



CONCEPT ONE

Superannuation Plan

Other Important Information

Information in this document should be read in conjunction with the Concept One Superannuation Plan (COSP) PDS dated 1 July 2011. You should consider this information and the information in the 2011 COSP PDS before making a decision to invest in COSP.

Contents

Investments.....	page 4
Fees and costs.....	page 15
How your super is taxed.....	page 19
Insurance.....	page 22
Accessing your money.....	page 37
Further Information.....	page 42

Issued by Concept One Pty Ltd ABN 25 009 179 613 RSE Licence No L0002813
Trustee of Concept One Superannuation Plan ABN 21 059 451 252 RSE Registration No
R0956808
Locked Bag 90 West Perth WA 6872

T: (08) 9211 6677 or 1300 720 182
F: (08) 9481 0096
E: conceptone@tasgwa.com
W: www.conceptonesuper.com

Who's who?

The Trustee

COSP is run by a Trustee Company called Concept One Pty Ltd (ABN 25 009 179 613, RSE Licence No L0002813).

The Trustee ensures that COSP operates according to its Trust Deed and the relevant legislation. You can contact the Trustee at any time by writing to:

Ms Theresa Howe
Plan Secretary
Concept One Pty Ltd
PO Box 739
Belmont WA 6984

The Trustee does not hold an Australian Financial Services Licence. This means that the Trustee must not provide 'financial product advice' in any communication apart from this PDS, Annual Report to Members, and other documents exempt under the legislation.

To assist with the day-to-day management of the Plan, the Trustee has appointed the following professional advisers and service providers:

Administrator and Plan consultant

All administration and advice to the Trustee is provided by:

The Australian Superannuation Group (WA) Pty Ltd (TASG)
ABN 61 082 510 236
178 St Georges Terrace
Perth WA 6000

For all **administration queries**, please contact:

COSP Administration
Locked Bag 90
West Perth WA 6872
T: (08) 9211 6677 or 1300 720 182
F: (08) 9481 0096
E: conceptone@tasgwa.com

For all **other queries**, please contact the Plan Consultant:

Locked Bag 90
West Perth WA 6872
T: (08) 9211 6677 or 1300 720 182
F: (08) 9481 0096
E: conceptone@tasgwa.com

TASG is an authorised representative of Pacific Custodians Pty Limited (ABN 66 009 682 866 AFSL 295142).

Investment managers

The Trustee reviews the investment managers on a quarterly basis. This is to ensure that you maximise the returns on your investment within your chosen investment option. If a manager is not performing to the Trustee's expectations, that manager will be replaced.

Investment consultant

WP Invest Pty Ltd (ABN 55 111 685 226, AFSL No 301210) provides the Trustee with investment advice and monitors the performance of the investment managers.

Insurer

Insurance cover is provided by TAL Life Limited (TAL) (formally TOWER Australia Limited) ABN 70 050 109 450 AFS Licence No. 237848, and any other insurance provider approved by the Trustee. TAL is a member of TAL Limited, a specialist life insurer. The term 'the Insurer' in this PDS refers to TAL and any other insurance provider approved by the Trustee.

Auditors

KPMG (ABN 51 194 660 183) has been chosen to audit the annual accounts and undertake compliance audits.

Keeping in touch with you

As a member, you will be regularly informed on the progress of your superannuation.

1. Initially, the Plan will send you a membership card and a Welcome Letter containing information about your COSP account.
2. Every year around October COSP will send you a Member Statement detailing the returns on your investment, the total of your contributions, your level of insurance, the premiums paid and any fees and taxes deducted for the period 1 July to 30 June.
3. You will also receive an Annual Report highlighting the Plan's performance and any changes to superannuation or the Plan during the year.
4. In addition to the Member Statement, you will receive a Contribution Statement (where applicable) which shows all contributions made between 1 July and 31 December. This will allow you to keep track of all contributions made to your account for that period.

Investments

COSP offers a choice of three investment options to members. You can choose to invest in one option or in any combination of the options. If you do not make a choice, your money will be invested in the Trustee Balanced option (the default option).

This section covers:

- How COSP manages your money
- Essentials of investing
- The risks involved with investing
- Your investment options

How COSP manages your money

We use a four-step approach to the investment of your superannuation:

Step 1 – Setting the objectives and asset allocation	Step 2 – Selecting the managers	Step 3 – Measuring investment performance	Step 4 – Regular reviews and reporting
<p>The Trustee and the Plan's Investment Consultant decide on the objectives and asset allocation for each option. See pages 11 to 13 for each option's strategic asset allocation.</p>	<p>Investment managers are chosen in consultation with the Plan's Investment Consultant. The aim is to select the right mix of managers with expertise in different asset classes.</p>	<p>Each manager appointed is closely monitored and evaluated on their ongoing performance. This is to ensure that they continue to perform in members' best interests. An investment manager may be added or removed by the Trustee at any time, in consultation with the Investment Consultant.</p>	<p>Every quarter, the Plan's Investment Consultant provides a written report and presentation to the Trustee. The report covers economic updates, investment recommendations and manager performances.</p>

Essentials of Investing

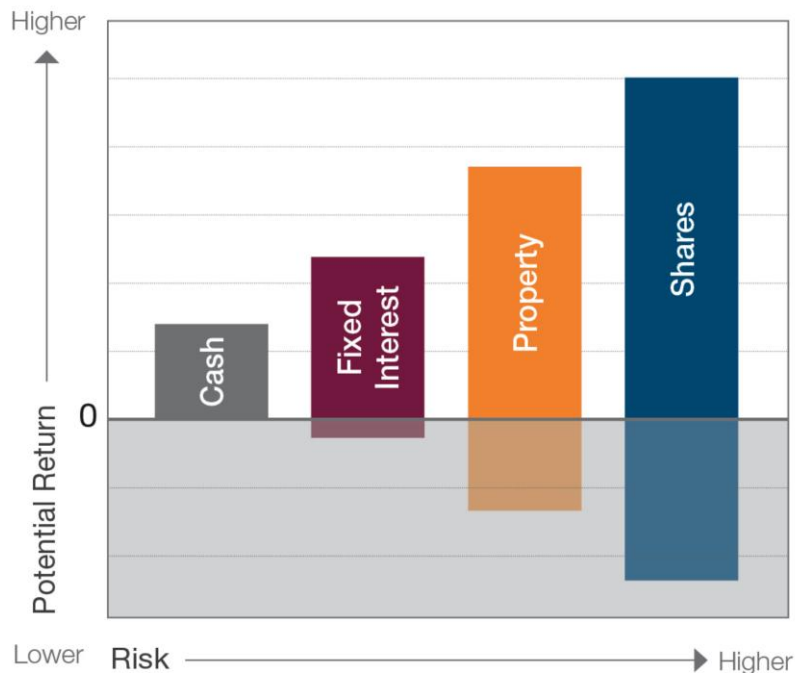
To help you decide which of the options to select you must first understand some basic essentials of investing. Below are some of the fundamentals that affect investment choices.

1. Understanding risk and return

Risk can be defined as the possibility of your investment declining in value. All investments involve some level of risk and the various types of risk are listed on pages 8 and 9.

The following diagram illustrates the relationship between the four main asset classes and the levels of risk and return. As you can see, the higher the potential return on your investment, the higher the potential risk.

The link between risk and return



Applying the information in the above graph to the Plan's three investment options, you could expect the Growth and Trustee Balanced options to offer more potential for growth on your money. This is because these two options invest more heavily in the **growth assets** of shares and property. The Cash Enhanced option, on the other hand, invests solely in cash which is a **defensive asset**.

If you want to achieve higher returns over time you must generally accept higher levels of risk (or volatility). On the other hand, you might be tempted to completely avoid risk. The downside of doing this is that over time, you are likely to achieve lower returns.

Trying to eliminate investment risk entirely is likely to result in the underperformance of your investment and you may find that a lower risk investment does not provide the return needed to ensure your benefit at retirement meets your needs.

As you approach retirement you may not want to take the risk that markets will fall just when you are about to take your lump sum benefit. So you must also take your investment time horizon into account.

GROWTH INVESTMENTS

Australian shares: Australian shares represent a slice of the ownership of a company that are listed on the Australian Stock Exchange. Investment returns from shares come from increases in share value over time or dividends, which are company profits distributed to shareholders. Shares historically earned higher investment returns over long term, however because of its volatility the share market in is one of the more risky asset classes.

International shares: International shares represent a slice of ownership in overseas public listed companies. The performance of overseas shares are influenced by factors such as the economy of the particular country and the relative value of the Australian dollar to overseas currencies. Shares historically earned higher investment returns over long term, however because of its volatility the share market is one of the more risky asset classes – See Currency Exchange Risks page 8.

Property: Property investments are typically made by investing in property trust, either listed on the stock exchange or unlisted. Property investments can include office buildings, shopping centres, factories and warehouses. Property returns come from rental income and increases in the capital value of the property. Property has historically earned medium to high investment returns over the long term, but the volatility of the property market makes it a medium to high risk assets class.

Alternatives: Alternative assets generally comprise those investments which do not fit within traditional asset classes (typically shares, property, fixed interest and cash). Examples of alternative assets may include fund of fund hedge funds, infrastructure, private equity, forestry and commodities, both listed and unlisted. Some alternative assets may be considered to have more growth than defensive characteristics, and vice-versa.

DEFENSIVE INVESTMENTS

Fixed Interest: These investments include Government bonds, international and Australian corporate bonds, bank bills, debentures, convertible preference shares, convertible notes and income securities. They are investments that offer a fixed return for an agreed period of time. These investments can also be bought or sold before the end of the fixed period. Fixed interest investments generally provide a

lower long term return on investment than most asset classes except cash, but they have a low to medium risk of volatility in their returns.

Cash: Cash is an investment in term deposits and bank bills for a short period of time. Cash investments earn interest. Cash investments historically earned a low level of investment return and has the lowest level of risk.

2. Knowing your time horizon

Your investment time horizon is the length of time you have until you can access your superannuation.

If your investment time horizon is medium to long term (periods greater than approximately 5 years) you may wish to consider taking a more aggressive approach by using a higher risk investment option.

If, however, your investment time horizon is relatively short you may want to take a more cautious approach. In this case you could select a lower risk investment option so that you are more likely to preserve the dollar amount of your capital.

Your superannuation benefits will continue to accumulate throughout your working life, therefore your investment time horizon will typically extend beyond your service with your current employer.

As your investment time horizon changes and you approach a planned event, such as retirement, you should review your strategy. For example, you may plan to repay a mortgage when you retire. You may therefore want to switch to a more cautious investment option prior to retirement to protect the capital for repaying the loan. Of course, it is important to remember you are likely to remain an active investor long after you retire, typically through an appropriate pension plan.

3. Diversification

Diversification is considered the key to managing risk and simply means spreading your assets across different asset classes.

Each of the main asset classes, shares, property, fixed interest and cash, can rise and fall. However, it is unusual for all of the markets to move in the same direction at the same time. Diversification helps to smooth your overall return by counterbalancing any losses in a particular asset class with positive returns in another. As a general rule, a good investment strategy will contain a mix of asset classes and include international as well as Australian investments.

Get financial advice

This section is not intended to provide you with personal financial advice and is to be used as a general guide only. Naturally, everyone's personal retirement goals will be different, so it is important you choose an investment option that suits your needs. We recommend that prior to selecting an investment option you seek independent financial advice that is tailored to your particular circumstances.

The risks involved with investing

Please note the investments in this Plan are not guaranteed. Investments are subject to various risks and can fluctuate in value. There are different types of risks that can affect your superannuation investment at any one time. These include:

Investment risk

In addition to the risk/return correlation illustrated on page 5, there is also the risk of individual investments falling in value. For example:

- If the investment holds Australian or International Shares, these shares can be affected by the performance of the company, inflation, interest rates, political factors and currency exchange rates.
- Fixed interest investments can be affected by interest rates (for example, the risk of default on the repayment of a loan or the depreciation of capital).
- The value of property investments can be impacted by general economic factors, including inflation, employment levels and the location and quality of the property.
- Alternative investments can be affected by any of the factors which affect the equities, fixed interest and property sectors. Liquidity risk is often linked to alternative investments.

Market risk

This can include economic, natural, political and monetary (for example, inflation and interest rates) factors that can influence market valuations either positively or negatively.

Currency exchange risk

This is the risk that movements in foreign currency may affect the value of overseas investments.

Legislative risk

Changes in superannuation legislation and tax laws could impact your investment.

Interest rate risks

The exposure to investments in cash or fixed interest will be subject to interest rate risk where an interest rate change directly affects your return. Interest rate changes also have an effect on share markets and property markets. The effect may take some time to be seen and in these markets the expectation of a change is often built into prices. It is the difference between the expectation and the actual change in the interest rate that will affect the return on your investment.

Inflation risk

The risk your investment will lose value because the rate of inflation is above the rate of return on your investment. The risk is greater in long term investments due to the difficulty in forecasting inflation rates over long periods.

Foreign risks

Investing internationally brings with it a range of specific risks. Each country's market is regulated by a different regulatory body, resulting in different levels of consumer protection. Economic and political conditions may be more volatile in other countries, creating uncertainty and an increase in unforeseen factors. Investing internationally also brings with it currency risk, as the value of foreign currency moves differently to the Australian dollar.

Risk from a lack of diversification

Concentrating your investments adds risk. A lack of diversification of your portfolio can increase volatility and expose you to unexpected changes in market conditions.

Capital risk

The risk that the value of your investment will go down rather than up. Several factors that may affect your capital include:

- (i) general market conditions and share market sentiment
- (ii) taxation and other laws
- (iii) changes in the value of the Australian dollar
- (iv) specific events, at a company level
- (v) worldwide, often known as "unforeseen factors".

Liquidity risk

The risk that an asset may be difficult to sell into the market to generate cash when required. An illiquid asset takes time to sell and may require the price to be marked down in order to achieve the sale. This risk is most often associated with property and alternative investments.

How do we manage risk?

It is important to manage risk so the Plan can obtain the highest possible returns, while protecting your investment at the same time. In addition to using diversification to manage risk, our investment managers also use derivatives such as futures, options and hedging strategies to manage risk. The Plan allows the use of derivatives for this purpose, but not for gearing purposes.

Where COSP's professional investment managers invest directly in derivative investments, they must adopt a Risk Management Statement. This statement details the controls in place to protect against the improper use of derivatives.

The Trustee regularly reviews the Risk Management Statements of each of the Plan's investment managers and satisfies itself that these are in line with the Plan's investment strategy.

Labour standards and environmental, social or ethical considerations

The Trustee does not select investments based on environmental, social or ethical considerations for the purpose of selecting, retaining or realising an investment. However, our investment manager may do so when making their selection.

Your investment options

COSP offers three investment choices to members. Your investment choices are:

1. Growth option
2. Trustee Balanced option (default)
3. Cash Enhanced option

Each investment option has a different investment objective, investment strategy and level of risk and return. Please refer to pages 11 to 13 for more detail.

If you do not make a selection upon joining, or your application form is incorrectly completed your money will automatically be invested into the default option, currently the Trustee Balanced option.

How many options can I invest in at once?

You can invest your funds in up to three options at any one time. You can also choose to place your existing balance into one investment option while choosing to have future contributions invested in another investment option.

For example, you might decide to invest your money like this:

Existing Account Balance		Future Contributions	
Growth option	100%	Growth option	50%
		Trustee Balanced option	25%
		Cash Enhanced option	25%
Total	100%	Total	100%

The above example is for illustrative purposes only.

If you invest in more than one option, you must ensure that the **percentage split you nominate adds up to 100%**. Each selection must be 5% or more.

Can I change my option?

You can switch options at any time at no cost. The change is effective from close of business on the date your nomination is received by the Administrator. For security reasons, the Plan must have your switch instructions in writing along with your original signature. Switch instructions are not acceptable by fax, photocopy or email.

Investment Options

Growth option

Investor profile

This investment option is likely to suit members seeking medium to long-term growth of their superannuation with high risk.

Investment objective

Primary: to achieve annual investment returns that on average exceed the Consumer Price Index (CPI) plus 4% after tax, over a rolling 5 year period.

Secondary: to achieve investment returns exceeding the average performance of superannuation funds with a similar proportion of growth assets over a rolling 5 year period.

Investment strategy

Maintain asset allocation within the ranges shown below and appoint investment managers or select direct investments in accordance with asset allocation guidelines.

Minimum investment timeframe

Medium to long term: if you choose this investment option be prepared to stay invested in it for more than 5 years before it meets its objectives.

Expected frequency of negative annual return

Approximately one year in every five.

Risk classification

High risk.

Returns can fluctuate considerably from year to year.

Strategic asset allocation

	Range %	Benchmark %
Australian Shares	30-50	40
International Shares	15-25	20
Property	0-30	10
Alternatives*	0-20	10
Total Growth Assets		80%
Fixed Interest**	0-20	15
Cash	0-20	5
Total Defensive Assets		20%

* Includes fund of fund hedge funds, infrastructure and private equity.

** Includes Australian and International bonds, hybrids, convertible preference shares, convertible notes and income securities.

Trustee Balanced (default option)

Investor profile

This investment option is likely to suit members seeking medium term growth of their superannuation with moderate risk.

Investment objective

Primary: to achieve annual investment returns that, on average exceed the Consumer Price Index (CPI) plus 3% after tax, over a rolling 5 year period.

Secondary: to achieve investment returns exceeding the average performance of superannuation funds with a similar proportion of growth assets over a rolling 5 year period.

Investment strategy

Maintain asset allocation within the ranges shown below and appoint investment managers or select direct investments in accordance with asset allocation guidelines.

Minimum investment timeframe

Medium term: if you choose this investment option be prepared to stay invested in it for more than 4 years before it meets its objectives.

Expected frequency of negative annual return

Approximately one year in every six.

Risk classification

Moderate risk.

Returns can fluctuate from year to year.

Strategic asset allocation

	Range %	Benchmark %
Australian Shares	20-50	38
International Shares	5-30	18
Property	0-20	9
Alternatives*	0-8	5
Total Growth Assets		70%
Fixed Interest**	0-40	20
Cash	5-30	10
Total Defensive Assets		30%

* Include fund of fund hedge funds, infrastructure and private equity.

** Includes Australian and International bonds, hybrids, convertible preference shares, convertible notes and income securities.

Cash Enhanced option

Investor profile

This investment option is likely to suit members with a short investment timeframe.

Investment objective

The primary objective is to preserve capital. Gross investment returns before fees and taxes are expected to be approximately equal to the UBS Australian Bank Bill Index in any financial year period.

Investment strategy

To invest in cash or cash equivalent investment accounts to achieve competitive rates of return.

Minimum investment timeframe

Short term: 12 months or more.

Expected frequency of negative annual return

No negative return expected in any 12 month period.

Risk classification

Low risk.

Returns are most likely to be consistent year on year.

Asset allocation

Cash	100%
------	------

How the investment options have performed

Investment performance over the five years to 30 June 2010 is shown below. All returns are net of investment management fees and applicable earnings tax. Past performance does not guarantee future returns and your final benefit paid may be less than the amount originally invested due to fluctuations in investment returns and deduction of applicable tax, insurance premiums and administration fees.

Year to 30 June	Growth	Trustee Balanced		Cash Enhanced
		Earning Rate	Crediting Rate	
2006	11.40%	12.30%	12.30%	4.80%
2007	18.30%	13.90%	13.90%	5.80%
2008	-5.00%	-6.30%	-6.30%	6.60%
2009	-10.10%	-4.80%	-4.80%	3.90%
2010	10.04%	8.53%	8.53%	3.08%
5 year compound average return*	4.37%	4.37%	4.37%	5.12%

* *Compound average rate of return: a method of calculation where interest in each period is calculated on both the principal and interest previously earned.*

Earning Rate and Crediting Rate

The earning rate is the actual performance of the particular option. The crediting rate is the amount of returns allocated to your account and can be positive or negative.

Sometimes, the earning and crediting rates are the same and other times they are different. This is because COSP has a reserving policy. The aim of the reserving policy is to ensure that the member's account balance is protected during years where returns may be negative or not as strong.

The reserving policy only applies to the Trustee Balanced option only.

Interim Crediting Rates

If you leave COSP before a final crediting rate is declared, an interim crediting rate will be used to calculate the amount allocated to you. The interim rate depends on your chosen investment option and market conditions at the time. Interim crediting rates are reviewed on at least a quarterly basis.

Please note that crediting rates can be positive or negative.

Fees and costs

Did you know?

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

For example, total annual fees and costs of 2% of your fund balance rather than 1% could reduce your total 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 Plan 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 circumstances, the **Australian Securities and Investments Commission (ASIC)** website www.moneySMART.gov.au has a superannuation fee calculator to help you compare different fee options.

** The wording in this section is prescribed by law and mentions that members may be able to negotiate lower fees and costs. This statement refers mainly to "retail" funds and not funds like COSP. The Trustee negotiates with service providers to ensure fees are kept as low as possible. There are no fees payable on contributions received or fees paid to financial advisers. Fees are applied equitably to all members and management costs charged to individuals are not negotiable.*

The fees and costs you may be charged are set out on the following page. These fees and costs may be deducted from your account, from the returns on your investment or from the fund assets as a whole.

Taxes and insurance costs are detailed in another part of this document.

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

Fees and costs summary table

Type of fee	Amount ¹	How and when paid
FEES WHEN YOUR MONEY MOVES IN OR OUT OF THE PLAN		
Establishment fee The fee to open your investment.	\$0.00	Not Applicable
Contribution fee The fee on each amount contributed to your investment – either by you or your employer.	\$0.00	Not Applicable
Withdrawal fee The fee on each amount you take out of your investment.	\$0.00 if balance is below \$1,000 \$60.00 if balance is \$1,000 or more	Not Applicable Deducted from your account balance when the benefit is paid
Termination fee The fee to close your account	\$0.00	Not Applicable
Management Fees		
The fees and costs for managing your investment.	\$1.50 per week (\$78.00 pa) for all members	Calculated on a weekly basis and deducted monthly in arrears from your account.
The amount you pay for specific investment options. The figures shown are based on estimate calculations for the 2009/10 financial year.	Growth 1.53% Trustee Balanced 1.16% Cash Enhanced 0.82%	An Investment Management Fee is deducted from the gross investment returns of each investment option on a daily or monthly basis before allocating returns to your account. Please refer to the “Additional explanation of fees and costs” section on page 17 for more information.
Service Fees		
Investment switching fee The fee for changing investment options	\$0.00	Not Applicable

¹ All figures disclosed are inclusive of Goods and Service Tax (GST) and net of Reduced Input Tax Credits (RITC), unless otherwise stated. The above fees also include Stamp Duty, where applicable.

Additional explanation of fees and costs

Management Fees

The weekly fee covers the administrative costs of operating the Plan. It is deducted monthly in arrears from your account or upon exiting the plan and is included on your Annual Statement.

The amount you pay for specific investment options consists of two fees – the Investment Management Fee and the Performance Based Fee. The Management Fees section of the table above includes Performance Based Fees.

- **Investment Management Fee**

This fee includes estimated investment expenses and management fees charged by the investment managers. These fees are expressed as a percentage of each option's net assets. The Investment Management Fee changes every year and also varies depending upon your chosen investment option (that is, Growth, Trustee Balanced or Cash Enhanced).

- **Buy/sell costs**

When investments are bought or sold, the investment manager must pay certain costs such as brokerage and taxes. This is called the "buy/sell spread". The buy/sell spreads vary between each asset class and investment manager, and ranged from 0% to 1.53% to buy and 0% to 0.40% to sell for the investment managers at 30 June 2010. The costs are deducted at the time of the transaction from the net investment funds with the individual investment manager. This is an additional cost to the investor which is deducted prior to the earning rate being declared. No part of the buy/sell spread is paid to the product issuer or external manager.

Family Law Fee

The Trustee charges for some costs incurred in attending to certain inquiries and administration work on family law matters. A Family Law Fee of \$165.00 will apply to any information requested about your superannuation or the flagging or splitting of your superannuation for financial settlement. This fee will apply each time a request for information is made after a 12 month period.

This fee is payable by the person who makes the application for information. That is, if the member requests the information, the member can elect to pay the fee by cheque or by deduction from their account. If the applicant is the non-member spouse, the fee is payable by cheque.

Where the fee is charged upon the flagging or splitting of your superannuation, it will be shared equally by both parties and deducted from each party's superannuation entitlement at the time of the flag or split.

Increases to fees

The Trustee reserves the right to change any fees from their present levels, without member consent. However, you will always be advised in writing at least 30 days before any increase occurs.

Member Benefit Protection

Current superannuation legislation requires that where a member's account balance is under \$1,000, fees cannot exceed the interest earned. This measure is to ensure that small account balances are not eroded by fees. Please note statutory charges and insurance premiums will continue to be debited from your account.

However, in years of low or negative returns, the Plan can apply a \$10 offset against the fees that would normally have been deducted. For example, if your account balance was \$700, your fees for the year would be \$78. However, as your account balance was under \$1,000, Member Benefit Protection rules apply and, using the \$10 offset, you would receive a rebate of \$68 (\$78 minus \$10).

How your super is taxed

To encourage us to save for our retirement, the Commonwealth Government offers reduced rates of tax on superannuation. Investing outside of super usually attracts higher levels of tax at your Marginal Tax Rate.

Within superannuation, tax is generally deducted at three stages:

- on contributions;
- on investment earnings; and
- on withdrawals.

Tax on contributions

Concessional contributions

Concessional contributions (all employer's contributions, including salary sacrifice contributions) below the applicable cap are taxed at 15%.

Concessional contributions above the cap (for 2011/2012 this is \$25,000 pa if you under 50 and \$50,000 pa if you are 50 or over) will be taxed at an additional rate of 31.5%* (that is, in addition to the 15% mentioned above). The amount of the excess concessional contributions will then be added to the non-concessional contributions for the purpose of the non-concessional contributions cap.

Non-concessional (after-tax) contributions

Non-concessional (after-tax) contributions you make below the applicable cap are not taxed.

COSP is prohibited from accepting non-concessional contributions above the cap (currently \$150,000 pa or \$450,000 over a three year period for anyone under age 65). If you contribute to more than one fund and exceed the cap, then excess non-concessional contributions will be taxed at 46.5%*. If you make contributions in excess of the cap and COSP is aware that you have exceeded the cap COSP will refund the excess portion of the contribution within 30 days.

Money transferred in from non-taxed super funds or other non-taxed sources is also generally taxed at 15%.

**Please note these rates include the Medicare Levy of 1.5%.*

Tax on investment earnings

Any earnings on your chosen investment option are taxed at 15%, markedly lower than the tax rate for non-super investments. The tax is deducted from the investment option before the earnings are allocated to your account.

Tax on withdrawals

A superannuation account consists of two components only – the tax-free component and the taxable component. When any part payment of a superannuation benefit is made, the benefits will be considered to include both the tax-free and taxable components with the relevant portions of each reflecting the proportions such components make up of the total benefit.

What is it?	Age	Tax treatment
Lump sum superannuation payments *	Under 55	20% tax plus Medicare levy Tax free up to \$165,000 and 15% tax (plus Medicare levy) on any excess amount
	55 to 59	
	60 and over	Nil
Lump sum death benefit	If paid to a dependant If paid to a non-dependant	Nil 15% tax plus Medicare levy*

The above figures are current for the 2011/2012 financial year.

* Any untaxed component of a lump sum (including where the benefit includes life insurance proceeds) will be taxed at 30% plus Medicare levy.

The government has introduced a Temporary Flood and Cyclone Reconstruction Levy (flood levy) applying to taxable income for the 2011-12 year only. It is designed to assist affected communities to recover from the recent natural disasters by providing additional funding to rebuild essential infrastructure. This applies to income for 2011/12 year only and includes lump sum superannuation payments. The levy will apply to certain superannuation benefits paid to you.

How much is the levy?:

Income or payments below \$50,000	: no levy
Income or payments \$50,000 to \$100,000	: 0.5% above \$50,000
Income or payments \$100,000 and over	: \$250 plus 1% above \$100,000

Further information is available at www.ato.gov.au/floodlevy

Supplying your Tax File Number (TFN)

Under the *Superannuation Industry (Supervision) Act 1993* the Plan is authorised to collect your TFN, which will only be used for lawful purposes. These purposes may change in the future as a result of legislative change. The Trustee may disclose your TFN to another superannuation provider when your benefits are being transferred, unless you request in writing to the Trustee that your TFN may not be disclosed to any other superannuation provider.

Providing your TFN to the Plan will have the following advantages (which may not otherwise apply):

- The Plan will be able to accept all types of contributions to your account;
- The tax on contributions to your superannuation account will not increase;

- Other than the tax that may ordinarily apply, no additional tax will be deducted when you start drawing down on your superannuation benefits; and
- It will make it much easier to trace different superannuation accounts in your name so that you receive all your superannuation benefits when you retire.

No-TFN Tax

The Trustee is required at 30 June each year to deduct an additional 31.5% tax from your employer contributions (including SG and salary sacrifice) if you have not provided your tax file number to the Plan. Contributions that are subject to the additional tax are known as “No-TFN Employer Contributions”.

If you notice on your Annual Member Statement that this tax does apply to you and has been deducted you should contact COSP immediately. If you are still a member of the Plan you can quote your TFN to us up to three years later and we can arrange to have the tax refunded to your account. If you have left the Plan you will not be eligible to apply for this refund.

It is not an offence not to quote your TFN. However, if you do not supply your TFN to the Plan:

- Employer contributions may be taxed at 46.5% (instead of at 15%).
- Non-concessional contributions cannot be accepted by the Plan.
- Benefits received may be taxed at a higher rate.

If you wish to supply your TFN please complete the relevant section on the *Membership Application Form*.

Insurance

As a COSP member you have Death and Total and Permanent Disablement and Income Protection Insurance available to you.

This section covers:

- Insurance cover options and who is eligible
- When cover starts and ceases
- What benefits are payable
- Premium rates

Superannuation insurance benefits

1. Premiums are often lower than a personal policy, as COSP is able to obtain wholesale rates due to the large number of members in the Plan. The Plan regularly re-tenders its insurance and passes the savings on to members.
2. Paying premiums is also convenient, as the premiums are automatically deducted from your account.

COSP's current insurance policy is underwritten by TAL Life Limited (TAL) (formerly TOWER Australia Limited) (ABN 70 050 109 450 AFSL 237848). Your automatic Death and Total and Permanent Disablement (TPD) and Income Protection (IP) insurance benefits are provided without any medical evidence and commences from the first date of the period for which your first employer contribution to COSP relates.

The Insurance benefits are designed to provide financial protection for you and your dependants.

Death and Total and Permanent Disablement Insurance

Who is eligible for cover?

Your eligibility for insurance and the level of cover provided depends on your age and employment status. You must be an Australian Resident, between the ages of 15 and 70 years and must be At Work on the date you join COSP. COSP offers members two levels of automatic insurance with cover being effective 24 hours a day, 7 days a week. Upon joining the Plan you will automatically be covered for either Death Only or Death and Total and Permanent Disablement (TPD) insurance (depending on your employment status as advised by your employer), without the need to provide any health evidence. To be automatically accepted, you must be At Work (see definition on page 25) on the day you join COSP.

Death and TPD cover is available to members who are employed on a permanent full-time or permanent part-time or casual basis working more than 15 hours per week. Death only cover is available to members who are employed on a permanent part-time or casual basis working less than 15 hours per week. Please refer to the following pages for explanations of the Death and TPD benefits.

If you are a permanent full-time employee or permanent part-time or casual employee working 15 or more hours per week, and you are At Work, you can apply to purchase additional units of cover by specifying your option on the *Member Application Form*. Please note that certain conditions apply. The form can be obtained from the Administrator, The Australian Superannuation Group (WA) Pty Ltd (TASG) or www.conceptonesuper.com

As a new member, you may increase your cover to up to 3 units of Death and 2 units of TPD without the need to provide detailed health evidence. New members need to apply within 60 days from the date your welcome letter was sent to you.

You can apply to increase your cover above your automatic cover at any other time by completing a *Personal Statement*. This form can be obtained from the Administrator. Your application will be assessed by TAL subject to satisfactory health evidence. Where you have applied to increase your Death and TPD Cover, the insurer will provide Accidental Death and Accidental TPD cover while their assessment is being carried out. If your application to increase insurance cover is declined, your automatic insurance cover will not be affected.

The maximum amount of cover a member may apply for is unlimited for Death and \$3 million for TPD (\$2.5 million for Terminal Illness).

If you fail to complete the insurance section on the *Membership Application Form* or the Plan does not receive an Application Form but does receive contributions on your behalf from your employer, you will automatically receive 1 unit of Death & TPD until you notify us otherwise. The premium for each unit of Death only cover is \$0.90 per week and each unit of Death & TPD cover is \$1.50 per week. However, you will not be able to claim if it is later revealed that you did not meet the eligibility criteria upon joining the Plan. It is therefore important that you provide the Plan with current details of your employment status.

The table below shows your insured amounts on joining, the amount that each additional unit provides, and the weekly cost of cover.

Age Next Birthday	Death & TPD	Death Only
	1 unit = \$1.50 pw	1 unit = \$0.90 pw
Up to 35	\$111,600	\$131,600
36 to 40	\$78,100	\$92,100
41 to 45	\$49,100	\$57,900
46 to 50	\$29,700	\$35,100
51 to 55	\$14,900	\$17,500
56 to 60	\$8,200	\$9,600
61 to 65	\$3,700	\$4,400
66 to 70	\$3,000*	\$3,000

*TPD cover is not available to members after age 65

What is the death benefit payable?

If you die while a member of COSP, the amount payable will be the balance of your accumulation account plus your insured amount (if applicable).

Terminal Illness

If you have insurance cover and are diagnosed with a terminal illness you will be entitled to claim a Terminal Illness benefit equal to your death benefit up to a maximum of \$2,500,000. Where a Terminal Illness benefit is paid, all other cover will cease.

Where a Terminal Illness benefit is less than the Death benefit applicable, the Death benefit will be reduced by the amount of the Terminal Illness Benefit paid, and the remainder of the Death benefit is paid on death.

Terminal Illness means any condition that, in the opinion of two appropriate specialist medical practitioners, is likely to lead to the Insured Person's death within 12 months from the date of certification issued by them.

What is the TPD benefit payable?

If you become totally and permanently disabled while a member of COSP, the amount payable will be the balance of your accumulation account plus any insured amount (if applicable).

According to the insurance policy, Total and Permanent Disablement means that in the opinion of the insurer, the Insured Person, while insured through the Plan:

A. has suffered, solely because of Illness or Injury, the permanent loss of:

- (i) the use of two limbs (where 'limb' is defined as the whole hand below the wrist or whole foot below the ankle);
- (ii) the sight in both eyes; or
- (iii) the use of one limb and the sight in one eye.

Or

B. has suffered, solely because of Illness or Injury:

- (i) at least 25% impairment of Whole Person Impairment (see definition on page 25)
- (ii) is not working in any occupation; and
- (iii) is disabled to such an extent as to render them unlikely to ever again work in any occupation for which they are reasonably suited by education, training or experience.

The assessment of Whole Person Impairment will be undertaken by an appropriately qualified specialist Medical Practitioner and will be based on the Insured Person attaining maximum medical recovery.

Or

C. solely because of Illness or Injury, unlikely to ever again perform at least two of the following Activities of Daily Living:

- (i) Dressing – the ability to put on and take off clothing without assistance;
- (ii) Bathing – the ability to wash or shower without assistance;
- (iii) Toileting – the ability to use the toilet, including getting on and off, without assistance;
- (iv) Mobility – the ability to get in and out of bed and a chair without assistance; or

(v) Feeding – the ability to get food from a plate into the mouth without assistance;

where ‘assistance’ means the assistance of another person.

Or

D. Where immediately prior to the occurrence of the Illness or Injury the Insured Person worked 15 or more hours per week, averaged over the preceding 13 week period or on a pro-rata basis if the Insured Person had worked for less than 13 weeks:

- (a) from the date of disablement the Insured Person has not worked for 6 consecutive months solely because of an Illness or Injury; and
- (b) based on a consideration of all relevant evidence, the Insured Person is disabled solely from that Injury or Illness to render them unlikely to ever again work in any occupation for which they are reasonably suited by their education, training or experience.

Or

E Where immediately prior to the occurrence of the Illness or Injury, the Insured Person was not Gainfully Employed and was at home performing unpaid Domestic Duties (see definition below), the Insured Person:

- (a) is unable to perform those Domestic Duties solely because of the Illness or Injury;
- (b) is under the care of a Medical Practitioner;
- (c) is unable to leave their home without assistance;
- (d) from the date of disablement has not worked in any Gainful Employment for a period of six consecutive months after the occurrence of the Injury or Illness; and
- (e) based on a consideration of all relevant evidence, the Insured Person is disabled to such an extent as to render them unlikely to ever again perform those Domestic Duties.

Definitions:

At Work means the member is actively at work and completely performing all the essential duties of their usual occupation without restriction, or is on approved leave other than leave which is taken for reasons related to illness or injury; and who is not receiving or claiming and/or entitled to claim income support benefits from any source including workers’ compensation benefits, statutory transport accident benefits and disability/Centrelink income benefits.

Whole Person Impairment means the Insured Person suffers 25% Whole Person Impairment based on the latest edition of the American Medical Association publication ‘Guides to the Evaluation of Permanent Impairment’, or an equivalent guide approved by us. The ‘Guides to the Evaluation of Permanent Impairment’ covers every body system and provides a standardised approach to determine impairment assessment using patient history, physical examination and clinical tests

Domestic Duties means an Insured Person:

- a) who has elected to cease Gainful Employment and perform full time unpaid domestic duties at home; or
- b) who is undertaking child rearing at home.

Unpaid domestic duties include:

- a) purchasing cleaning items and cleaning the family home;
- b) laundering and ironing clothing items for the household; and
- c) purchasing food items and preparing meals for the household.

Members who are actively seeking Gainful Employment or are performing less than full time unpaid domestic duties will not be deemed to be performing domestic duties.

Note: The insurance information provided above is a guide only. If you have any questions about insurance or would like a copy of the policy document, please contact the Administrator on (08) 9211 6677 or 1300 720 182.

Cover while on leave

Death and TPD cover will continue for a member while on employer approved leave, however after the first 12 months only parts A, B, and C of the TPD definition will apply. Premiums will continue to be deducted from the member's account during this time (cover being conditional upon the member's account having sufficient funds to meet these premiums). Approved leave includes maternity or paternity leave and leave without pay for up to one year.

If you travel or reside overseas while you are on employer approved leave, the exclusions to World Wide Cover (see below) will apply.

Worldwide Cover

If you are an Australian Resident employed and residing overseas, your cover may continue for up to 3 years. However, you will not be covered while located in a country subject to a Do Not Travel Warning issued by the Australian Government Department of Foreign Affairs. Cover beyond 3 years is subject to written approval by TAL prior to the expiry of the initial period.

Do Not Travel Warning means information issued by whatever means by the Australian Government Department of Foreign Affairs and Trade (DFAT) or any successor government department or authority charged with this responsibility of advising against all travel to these countries.

Australian resident means a person who permanently resides in Australia or a temporary resident of Australia on a temporary working visa as agreed between the insurer and us.

Exclusions

As with most forms of insurance cover, there are some events that are not covered. If you have additional insurance cover no insurance benefit will be payable if any of the following events occur:

- for death cover, suicide within the first 13 months after the commencement of cover;

- for TPD cover, an intentional self-inflicted injury;
- any exclusion that may be applied by the insurer to an insured person as a condition of acceptance of cover; or
- an Illness or Injury that occurs while residing or travelling in a country attracting a Do Not Travel Warning (see Worldwide Cover). This exclusion also applies for automatic insurance cover.

Continued Cover

If you leave employment with a participating employer before age 65 but do not leave the Plan, you will continue to be covered for Death or Death and TPD (if applicable), provided premiums continue to be paid from your account. If you do not wish for your cover to continue in this way, you must notify the Administrator in writing by Registered Post.

Nominating a beneficiary

Personal insurance provides financial security for you, your family and/or dependants. In the event of your death whilst a member of the Plan, the Trustee may pay a benefit to one or more of your eligible dependants (see below for definition) or your legal personal representative in the proportions that it decides. Please note that any nomination made by you is not binding on the Trustee. However, where a nomination has been made, the Trustee will take this into account when making a decision.

If a beneficiary has not been nominated, the Trustee may pay the benefit to any eligible people in the proportions that it decides.

To nominate one or more beneficiaries, please complete the relevant section on the *Membership Application Form* available from the Plan Administrator or **www.conceptonesuper.com**. You can change your nomination at any time by sending a written application to the Administrator. Any change will override any previous nomination

Dependants

The Trust Deed definition of Dependant, for the purpose of the payment of death benefits, is:

- a Member's spouse;
- a Member's child or children;
- any other person whom, in the opinion of the Trustee is or was at the relevant date wholly or partially dependent upon the Member for support (i.e. interdependency relationship); or
- any person who may be a dependant under the relevant law.

“Spouse” of a person includes:

- another person (whether of the same sex or a different sex) who is in a relationship with another person where that relationship is registered under a law of a State or Territory for the purposes of section 22B of the Acts Interpretation

Act 1901. "Registered relationships" refers to relationships that are registered on the Registry of Births, Deaths and Marriages in each State and Territory; and

- another person who lives with the person on a genuine domestic basis in a relationship as a couple, covering non-registered relationships. The concept of "couple" replaces the old definition concept of living together as husband and wife to facilitate same-sex couples.

The definition of "Child" includes:

- an adopted child, a step-child or an ex-nuptial child of the person; and
- a child of the person's spouse; and
- someone who is a child of the person within the meaning of the Family Law Act 1975.

A child of a person's spouse includes a child from a former same-sex or opposite sex de facto relationship.

Someone who is a child of the person within the meaning of the Family Law Act 1975 includes children resulting from artificial conception procedures and includes children of same sex couples and children resulting from a sanctioned surrogacy agreement.

Two persons have an "interdependent relationship" if:

- they have a close personal relationship;
- they live together;
- one or each of them provides the other with financial support; and
- one or each of them provides the other with domestic support and personal care.

If none of the above apply, you may still be classed as having an interdependent relationship if you have a close, personal relationship and the above reasons do not apply because either or both of you suffer from a physical, intellectual or psychiatric disability.

A Member's *Legal Personal Representative* is the executor of the Member's Will or the Administrator of the Member's Estate.

When does cover start and stop?

Your cover starts from the date you commence employment with your COSP employer, provided you are eligible and we receive your employer's contribution for that period within the statutory timeframe, 28 days from the end of the quarter.

Your cover will continue until the occurrence of any of the following:

- You reach age 65 (for TPD cover) or age 70 (for Death cover);
- An insured benefit is paid to you or your dependants;
- Your account balance is insufficient to pay the premium or your account balance is zero;
- You cease to be a member of COSP;
- You were absent from work due to illness or injury on the date you joined COSP; or
- You cancel your insurance in writing to COSP

Income Protection Cover

While you are a member of COSP you may be insured for Income Protection (IP) to provide income in times of prolonged absence from work. The IP cover is available when you are:

- off work due to injury, or
- off work due to illness.

This insurance protects your income while you are unable to work and will provide valuable security to you and your family if you are unable to work and not receiving your regular income. When you join COSP and if you meet the eligibility conditions, you will automatically receive the Default IP cover when you join the Plan. The benefit and premium amount will be dependent on your age and the sector you are employed within Education or Non-education.

Who is eligible?

Any person who is:

- aged 15 or more but less than 65;
- employed by an Employer Sponsor;
- a Permanent Australian Resident;
- working at least 15 hours or more per week; and
- for whom a superannuation contribution is received within 121 days of commencement of joining COSP (in line with SG quarterly remittance).

When does your cover start?

If you satisfy the eligibility criteria as stated above your cover will start on the date your application is approved by the insurer. If you are eligible for cover the amount provided is based on your employment sector classification. The table on Page 30 shows how much cover is provided.

If you do not complete the application form you will automatically receive the Default cover for IP which is:

- Education Sector = \$3,000 per month (3 Units)
- Non Education Sector = \$2,000 per month (2 Units)

Income Protection at a glance

If you have IP cover and you are temporarily unable to work due to illness or injury you may receive a monthly benefit payment after you have met the 60 day waiting period, subject to the insurer accepting your claim. This benefit payable will be 75% of your pre-disability salary or the number of units paid for, if less than 75% of your income.

Important Information

An IP benefit will be dependent on your salary and the number of IP units you have in COSP. You cannot claim more than 75% of your salary and should a claim arise your benefit amount will be assessed by the insurer.

If you are in the Education Sector the 3 units of default cover will provide a monthly benefit for a salary of up to \$48,000 per annum and in the Non-education Sector the 2 units of default of default cover will provide a monthly benefit of up to \$32,000 per annum. If your salary is greater than these amounts you may wish to apply for additional units of cover to ensure your income is adequately covered. Note that the amount payable is always the lesser of 75% of salary.

What is the cost of the Income Protection cover?

Income Protection Premium Rates – Education Sector

- 2 Year Benefit Period
- 60 Day Waiting Period
- 1 Unit = Benefit of \$1,000 per month
- **DEFAULT = 3 Units cover**

Age Next Birthday	1 Unit Cost per week	3 Units Cost per week
Up to 35	\$0.50	\$1.50
36 to 40	\$0.70	\$2.10
41 to 45	\$0.95	\$2.85
46 to 50	\$1.45	\$4.35
51 to 55	\$1.65	\$4.95
56 to 60	\$2.75	\$8.25
61 to 65	\$3.10	\$9.30

Income Protection Premium Rates – Non Education Sector

- 2 Year Benefit Period
- 60 Day Waiting Period
- 1 Unit = Benefit of \$1,000 per month
- **DEFAULT = 2 Units cover**

Age Next Birthday	1 Unit Cost per week	3 Units Cost per week
Up to 35	\$1.15	\$2.30
36 to 40	\$1.75	\$3.50
41 to 45	\$2.00	\$4.00
46 to 50	\$3.00	\$6.00
51 to 55	\$3.60	\$7.20
56 to 60	\$5.50	\$11.00
61 to 65	\$6.00	\$12.00

Paying the insurance costs

Insurance costs are deducted from your account balance. The premiums are calculated weekly and deducted from your account on the last Friday of each month. If your account balance is insufficient to cover your insurance costs, your cover ends. Please refer to “When does your Income Protection cover stop?” on page 35.

What’s a Waiting Period?

The waiting period is 60 days which is the start of the period of time that the insured person must be totally or partially disabled for the duration of that period before an IP benefit can be assessed. Once the insurer accepts your claim, payments are made monthly in arrears. An Income Protection benefit is payable from the first day after the Waiting Period has been met.

What’s the Benefit Period?

The benefit period is 2 years, which is the maximum period of time the insurer will pay the IP benefit whilst you are unable to work in accordance with the terms and conditions of the insurance policy.

Employment Sectors

There are two Employment Sector rates applicable to members of the Plan. Your benefit and premium will be linked to your employer’s sector classification:

- Education Sector
- Non Education Sector

Members with more than one current employer who are in different sectors will have their IP insurance based on the employer in the Education sector. Should you change employer/s your level of cover and premiums may go up or down as your IP benefit and premium is dependent on the sector in which the employer operates – Education or Non-education. It is important that you notify the Plan by completing a Change of Details Form.

Amount of the Income Protection Benefit

The benefit basis is \$1,000 per month per unit or 75% of salary (excluding superannuation) whichever is the lower and is paid monthly in arrears.

The Income Protection benefit is calculated as 75% of the insured person’s monthly income. The maximum monthly benefit is \$25,000 per month.

The benefit is limited so that it, and any other income payments you receive or are entitled to receive as a result of the disability, are no more than 75% of your pre-disability income. Other income payments (also known as “off-sets”) may reduce the amount of any IP benefit payable. These other payments could include amounts you may receive while disabled such as: sick leave payments, any amount payable under legislation such as workers compensation, social security benefits or similar schemes, motor accident compensation and income protection insurance policies held with another insurer.

IP Benefits

A benefit may be payable when you are completely unable to work (Total Disability) and also where you are able to perform some work, but not to the same capacity as prior to your illness or injury (Partial Disability).

What is Total Disability for IP?

Total Disability is when the insured member is suffering an illness or injury and is:

- unable to perform at least one income producing duty from your own income;
- under the regular care of a Medical Practitioner and following that medical advice;
- not working in any occupation, whether or not for reward.

What is Partial Disability?

If an insured member is partially disabled and if he or she is Totally Disabled for longer than the Waiting Period and as a result of the same illness or injury, a partial disability benefit will be payable when the Insured Person:

- (a) Is unable to work full time or is unable to perform at least one important income producing duty of his/her regular occupation or does not have the capacity to work at the same level he/she was working at prior to commencement of Total Disability;
- (b) suffers a partial loss of Earned Income; and
- (c) is under the regular care of a Medical Practitioner and, in our reasonable opinion, is complying with the advice and treatment given by that Medical Practitioner in relation to the cause of the Partial Disability.

How is a Partial Disability Benefit Calculated

A Partial Disability Benefit is payable for an Insured Person who is Partially Disabled from the latter of:

- (a) the first day after the Waiting Period; and
- (b) immediately upon ceasing to be Totally Disabled.

A Partial Disability Benefit ceases on the earliest of:

- (a) the first day the Insured Person is not Partially Disabled;
- (b) the Insured Person attains the Benefit Ceasing Age as specified in the Schedule;
- (c) the end of the Benefit Period applicable to that Insured Person; and
- (d) the death of the Insured Person.

A Partial Disability Benefit is calculated by application of the following formula:

$$\frac{\text{Earned Income} - \text{RTEI}}{\text{Earned Income}} \times \text{Total Disability Benefit}$$

where RTEI is Return to Employment Income, and means the annual wages and salary last agreed between the employer and the Insured Person (including commissions, bonus and other payments that we reasonably consider form part of the Insured Person's remuneration package)

Recurring Disablement

If an insured member becomes Totally or Partially Disabled again from the same or a related sickness or injury within 6 months of the end of payment of a disability benefit, a new waiting period will not apply and the disability will be treated as a continuation of the original claim and the remainder of the benefit payment period will apply.

The claim will be treated as a separate claim if it occurs after the insured member returned to work for at least six (6) months. Note that the maximum payment period of 2 years applies for anyone or related claim.

How to change your level of Income Protection cover

You will automatically have the ability to apply for an additional two Units of IP Cover, simply by completing the *Change of Details* form and answering five health related questions. The maximum *total* number of units available is:

- Education Sector = \$5,000 per month (5 Units) and 75% of salary
- Non Education Sector = \$4,000 per month (4 Units) and 75% of salary

Automatic Acceptance applies for additional units of cover provided that:

- (a) the Plan receives your completed application within 30 days from the date you commence employment with your employer; and
- (b) you are At Work on the day you apply for the additional unit(s) of cover.

New Members who do not make a nomination will receive the **default cover** per their employment sector and any additional cover will need to be fully underwritten. If you want to increase your IP cover you will need to complete the *Change of Details* form available from the Plan Administrator or the website at **www.conceptonesuper.com**

Parental Leave and Leave without pay

An Insured Member will continue to be covered under the insurance policy during a period of employer approved leave subject to the conditions of the insurance policy including:

- (a) Should an Insured Person take employer approved unpaid maternity/paternity leave, then the Insured Person may continue to be covered under the insurance policy for a period of up to 12 months without obtaining written approval from the insurer, provided that the insurer continues to receive premiums in respect of that Insured Person.
- (b) Should an Insured Person take employer approved unpaid leave for reasons of study or holidays/travel, then the Insured Person may continue to be covered under the insurance policy for a period of up to 12 months, provided that the insurer gives written approval for this to occur prior to the commencement of such leave, and that the insurer continues to receive premiums in respect of that Insured Person.

In either of the circumstances described in Clauses (a) or (b), should the cover need to continue beyond the initial 12 month period, the insurer's written approval will be required before the expiry of the initial 12 months.

Interim Accident cover

While your application is being assessed by the insurer you will be provided with interim IP cover. A benefit may be paid if the insured member becomes totally disabled as a result of an accident that happens during the interim accident cover period. The date of disablement of the insured member must occur within 90 days of the accident.

1. Accident Cover

If an *eligible person* applies to the Plan for additional cover in circumstances where the *automatic acceptance limit* does not apply to all of part of their cover, the insurer will provide interim accident cover for the person in respect of whom such application is made, as set out in this condition. Interim accident cover for a person is subject to the exclusions, limitations, restrictions and claim procedures as apply under the insurance policy.

2. Accidental Disability Cover

The insurer will pay a benefit if the person is *totally disabled* as a result of an *accident* for longer than the waiting period which applies under condition 3 and the *total disability* happens:

- (a) within 90 days of the *accident*; and
- (b) during the interim accident cover period of 90 days.

3. Waiting Period and Benefit Payment Period

Waiting Period = 60 Days

Benefit period: 2 years

4. The Benefit

4.1 The benefit equals the amount of cover applied for up to the lesser of:

- (a) 75% of the person's income; or
- (b) \$15,000 per month (*maximum accident cover*) less the amount of any insured cover already provided.

However, this benefit is reduced by any insured cover already applicable to the person under the insurance policy, and any offset amounts. The benefit starts to accrue from the day after the end of the waiting period that applies.

5. Interim Accident Cover Period

Interim accident cover for a person starts on the date the Plan is notified in writing of the application for additional cover and ends on the earliest of the following dates:

- (a) the *Personal Statement* is withdrawn;
- (b) the insurer declines the application for cover;
- (c) the insurer accepts the application for cover;
- (d) you receive the person's acceptance of all the terms which applied to our offer to cover;

- (e) it is ninety (90) days since the date the insurer received the fully completed *Personal Statement*;
- (f) the person reaches the Benefit Ceasing Age;
- (g) the person ceases to be an Eligible Person; or
- (h) the Policy ending.

6. If You Make A Claim

If a person becomes entitled to make a claim under this condition that person's application for additional cover is automatically cancelled.

When does your Income Protection cover stop?

Cover for an Insured Member will cease on the earliest of:

- (a) the employment termination date when the Plan is made aware you have ceased working with an employer;
- (b) the date the you cease to be a Member of the Plan;
- (c) the date you cease to be an insured person;
- (d) the date the you reach the Benefit Ceasing Age 65;
- (e) the date you die;
- (f) the last Friday of the month in which your account balance becomes insufficient for the month's insurance costs to be deducted in full;
- (g) the value of your account balance is less than \$1200 provided that you have been a member of the Plan for more than 12 months and you have not received a contribution in the most recent quarter;
- (h) the date you notify the Plan in writing to terminate your cover;
- (i) the date the Policy Terminates;
- (j) if you travel outside Australia for more than three (3) months, and after the first three (3) months you are located in a country attracting an Australian Department of Foreign Affairs and Trade Do Not Travel Warning, cover will cease while located in that country.

What happens when you start work with a new employer?

Should you change employer/s your level of cover and premiums may go up or down as your IP benefit and premium is dependent on the default IP for the sector classification the employer operates – Education or Non Education. It is important that you notify the Plan when you change employers by completing a Change of Details form.

On reemployment you will get the default level of IP cover applicable to the sector classification of the new employer. You can apply for additional units of cover which will be subject to meeting the insurer's underwriting requirements.

Reinstatement of IP cover

Where cover ceases voluntarily, at the request of the insured member, then reinstatement of cover will be subject to meeting the insurer's underwriting requirements.

Where cover ceases due to:

- (i) the Insured Person's account balance being insufficient to pay premiums or the Insured Person's account balance falling below \$1200; and
- (ii) no SG contribution being received within the last 6 months (i.e. the account is no longer an "active account")

reinstatement of cover will be subject to meeting the insurer's underwriting requirements

Are there any Exclusions?

No benefit in respect of an insured member is payable if a sickness or injury is directly or indirectly caused by:

- (a) intentional self-inflicted injury or infection or attempt at suicide (whether or not the insured member is sane at the time);
- (b) the insured member's service in the armed forces of any country, other than the service in the Australian Armed Forces Reserve;
- (c) normal pregnancy or childbirth; or
- (d) war.

Worldwide Cover

An Insured Person who is an Australian Resident will be covered while outside Australia for up to three (3) years. However after the first three (3) months absence from Australia, they will not be covered while located in a country subject to a Do Not Travel Warning.

If a person ceased to be covered due to being located in a country subject to a Do Not Travel Warning which is subsequently lifted, cover will recommence on the lifting of the Do Not Travel Warning subject to continued payment of premiums.

Cover for an Insured Person is not affected by Do Not Travel Warning issued to a country where they are already located.

There is no requirement to report or notify Tower of Insured Persons located overseas.

If an Insured Person suffers Total Disability or Partial Disability whilst residing or travelling outside Australia, the payment of Benefits will cease six (6) months after the date of commencement of the disability, unless the Insured Person has permanently returned to Australia or another country acceptable to the insurer.

Accessing your money

This section covers:

- When you can access your money
- Your preservation age
- How your super is calculated
- Your options on leaving your employer
- Keeping track of your super

When can I access my money?

Under the legislation, you can access your money if one of the following applies:

Retirement	On permanent retirement from the workforce once you have reached your preservation age (refer to the table on page 38), you are entitled to receive your total accumulation benefit. 'Permanent Retirement' means that you have a current intention never again to be gainfully employed for more than 10 hours per week. You can elect to receive your benefit as a lump sum or arrange to purchase a tax effective pension or annuity.
Reaching Age 65	If you are aged 65 and wish to withdraw your superannuation, you will be entitled to request that the Trustee release the balance of your account.
Death	If you die, your dependants may be entitled to a payment equal to your accumulated benefit and the amount of your life insurance benefit (if applicable).
Total and Permanent Disablement (TPD)	If you become totally and permanently disabled, you may be entitled to a TPD benefit equal to your accumulated benefit and your TPD insurance benefit (if applicable).
Terminal Illness	If you have a terminal illness within the meaning of the SIS Regulations, and you provide the appropriate certification, you may be eligible to receive your superannuation lump sum benefit without having to pay tax.
Permanent Incapacity	If you become permanently incapacitated and are unable to return to work as defined in superannuation legislation, you may be entitled to the balance of your account.
Severe Financial Hardship	You may qualify for release of your benefit under the financial hardship rules if you have been receiving a qualifying Commonwealth Support payment for 26 weeks continuously (or 39 weeks cumulative after turning 55), you are currently not working and are unable to meet reasonable and immediate living/family

expenses. Proof of current debts must be supplied to the Trustee.

Compassionate Grounds The Australian Prudential Regulation Authority (APRA) may approve the release of the benefits on compassionate grounds. Compassionate grounds include – severe medical situations, prevention of foreclosure on your principal residence, or funeral expenses. Contact the Plan Administrator or APRA if you want further information on release of benefits on compassionate grounds.

**Temporary Residents
Departing Australia**

Any person who entered Australia as a temporary resident and who permanently departs Australia, may be entitled to the member’s accumulated benefits subject to a 35% withholding tax. (Note that if you are a temporary resident, you are only able to access your benefit after permanently departing Australia, or through Death or disability).

Benefits less than \$200 Members with total benefits in a superannuation fund of less than \$200 can withdraw this amount tax free provided the member’s total benefit is paid out and is received as a lump sum. To qualify, the member must have left an employer that has contributed to the Plan or be a lost member who has subsequently been found.

What’s my Preservation Age?

Your Preservation Age depends on your date of birth as follows:

Date of Birth	Preservation Age
Before 1 July 1960	55
1 July 1960 to 30 June 1961	56
1 July 1961 to 30 June 1962	57
1 July 1962 to 30 June 1963	58
1 July 1963 to 30 June 1964	59
After 30 June 1964	60

Keeping your money in superannuation

You are able to retain your funds in superannuation indefinitely.

How is my superannuation calculated?

COSP is an “accumulation” fund, which means your account balance when you retire or resign is the total of all contributions and investment earnings less any fees, taxes and insurance premiums (if applicable).

The amount of any applicable tax depends on the type of benefit being paid (e.g. death benefit, retirement benefit). Turn to page 19 to find out what tax applies.

What happens to my super if I leave my employer?

You have a few options open to you:

1. you can leave your superannuation with COSP and ask your new employer to join COSP (if they are not already registered);
2. you may transfer some or all of your superannuation to another fund of your choice;
3. if you are 55 years or over and retired, you can take your superannuation as a lump sum or transfer it into a complying pension or annuity.

Portability of super

Under the Superannuation Choice legislation, you can roll your superannuation into any fund of your choice. However the Trustee of COSP can refuse to transfer your money:

- if the fund to which you have requested your money be rolled over to will not accept the amount;
- if you have made a similar request in the previous 12 months; or
- if you request to rollover a partial amount which would leave your account balance with less than \$5,000.

If you choose to rollover your entire account balance to another fund, any insurance cover you have with COSP will cease. A withdrawal fee of \$60.00 will apply.

Temporary Residents and Super

Members who have worked in Australia on a temporary resident visa and have had contributions paid into COSP are able to claim payment from the Plan once their visa has been cancelled or expired and they have permanently departed Australia.

Payment of the benefit is subject to 35% tax.

The Trustee is obliged to pay unclaimed superannuation of a non-resident to the Australian Taxation Office (ATO) in certain circumstances. If you do not claim your superannuation within six (6) months of your visa expiring, your superannuation may be transferred to the ATO in accordance with the Federal Government's unclaimed money legislation. This means that you will need to claim your benefit directly from the ATO. It is important to note that no interest will be applied to your benefit whilst it remains with the ATO. Departed temporary residents may still claim their superannuation from COSP if they departed Australia less than 6 months previously.

The Trustee relies on ASIC relief to allow it not to notify or give exit statements to non-residents where their superannuation has been paid as unclaimed monies to the ATO.

If you are a non-resident member of COSP and your superannuation has been paid to the ATO, you may contact us for information or documents you may reasonably require to make an application to the ATO to reclaim your superannuation interest.

Proof of identity

Under the Anti-Money Laundering and Counter Terrorism Financing Act 2006, superannuation funds are required to identify, monitor and mitigate the risk that the Plan may be used for the laundering of money or the financing of terrorism.

Because of this, and other obligations placed on the Trustee by Superannuation Law, you will be required to provide proof of your identity before you withdraw your benefit from the Plan. At a minimum, you may be required to provide the Plan with evidence that verifies your full name, your date of birth, and your residential address.

To action your request to transfer or access your benefit, COSP must receive an original authorisation along with certified proof of identification to prove that you are the person who owns the superannuation entitlements.

Acceptable Documents

The following documents may be used.

EITHER

A *certified copy* of one of the following documents only:

- current driver's licence
- current passport.

OR

An original or certified copy of one of the following documents:

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

AND An original or certified copy of one of the following documents:

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

A *certified copy* of an original document is one which has been signed by a person who is authorised to certify documents to verify that they have seen the original document and that the copy is a **true and correct** copy of the original.

The following people are among those who can certify copies of the originals as true and correct copies:

- Medical practitioners – including Chiropractors, Dentists, Nurses, Optometrists, Veterinary Surgeons;
- A permanent employee of Australia Post with 5 or more years of continuous service;
- A bank or credit union officer with 2 or more years of continuous service;
- A police officer;
- A Justice of the Peace;
- A Teacher;
- A Pharmacist;

- A finance company officer with 2 or more years of continuous service (with one or more finance companies);
- An officer with, or authorized representative of, a holder of an Australian Financial Services Licence (AFSL), having 5 or more years of continuous service with one or more licensees;
- An officer with 2 or more continuous years of service with one or more financial institutions;
- A Certified Practising Accountant or an ICAA member, with 2 or more years of continuous membership;
- A notary public officer;
- A registrar or deputy registrar of a court;
- A person enrolled on the roll of a State or Territory Supreme Court or the High Court of Australia, as a legal practitioner;
- An Australian consular officer or an Australian diplomatic officer;
- A judge of a court;
- A magistrate; or
- A Chief Executive Officer of a Commonwealth Court.

Please note that COSP must sight identification showing your signature, and may require a statutory declaration to be signed by you before a transfer or withdrawal request can be processed.

Further Information

Keeping track of your superannuation

If you become a “lost” member (see below), your super may be transferred to the Plan’s nominated Eligible Rollover Fund (ERF).

What is an ERF?

An ERF is a type of superannuation fund that accepts small balances, lost super money and inactive accounts.

The Trustee may transfer your superannuation benefit if any of the following conditions apply:

- The Plan receives notification that you have ceased employment and no contributions or rollovers have been received for 5 years, since the date of the last contribution; or
- your account balance is under \$500; or
- you have not provided the Plan instructions on where to rollover your benefit.

The ERF used by the Plan is:

Super Safeguard Eligible Rollover Fund
333 Collins Street
Melbourne VIC 3000

T: 1300 135 181

F: 1300 135 191

If your superannuation is transferred into the ERF:

- you will cease to be a member of COSP;
- to their governing rules. You will need to contact the ERF directly with any queries;
- You will be subject to the ERF investment and fee structure, which are different to what you have now and may not suit your retirement goals; and
- You will lose any insurance benefits you may have because the ERF does not offer insured benefits in the event of death or disablement.

All members transferred to the ERF will be subject to the member benefit protection rules, regardless of whether your account balance exceeds \$500.

In order to avoid having your benefits transferred to an ERF, it is important that you keep track of your superannuation at all times.

Protecting your privacy

Your privacy is important to COSP. The Plan operates within the strict guidelines laid down by the Commonwealth Privacy Act.

The personal information that is collected from you assists us in establishing and servicing your account, processing your contributions, corresponding with you and providing you with superannuation and insurance benefits. This information can

include your name, address, date of birth, telephone number, Tax File Number and other financial information.

If you choose not to provide your personal information to the Plan, then it may not be able to adequately provide these services to you.

There are also other organisations that provide services to COSP, which may have access to your personal information. These include:

- mailing companies contracted to manage mailouts to members for COSP.
- archiving companies to ensure that all documents are stored in a secure environment.
- auditors and regulators to oversee COSP's compliance with legislation.
- insurance companies.
- legal companies providing advice to COSP and the Plan Administrator.
- doctors and other medical providers in the case of insurance claims.

Can I see the personal information COSP has about me?

You are entitled to see the information that is held about you and to ensure it is correct. To obtain this information, receive a copy of the Plan's Privacy Statement or report a possible privacy breach, please contact COSP at:

The Trustee
C/- Plan Secretary
Concept One Superannuation Plan
PO Box 739
Belmont WA 6984

Further information about privacy laws can be obtained by contacting the Privacy Commissioner on 1300 363 992 or visiting their website at www.privacy.gov.au.

Further information about COSP

If you have any queries about COSP please contact the Administrator:

The Australian Superannuation Group (WA) Pty Ltd (TASG)

Locked Bag 90 West Perth WA 6872

T: (08) 9211 6677 or 1300 720 182

F: (08) 9481 0096

E: conceptonesuper@tasgwa.com

If you want further information about COSP please, call the Plan Consultant on (08) 9211 6677 or 1300 720 182 and request copies of:

- the Trust Deed and Rules;
- the latest APRA Returns and Notices;
- the audited financial statements and auditor's report;
- previous copies of annual Reports; and
- any other information that might help you decide if Concept One is right for you.

Alternatively you can visit the Plan's website at www.conceptonesuper.com or write to us at Locked Bag 90 West Perth WA 6872.

There are certain time when a fee may apply for this information. If you are a non-member of the Plan or you are a member who has requested this information more than once in a 12 month period, a \$44 fee will apply. Please note the Annual Report and be downloaded from the website at www.conceptonesuper.com.