What is the cost of Death, Terminal Illness and TPD insurance cover?

Death, Terminal Illness and TPD insurance cover costs \$1.50 per unit per week and is deducted from your account balance on the last Friday of each month. If your account balance is insufficient to cover your next insurance premium, your cover will end without notice.

**Please read all of this section to ensure that you understand how your insurance works and when you are covered. If you have any questions please call the Club Plus Enquiry Service on 1800 680 627.**

## Total and Permanent Disablement (TPD)

If you cease work with a Club Plus employer due to injury or illness, you may be entitled to receive payment of the insured amount if you have TPD insurance cover. In order to be eligible to receive a TPD benefit payment you must meet the definition of TPD in the relevant insurance policy.

Under Club Plus' current policy you will be considered Total and Permanently Disabled if, in the opinion of the insurer, as a result of injury or illness, you meet one of the following criteria:

1. suffering the loss of two limbs, or the loss of sight of both eyes, or the loss of one limb and the sight of one eye (where limb is defined as the whole hand or foot), or
2. having been absent from your occupation with your Club Plus employer through injury or illness for six consecutive months from the incident date, and having provided proof to the satisfaction of the Insurer that you have become incapacitated to such an extent as to render you unlikely ever to engage in any gainful profession, trade or occupation for which you are reasonably qualified by reason of education, training or experience.

'Incident date' means the later of:

1. the date on which a medical practitioner examines you and certifies in writing that you suffer from the illness or injury that is the principal cause of your disablement; and
2. the date you ceased all work, and must occur while you are covered under the insurance policy.

If you believe you satisfy the above definition, you can lodge a claim by completing a claim form, available on request from Club Plus, and providing medical evidence specifying the nature of your injury or illness.

Due to legal requirements, the claims assessment process is often complicated and it may be some time before your TPD benefit is paid. In accordance with the insurance policy, you must have been absent from work for six consecutive months from the incident date before the Insurer can determine whether you meet the definition of TPD in the policy.

## Terminal Illness

If you cease work with a Club Plus employer due to a terminal illness, you may be entitled to a Terminal Illness benefit. You must suffer from an illness during the period in which you are covered by the insurance policy which meets the definition of 'Terminal Illness' in the relevant insurance policy - the insurer will then pay to the Trustee a Terminal Illness benefit which will be credited to your account in the fund.

Under Club Plus' current policy you will be considered to suffer from a Terminal Illness if you suffer from an illness which:

- a medical practitioner (who is accepted by the insurer as an accepted medical practitioner under the policy), specialising in your sickness certifies in writing will, despite reasonable medical treatment, lead to your death within 12 months of the date of the certification; and
- the insurer is satisfied, on medical or other evidence, will despite reasonable medical treatment lead to your death within 12 months of the date of this certification.

If you believe your illness satisfies the above definition, you can lodge a claim by completing a claim form, available on request from Club Plus, and providing medical evidence specifying the nature of your illness.

Importantly, however, under superannuation law, you will only be able to be paid your Terminal Illness benefit from the fund if you are Permanently Incapacitated or you satisfy another condition of release.

### WHAT IS THE LEVEL OF COVER?

The following table of insured benefits shows the level of cover for one unit of Death, Terminal Illness and TPD insurance cover, according to the Member's age. Where the Member obtains additional units of cover, the number of units cover is multiplied by the amount shown in the table.

Age Last Birthday	One Unit of Cover* (\$)	Age	One Unit of Cover* (\$)
15 to 39	131,500	53	17,500
40	116,800	54	14,700
41	102,300	55	13,200
42	87,600	56	11,800
43	73,000	57	10,400
44	58,500	58	8,700
45	52,600	59	7,300
46	46,800	60	6,100
47	40,900	61	4,900
48	35,100	62	3,700
49	29,200	63	2,500
50	26,300	64	1,300
51	23,400	65 and over	Nil
52	20,500		

\*One Unit of Death, Terminal Illness and Total and Permanent Disablement Cover (\$)



# Fees and other costs

The statement on the right is required by law to be included in this document. The investment management fees stated below are negotiated by the Club Plus Trustee with Club Plus' investment managers for all Club Plus members. Therefore, the Club Plus Trustee is unable to negotiate fees with individual Club Plus members.

## 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](http://www.fido.asic.gov.au)) has a superannuation calculator to help you check out different fee options.

This document 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 in another part of this document.

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

Fees and costs for particular investment options are set out on page 20 of this document.

TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
<b>Fees when your money moves in or out of the fund</b>		
<b>Establishment Fee</b> The fee to open your investment.	Not charged	Not applicable
<b>Contribution Fee</b> The fee charged to your account where a contribution is invested by your employer.	\$0.53	The contribution fee is deducted from your account where a contribution is received from your employer. This is a weekly fee and is charged in a month where your employer makes a contribution.
<b>Withdrawal Fee</b> The fee on each amount you take out of your investment.	\$25.00	Deducted from your account balance when a benefit is made for the following reasons: <ul style="list-style-type: none"> <li>• Rollover / transfer out/Unrestricted Claim</li> <li>• Financial hardship or compassionate grounds</li> </ul>
<b>Termination Fee</b> The fee to close your investment.	Nil	Not applicable
<b>Management Costs</b>		
The fees and costs for managing your investment.  The amount you pay for specific investment options is shown at page 20 of this document.	0.00% to 0.57% p.a.  <b>plus</b> potential Performance Based Fees; Administration cost/Member Fee: <ul style="list-style-type: none"> <li>• 47¢ per week - Active member</li> <li>• 75¢ per week - Inactive member.</li> </ul>	Deducted from the assets of the investment fund and included in the investment return. Refer to 'Investment Management fees' over page for estimate cost of each investment option.  The member fee is charged on a weekly basis and deducted from you account at the end of each month.
<b>Service Fees</b>		
<b>Investment Switching Fee:</b> The fee for changing investment options	\$27.50	One free change of investment option (switch) is allowed each six months. Any additional switches will incur the switching fee.

The above fees are valid till 30 June 2008. Please refer to the Club Plus Member Booklet (PDS) for information on the new fee structure effective 1 July 2008.

## Management Costs and Indirect Costs Ratio

The Management Costs are comprised of the following:

Investment Management Fee (the fee charged by the underlying investment manager for managing the Club Plus' investments)	Varies by investment fund. For the Investment Management Fees applicable to a particular investment fund, please refer to the table at the bottom of this page.	
Administration Costs/ Member Fee (the member account keeping fee charged by Club Plus)	<ul style="list-style-type: none"> <li>Active Members* = \$0.47 per week</li> <li>Inactive Members* = \$0.75 per week</li> </ul>	
Contribution Splitting Fee  The fee charged where you split some of your contributions to your spouse.	\$55.00	There is no charge where your spouse is a Club Plus member and is receiving the split contributions. Fee payable where your contributions are being split to a fund other than Club Plus.

\* An Active member is defined as a member who is employed by an employer who participates in Club Plus. Once Club Plus is advised that you have ceased employment with participating employer, you become an Inactive member.

Management Costs other than the Member Fee are expressed as a percentage and are referred to as the 'Indirect Cost Ratio' (ICR). The ICR for Club Plus is the Investment Management Fees which are set out on this page.

## Investment Management Fees

The Investment Management Fee is the fee charged by the underlying fund manager for managing part or all of an investment fund. It is not possible to show the precise Investment Management Fee as fees vary according to the asset class mix and the mix will vary over time.

The Club Plus Trustee has estimated investment management fees for each option taking into account the effect these factors could have on the overall fee for each option.

The estimated fees for each option appear below. These fees are not deducted directly from your account. The interest applied to your account is calculated after the deduction of these fees, and any taxes that are payable by the fund.

Investment Option	Base Fee estimated % of Assets
Cash	0.00%
Conservative	0.27%
Balanced	0.51%
Growth	0.57%
High Growth	0.30%
Australian Shares	0.44%

## Performance based fees

Investment Managers may pay rebates according to the amount of assets managed or they may be entitled to performance based additional fees if returns exceed benchmarks. The table below shows the total performance based fee that would be payable if every manager exceeded the benchmarks.

These fees are not deducted from your account. The interest applied to your account is calculated after the deduction of these fees.

Investment Option	Highest Possible Performance Based Fee
Cash	0.00%
Conservative	0.03%
Balanced	0.14%
Growth	0.17%
High Growth	0.10%
Australian Shares	0.00%

## Additional explanation of fees and costs

When Club Plus purchases or sells assets, there are investment related expenses incurred on the purchase or sale of underlying assets as a result of those transactions. These additional transaction costs are deducted prior to the declaration of investment returns.

We have estimated the additional transaction costs could be up to 0.58 per cent for some investment options.

Investment Option	Transaction costs from purchase of underlying assets	Transaction costs from sale of underlying assets	Total
Cash	0.00%	0.00%	0.00%
Conservative	0.14%	0.14%	0.28%
Balanced	0.25%	0.25%	0.50%
Growth	0.29%	0.29%	0.58%
High Growth	0.27%	0.27%	0.54%
Australian Shares	0.26%	0.26%	0.52%

## Additional fees and costs

### Performance Fees

Some of the investment managers used by Club Plus may occasionally be eligible for additional performance based fees. Performance based fees are structured so that the investment manager shares in the investment return achieved over a suitable benchmark index. Usually, any prior underperformance must be made good before they qualify for a performance based fee. A benchmark index is a standard measure for the performance of an asset sector, or a group of related shares or securities. Allowing for the highest annual return likely in a best year from each of the investment managers, the maximum performance based fees in the Club Plus investment options are estimated to be:

- 0.00% for the Cash option
- 0.03% for the Conservative option
- 0.14 % for the Balanced option
- 0.17% for the Growth option
- 0.10% for the High Growth option
- 0.00% for the Australian Shares option

# Fees and other costs (continued)

## Tax and Insurance

For more information on tax please refer to the Club Plus PDS dated 1 July 2008, which can be obtained by calling us on 1800 680 627 or download a copy from our web site [www.clubplussuper.com.au](http://www.clubplussuper.com.au)

Costs for insurance can be located on pages 13 - 18 of this document.

## Income Tax and Goods and Services Tax (GST) implications of the fees

The fees shown in the table above are shown on an 'after tax' basis. These amounts include GST that cannot be claimed back from the Australian Taxation Office (ATO), but exclude GST amounts for which Club Plus can claim a credit.

## Adviser Service Fees

There are no commissions, calculated by reference to the assets of Club Plus or contributions, payable to any service provider employed by the Club Plus Trustee or any Director of the Company. All fees deducted from your account (along with the benefit of any tax deduction) are used to pay the operating costs of Club Plus. Any amount left over after meeting those costs is allocated to members of Club Plus as part of the interest allocation after 30 June each year.

## Family Law Fees

The Club Plus Trustee may charge for some costs incurred in attending to certain enquiries and administration work in relation to family law and superannuation matters.

Currently where a member makes a Family Law enquiry a fee of \$100 will be deducted from their account. If a Family Law enquiry is made by a non-member spouse the fee is \$110 (which includes \$10 GST).

Where a payment split is processed as part of a Family Law agreement a Family Law Account Split Fee of \$70 is charged. This fee is split between the member and the non-member spouse.

## Fee Changes

The Trustee reserves the right to change the fees for Club Plus Superannuation without member consent. In the event of any change you will be advised a minimum of 30 days prior to the change.

Prior to 30 June 2008 the administration cost payable by you depended on whether you are classed as an active or inactive member of Club Plus. An active member is defined as a member who is employed by an employer who participates in Club Plus. Once Club Plus is advised that you have ceased employment with a participating employer, you become an Inactive member. From 1 July a new fees structure was introduced.

Active members are charged an administration cost of \$0.47 per week while inactive members are charged \$0.75 per week.

There may be changes to your insurance cover depending on factors such as your status as an employee. For details please refer to the insurance section of this document, commencing on page 13.

You will receive a Member Statement each year that includes details of the fees, and amount deducted from your account during the preceding twelve months.

## Protection for small account balances

Under Federal Government legislation, superannuation funds must protect small account balances from erosion by fees. A 'small account' is an individual member's account with less than \$1,000 that includes employer contributions for Superannuation Guarantee or Award purposes.

Club Plus protects small accounts by ensuring fees deducted in any reporting period do not exceed the investment earnings credited to a member's account for that period. However, insurance premiums or taxation, if any, will continue to be deducted from your account. Any fees, in excess of investment earnings, which have been deducted are reimbursed to members with an account balance under \$1,000 at the time of account closure or at Annual Review after 30 June each year.

### Example of Annual Fees and Costs for a Balanced Investment Option

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

In the example below, the Management Fee used for the Balanced Option is the Estimated Base Fee of 0.51% plus a Performance Based Fee (PBF) of 0.14%. This reflects the actual PBF paid to investment managers during the year ended 30 June 2008. Please note that the actual PBF payable to investment managers each year will vary depending on their performance.

The PBF in this example should be used as a guide only.

EXAMPLE – the Balanced Investment Option for an Active Member		BALANCE OF \$50,000 WITH TOTAL CONTRIBUTIONS OF \$5,000 DURING THE YEAR
Contribution Fees	\$0.53	Every month your employer makes a contribution to your account you will be charged a flat fee of \$0.53. If your employer paid \$5,000 over 52 weekly investments you will be charged \$27.56.
PLUS Management Costs	0.65% + \$0.47 per week Member fee	And, for every \$50,000 you have in the fund you will be charged \$325 each year plus \$24.44 in administration fees regardless of your balance.
EQUALS Cost of fund		If your employer put in a total of \$5,000 during a year in 52 installments and your balance was \$50,000, then for that year, you would be charged fees of \$377

If you leave the fund early, you may be charged a *Withdrawal Fee of \$25.00*.

# Your Rights to Privacy

We, the Directors of Club Plus (Trustee Directors), understand the importance of protecting your right to privacy and have therefore prepared this statement to help you understand how we aim to protect the privacy of your personal information. In this document we outline what details we keep about you and why we need these details.

**Please note** that although we refer to “Club Plus” throughout the document, generally it is Australian Administration Services Pty Ltd (AAS) that collects and uses your details on our behalf. AAS is the company that administers the Club Plus Superannuation Scheme (Club Plus), (in which you may have a superannuation account) on behalf of the Club Plus Trustees.

The Privacy Act 1988 regulates the way private organisations, like Club Plus and our service providers, handle personal information, including very sensitive information such as health details.

The Act contains 10 National Privacy Principles that regulate, among other things, how organisations collect, store and protect the quality of personal information. It also regulates how these organisations should use and share personal information with other organisations. The National Privacy Principles form part of all our procedures and policies and the way our members’ accounts are administered.

There is a summary of the Club Plus Privacy Policy appearing on the Club Plus website.

## What personal information will Club Plus keep about me?

Club Plus collects personal information from Club Plus members to administer their accounts. The type of personal information collected about you includes your name, address, date of birth, telephone number and tax file number.

Club Plus collects personal information when members lodge their forms, such as membership applications and change of personal details forms, or if members send Club Plus documents containing personal information. There may also be circumstances when your employer may send personal details to Club Plus for you.

For example, if you provide your tax file number to your employer, you will be deemed to have authorised your employer to provide your tax file number to Club Plus.

## Why does Club Plus need my personal information?

The personal information Club Plus collects about you is used to establish a Club Plus membership account, to process contributions to your account, to correspond with you and to provide you with superannuation benefits and options from Club Plus.

The provision of some benefits and options to you requires the provision by you of your personal information and, should you choose not to provide necessary information, it may not be possible to provide those benefits and options to you.

There are other organisations that are connected to the services we provide to you and which may have access to your personal information. They include:

- Mailing companies - organisations contracted to do all mailing for Club Plus.
- Archiving companies - organisations contracted to ensure that all documents are stored in a secure environment.

- Auditors, lawyers, the administrator and Regulators - organisations that ensure Club Plus is complying with legislation and contractual obligations.
- Insurance companies - organisations that provide insurance cover for Club Plus members.
- Other superannuation funds (where you apply to transfer all or part of your Club Plus entitlements to those funds), the Australian Taxation Office, AUSTRAC (as required under Commonwealth Government Anti-Money Laundering and Counter Terrorism Financing legislation), and where required under Family Law and Bankruptcy regulations.

## Anti - money laundering and counter terrorism financing

Under the Anti-Money Laundering and Counter Terrorism Financing Act 2006 superannuation funds are required to identify, monitor and mitigate the risk that the fund may be used for the laundering of money or the financing of terrorism. Because of this you may be required to provide proof of your identity before you withdraw your benefit from the fund or commence an income stream. At a minimum, you may be required to provide the fund with evidence that verifies your full name, your date of birth, and your residential address.

## Can I see the personal information Club Plus has about me?

Under the National Privacy Principles, you have a right to know what information Club Plus holds about you, and you are entitled to see this information to ensure it is correct. To obtain this information, please contact Club Plus. The Privacy Act gives limited circumstances in which some or all access to this information may be denied. If this applies to you, Club Plus will explain this to you when you ask for your information.

# Club Plus Membership

## Staying with Club Plus

You are not compelled to leave Club Plus just because you are no longer working in the club industry. Club Plus is fully portable, therefore any employer in any industry can make Superannuation Guarantee contributions to Club Plus on your behalf.

You can make personal contributions to Club Plus at any time up to age 65 provided we have your Tax File Number (subject to the Federal Government contribution limits).

After age 65 years you may still make contributions, provided that you are less than 75 years of age, and have worked at least 40 hours in a period of not more than 30 consecutive days during that financial year.

Club Plus is required under the Federal Government regulations to write to you each year once you reach age 65 years to verify that you are eligible to make contributions to the fund. Club Plus will send you a questionnaire to complete. If you are not eligible, or do not return the questionnaire, Club Plus will be unable to accept your contributions.

Once you reach age 75 years Club Plus is unable to accept any personal contributions.

## Leaving Club Plus

You may be eligible for payment of a benefit from Club Plus upon ceasing work with an employer who participated in Club Plus. In order to receive a payment from Club Plus, you must meet one of the following criteria:

- Age 55 or older and have permanently retired from the workforce,
- Age 60 or older, and after reaching age 60 ceased employment with an employer who is making contributions on your behalf to Club Plus,
- Age 65 or older,
- Total and Permanent disability – where two doctors are able to certify that you have a disability that will permanently prevent you from working,
- Terminal Illness,
- Permanently Departing Overseas (restricted to Temporary Residents who are in Australia under an approved visa),
- Severe Financial Hardship,
- Compassionate Grounds,
- Death

## Insurance Cover

Your insurance cover with Club Plus will continue indefinitely up to age 70 years, unless your account balance has reduced to such a level that we can no longer deduct insurance premiums, or if your account is transferred to the Club Plus Sub-Fund. In the event that your account balance is insufficient to deduct insurance premiums we will write to you to advise you that your insurance cover is about to be terminated. You will be given the opportunity to make additional contributions in order to keep your insurance cover active.

## Financial Hardship

If you are suffering severe financial hardship you may be able to apply for the release of some of your superannuation benefits with Club Plus. In order to qualify, you must satisfy the following conditions:

1. Up to age 55 years, be in receipt of Commonwealth income support benefits\* for a continuous period of 26 weeks, and
2. Provide evidence to the Trustee that you are unable to meet reasonable immediate family living expenses , Or
3. From age 55 years, be in receipt of Commonwealth income support benefits\* for a cumulative period of 39 weeks.

The Trustee must be satisfied that you meet the above criteria before they may be permitted to release any funds. Only one payment can be made in any twelve-month period due to financial hardship and is subject to:

- A minimum of \$1,000 (or the entire account balance if the balance is less than \$1,000), and
- A maximum of \$10,000. The Trustee will release a gross amount, which may be subject to taxation. For example, if the Trustee approves the release of \$10,000 to a member under age 55 years, the net payment would be \$7,850 (\$10,000 - \$2,150) based on tax rates for the year ending 30 June 2009 (including Medicare Levy) where you have provided your tax file number.

*\* Confirmation of receipt of income support required from the Government agency paying the benefit required. The confirmation must not be more than 21 days old.*

## Compassionate Grounds

In certain circumstances you may apply for release of a portion of your Club Plus account balance on Compassionate Grounds. If you believe that you qualify and wish to apply, you must apply to the Australian Prudential Regulation Authority (APRA), who will assess your application and authorise Club Plus to release an amount from your account, if your application is approved. APRA can consider a release on compassionate grounds in the following circumstances:

- medical transport for a member or their dependant to access treatment necessary to treat a life threatening illness or injury, or to alleviate acute or chronic pain or acute or chronic mental disturbance;
- modifications to the family home and/or vehicle to meet the special needs of a disabled member or their disabled dependant; or
- palliative care or death, funeral, or burial expenses for a member or their dependant.
- Expenses of a similar nature as above as determined by APRA.

In addition, it is possible to have an amount released to prevent foreclosure of a mortgage, or exercise of a power of sale over the member's principal place of residence. In this case, APRA will issue a letter to Club Plus permitting the Trustee to pay the released amount straight to your mortgage provider.

The \$10,000 per year payment limit that applies to Financial Hardship claims does not apply to Compassionate Grounds claims. APRA will determine an amount that may be released (up to your total account balance) and order the Trustee to release that amount only.

If you believe that you may satisfy any of the previous criteria you can apply for release by contacting APRA on 1300 13 10 60 for information on how to apply or visit [www.apra.gov.au / Superannuation/Early-Release-of-Superannuation-Benefits](http://www.apra.gov.au/Superannuation/Early-Release-of-Superannuation-Benefits).

## Club Plus Sub-Fund

Club Plus has set up a "Sub-Fund" for members with low account balances to ensure that their account balances do not get eroded by administration fees and insurance premiums. Your account will be transferred to the Club Plus Sub-Fund in the following circumstances:

- Account balance less than \$500, and
- Club Plus has received no contributions for you in the preceding six months.

Once your account is transferred to the Sub-Fund the following will apply:

- No administration fees will be deducted from your account\*
- All insurance cover will cease,
- You will receive one member statement (after 30 June) per year.

In the event that you resume employment with an employer who makes Superannuation Guarantee contributions to Club Plus for you, you will be moved out of the Sub-Fund and if eligible, your insurance cover will recommence.

*\* In the event that you withdraw your funds from Club Plus a \$35.00 claim fee may be charged.*

## Club Plus Pension

If you are over age 55 years you can use all or part of your Club Plus Superannuation account balance, and any other superannuation amounts, to purchase a Club Plus Pension.

The Club Plus Pension will pay you monthly income payments, and is flexible enough to allow you to choose how much pension you wish to receive each month (subject to Federal Government minimum amounts).

If you are between 55 and 65 years of age and still working, you can receive a pension from Club Plus, although in this case the Federal Government limits pension payments to 10% of your pension account each year.

Once you have met a condition for release of a retirement benefit (See page 24), there is no maximum limit – plus you can withdraw part or all of your pension account as a lump sum at any time.

### Features of the Club Plus Pension are:

- Low Fees (only \$1.25 per week),
- No asset based fee deducted from the your pension account,
- Choice to spread your investment between up to five investment option,
- Transition to Retirement Pension where you are over age 55 and have not retired,
- Fully flexible pension once you have retired from the workforce.

If you have any questions about the Club Plus Pension or want to obtain a copy of the Club Plus Pension Product Disclosure Statement, please contact the Club Plus Pension Hotline on 1800 204 194.

## Enquiries and Complaints

Club Plus has arrangements in place to deal with any enquiries or complaints that you may have.

### Enquiries

You can make enquiries about Club Plus or your member account in the following ways:

**Telephone:** Club Plus Member Enquiries 1800 680 627  
Club Plus Pension Enquiries 1800 204 194

**E-mail:** [club\\_plus\\_superannuation@aaas.com](mailto:club_plus_superannuation@aaas.com)

**In writing:** Club Plus Superannuation  
Locked Bag 5007  
Parramatta NSW 2124

**In person:** Level 12, 126 Church Street  
Parramatta NSW 2150  
(until December 2008 - then new address below)  
1A Homebush Bay Drive  
Rhodes NSW 2138

Where you submit an enquiry in writing, Club Plus will seek to respond to your enquiry within five working days. This may not be possible if the matter is more complex, however we will let you know when you can expect a response.

### Complaints

Complaints about Club Plus Superannuation should be made in writing to:

**In writing:** The Complaints Officer  
Club Plus Superannuation  
Locked Bag 5007  
Parramatta NSW 2124

We will endeavour to provide a response to your complaint within 30 days or receipt, however more complex matters may take longer to deal with. In any event, the Trustee must provide you with a response within 90 days of the date that your complaint was received.

In the event that the complaint is not resolved to your satisfaction, you may refer the matter to the Superannuation Complaints Tribunal (SCT), a Federal Government body set up to deal with complaints that a member or beneficiary may have regarding a decision of the Trustee of a superannuation fund. You can contact the SCT on 1300 780 808 or visit their website; [www.sct.gov.au](http://www.sct.gov.au)

Please note that prior to lodging a complaint with the SCT, the matter must first be dealt with through the Club Plus Superannuation complaints handling process.

### Contacting the Trustee

Should you have a matter that you wish to refer to the Trustee, they can be contacted as follows:

Paul Cahill  
Chief Executive Officer, Club Plus Superannuation  
GPO 3774, Sydney NSW 2001  
By Telephone: (02) 9376 9410

# Superannuation changes

There were a number of changes to superannuation that took effect during the 2007/2008 Financial year. Details of these changes appeared in the 2007 Club Plus Annual Report and the Club Plus Member Booklet (from members who joined after 1 July 2007). Most of these changes have already taken effect, however you should be aware of the following changes:

## Additional Taxation Where Tax File Number (TFN) Not Held or Invalid

From 1 July 2007 the Federal Government imposed additional taxation of superannuation fund members who did not supply their fund with a tax file number, or did not provide a valid tax file number. The front page of your Club Plus Member Statement indicates whether we hold a valid TFN for you.

### 1) Employer Contributions

Club Plus may accept contributions made by your employer, for example Superannuation Guarantee and Salary Sacrifice, where we do not have a valid tax file number. In these instances, Club Plus writes to members to attempt to obtain the TFN. Where a valid TFN is not received by 30 June or before you leave the fund, Club Plus is obliged to deduct an additional 31.5% tax on all employer contributions (on top of the 15% contribution tax deducted from all employer contributions).

### 2) Member Contributions (from after tax income)

A superannuation fund may not accept member contributions where they do not hold a valid TFN for a member. Where contributions are received, Club Plus will contact the member and attempt to obtain their TFN, however we are legally obliged to refund the contribution if the TFN is not provided within 30 days of receipt of the contribution.

## What can I do if I have been charged additional taxation due to not providing or having an invalid TFN?

If you have been charged additional taxation due to Club Plus not having a valid TFN for you, you should immediately provide Club Plus with your TFN. You can do this in writing, or by telephone by contacting Club Plus on 1800 680 627.

Club Plus is required to remit the additional taxation to the Australian Taxation Office. Therefore, Club Plus will have to apply for reimbursement of additional tax as a result of a TFN being subsequently received, when they lodge the fund's tax return. As a result, there is likely to be a significant delay between you advising Club Plus of your TFN, and the additional tax being reimbursed. You should note the following:

- The additional tax will be reimbursed to your account from the date that you provide your TFN – you will not be entitled to any compensation for any earnings forgone during the period in which the money was held by the ATO,
- You will only be entitled to the reimbursement if you have an open member account with Club Plus when the reimbursement is received from the ATO.
- You will not be entitled to any reimbursement where the deduction of taxation occurred more than four years prior to you providing your TFN.

## Additional Taxation On Excess Contributions

From 9 May 2006 the Federal Government applied limits on the amounts of contributions that you or your employer can make during a financial-year that are concessional taxed.

### Employer Contributions (Concessional Contributions)

Limit for members aged under 50 years is \$50,000\* during a financial year. Until 30 June 2012, members aged 50 and over, are allowed to have contributions of up to \$100,000 during a financial year. From 1 July 2012 the \$50,000\* limit will apply irrespective of a member's age.

### Member Contributions (Non-Concessional Contributions)

These are contributions made by a person from their after-tax income. The limit is currently \$150,000\* during a financial year. Prior to reaching age 65 years, a member can make up to three years worth of Non-Concessional Contributions (\$450,000) during a financial year, however that would mean that they would be unable to make any more Non-Concessional contributions until the three years has expired.

## What happens where you make contributions in excess of the limits?

**Non-Concessional Contributions:** Each non-concessional contribution received by Club Plus must be below the limits shown above. Any amount in excess of the limits for a single contribution will be refunded.

If you make more than one contribution to the fund below the limits and the total of the contributions are above the limits then the amounts need not be refunded but they will be taxed at the higher rate.

Where you are making Non-Concessional contributions to more than one superannuation fund, each fund will only check that contributions are within the limits for one fund. For example, if you are a member of two superannuation funds and contribute \$250,000 to each fund, the ATO will determine that you have made \$500,000 in Non-Concessional contributions. As this exceeds the limit of \$450,000 (applying the "three-year rule") then \$50,000 will be treated as excess contributions and taxed at a rate of 31.5%.

**Concessional Contributions:** Club Plus can accept contributions that exceed the Concessional contribution limit, however additional taxation will apply to the contributions that exceed the limit at a rate of 31.5% (including Medicare Levy). Please note that this is in addition to the 15% contribution tax that is deducted from all Concessional contributions (meaning that the excess contributions will be taxed at a total rate of 46.5%).

You cannot retrospectively apply for a refund of contributions where you made contributions over the limit and become subject to the additional taxation.

*\* These limits are valid for the 2007/2008 and 2008/2009 Financial Years. They are subject to indexation and may potentially be higher in subsequent years.*

**Please note** that the \$100,000 limit for members aged 50 and over is not subject to indexation and will remain at that level until it ceases on 30 June 2012.

## Additional Taxation on Contributions Over The Limit

Club Plus is required to provide details of both your Concessional and Non-Concessional limits to the ATO.

The ATO will make an assessment, based on contributions that have been made by you, and any employer on your behalf, to all superannuation funds of whether the contributions are within the limits. Where the ATO determines that you have exceeded the limit, additional taxation is payable.

You will receive an assessment notice from the ATO, advising you of the amount of taxation that is payable. You can deal with this notice by either:

1. Contacting the ATO if you dispute their assessment,
2. Make payment of the additional taxation yourself (this can only be done for excess concessional contributions),
3. Request that your superannuation fund deduct the additional taxation from your member account.

In the event that you wish to have the additional taxation deducted from your Club Plus member account, please contact Club Plus on 1800 680 627.

## Salary Sacrificed Superannuation Treated As Income In Certain Circumstances

Up to 30 June 2008, where you elected to salary sacrifice a portion of your income to superannuation, the sacrificed portion was not treated as part of your income.

After 1 July 2008 the definition of income for eligibility for Government support will be amended to include certain salary sacrificed contributions to superannuation. This will affect programs such as:

- Income Support Payments (prior to Age Pension age),
- Family Assistance,
- Child Support,
- Financial and retirement savings assistance delivered through the taxation system,
- Government co-contributions.

For example, prior to 1 July 2008 a person could be eligible for the Government Co-contribution by reducing their income below the limit (\$58,980 for the 2007/2008 financial year) and making contributions from their after tax income. From 1 July 2008, salary sacrificed amounts will be treated as income when determining eligibility for the Co-contribution, so a person whose pre salary sacrifice income exceeds the limit (\$60,342 for the 2008/2009 financial year) will not be able to access the Co-contribution.

## Superannuation Benefit Paid Due To Terminal Illness Tax-Free

During the 2007/2008 financial year, the Federal Government announced that where a member receives payments of benefits from a superannuation fund due to Terminal Illness, no taxation will be payable on any of the benefit. A member wishing to take advantage of this change must provide medical evidence to the Trustee that they are suffering from a terminal illness that is likely to result in death occurring within a maximum of twelve months.

This change has been backdated to take effect from 1 July 2007.

## Self Employed Members – Claiming A Tax Deduction

Members who are self-employed and make contributions from their after-tax income to Club Plus (as Member Contributions) may be entitled to claim a tax deduction for those contributions.

A self-employed person is someone who receives up to a maximum of 10% of their total assessable income and reportable fringe benefits from an employer who is required to treat the person as an employee for SG purposes.

From 1 July 2007 there is no limit on the amount of contributions for which you can claim a deduction.

If you believe you are eligible and wish to claim a deduction, please contact Club Plus on 1800 680 627. Please note if the contributions were made in (for example) the 2007/2008 financial year, you must claim the deduction in the return for that year.

Alternatively you can download form NAT 71121 from the Australian Taxation Office website [www.ato.gov.au](http://www.ato.gov.au)



### OBTAINING COPIES OF DOCUMENTS

If you would like a copy of documents relating to Club Plus Superannuation's operations, such as the Trust Deed, the audited accounts or the auditor's report, please write to the Administrator at the above address. You may also request copies of other documents, such as Club Plus' Investment Policy Statement, rules for the election of member elected trustee directors and enquiry and complaints procedures and the Fund's Privacy Statement.