

Product disclosure statement

Robandjule Superannuation Fund

Fund Trustee: Julie Scott
Robert Scott

Name of Member: Robert Scott

Date of issue: 18/04/2011

1. Introduction

- 1.1** The Trustees issues this Product Disclosure Statement (PDS) to existing and prospective new Members (if any) of the Fund.
- 1.2** The purpose of this PDS is to provide persons interested in becoming Members of the Fund with relevant information about the provisions of the Fund.
- 1.3** The Fund as a Regulated Superannuation Fund and a Complying Superannuation Fund under the *Superannuation Industry (Supervision) Act (1993)* is eligible for concessional tax treatment under the Tax Act. The regulator of the Fund is the Australian Taxation Office.
- 1.4** The provisions of the Fund are set out in the Fund's Deed and Rules. The Fund will also comply with the standards set out in the SIS Act and SIS Regulations.
- Terms and phrases used in this PDS are defined in the Rules of the Fund, which are part of the Fund Deed.
- 1.5** The *Corporations Act 2001* and Regulations provides that Members who become members of the Fund when it is established, are to be given this PDS as soon as practicable but within 3 months of becoming a Member. Other Members are to be given the PDS at the time they join the Fund.
- 1.6** Contributions are made to the Fund on behalf of each Member and credited to the Member's Account. The Fund invests these contributions and amounts (e.g. earnings on investments) are credited to the Member's Account. Amounts (e.g. Fund expenses, tax and losses) are debited to Member's Account. A Member's benefit is preserved in the Fund and cannot be received by the Member until such time as the Member satisfies a condition of release. At that time, a Benefit representing the balance of the Member's Account and/or the proceeds of death or disability insurance taken out by the Fund, if any, may be payable to the Member. The Benefit may be in the form of a lump sum payment or Pension or both, depending on the Rules of the Fund and the provisions of the Act.
- 1.7** The primary purpose of a Fund, where the Trustees are persons, is to provide benefits in the form of old age pensions for its Members.
- 1.8** If the Trustee is a corporate trustee, benefits may be paid by lump sum payment when an appropriate condition of release has been met.

- (f) the pension account balance cannot be increased by contributions or rollovers.

Age of member	Minimum % to be taken	Minimum % to be taken – drawdown relief 10/11
> 65	4	2
65 – 74	5	2.5
75 – 79	6	3
80 – 84	7	3.5
85 – 89	9	4.5
90 – 94	11	5.5
> 95	14	7

2.8 A Transition to Retirement Pension may be paid to a Member who has reached their preservation age, as set out below, but continues to work. This pension is an account based pension that must meet certain other requirements, as follows:

- (a) total pension payments in any year must be no greater than 10% of the account balance at the start of that year; and
- (b) the pension cannot be commuted and taken as a lump sum until the member meets a condition of release of retirement (as defined in the SIS Regulations), death, Permanent Incapacity or attaining age 65.

2.9 The preservation age depends on the date of birth of the Member 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

2.10 The Trustees may make available any other form of pension permitted by the Act.

Death Benefits

2.11 If a Member dies, a benefit is payable calculated according to the value of the Member's Account, and may include the proceeds of any relevant insurance policy taken out by the Trustees.

2.12 In the absence of a valid Binding Death Benefit Nomination, the benefit will be payable to one or more of the Member's Dependents or the Member's estate in proportions determined by the Trustees.

Severe Financial Hardship

- 2.22** Members may apply for benefits to be paid on the basis of the Member's severe financial hardship In circumstances prescribed by the SIS Regulations.

Compassionate Grounds

- 2.23** A Member may apply to the Regulator for the release of benefits to the Member on compassionate grounds as set out in the SIS Regulations. A lump sum, not exceeding an amount determined by the Regulator will be paid to a Member if the Member satisfies the requirements of the SIS Regulations.

3. Investments and risks

- 3.1** The Trustees or directors of a Corporate Trustee, (and therefore the Members because they are the Trustees or directors) have full responsibility for the management and administration of the Fund.
- 3.2** This includes the significant function to invest contributions made to the Fund on behalf of Members. The Trustees are required to formulate an investment strategy to meet the Fund's investment objectives taking into account relevant circumstances, but they do not guarantee the performance of the Fund or any particular investment.
- 3.3** The performance of the Fund will depend on the success or otherwise of the investment strategy together with external factors, such as prevailing or changing economic conditions. The way in which the Fund performs, will affect the value of Benefits a Member will receive from the Fund.
- 3.4** The Trustees may seek professional assistance in performing their management, administration and investment functions.
- 3.5** As control of the Fund rests with the Trustees, prospective Members should be aware that voting in Trustee meetings to make decisions regarding the administration, investment and management functions of the Fund is according to majority of votes based on the size of Member Account balances and therefore these functions may be controlled by the Trustees who represent the Members with the largest Member Account balances.
- 3.6** Factors such as account labour standards, environmental, social or ethical matters are not taken into account in the selection, retention or realisation of investments.

4. Contributions

- 4.1** A Member and others, such as employers, the Government (by co-contributions), spouses, may make contributions to the Fund on behalf of a Member.
- 4.2** Contributions made to the Fund on behalf of a member are credited to the Member's Account. Deductions are made from this account for benefit payments, Fund expenses, losses and taxes. Earnings are credited (or debited) to this account.
- 4.3** Members may apply to split contributions with their spouse.
- 4.4** There are limits to the amount of contributions that can be made, and there are tax implications should contributions exceed certain capped amounts.
- 4.5** There are two types of contributions: concessional and non-concessional.

6. Characteristics

- 6.1** Trustees make decisions regarding the administration and management of the Fund, such as setting the investment strategy and payment of Benefits to Members. Decisions will be made by Trustees at meetings. Where the Trustees are persons, each Trustee at a meeting of Trustees will have the number of votes equivalent to the nearest dollar amount of the Member's Account balance of the Member they represent, but no less than one vote each. If the Trustee is a company, the constitution of the company will determine the voting power of directors and legal advice should be sought by prospective Members regarding the company's constitution and the voting rights that will apply to Trustee's decisions as meetings.
- 6.2** The Fund must have fewer than 5 Members.
- 6.3** Members of the Fund, or their Legal Personal Representative, must be either Trustees of the Fund or directors of a corporate Trustee of the Fund.
- 6.4** A Member cannot be the Employer of another Member, unless they are Relatives.
- 6.5** In the case of a sole or one Member Fund, the Member may be the sole director of a corporate Trustee or there may be two directors who are the Member and another person who is not an employer of the Member unless they are the Relative of the Member. Where the Trustee is not a corporate Trustee, the Member and another person who is not an employer of the Member unless they are the Relative of the Member, must be the Trustees of the Fund.

7. Taxation implications

- 7.1** The Fund will attract concessional taxation treatment provided it remains a Regulated Superannuation Fund and a Complying Superannuation Fund.
- 7.2** Tax is payable by the Fund on deductible or concessional contributions to the Fund and investment earnings of the Fund.
- 7.3** Taxation of contributions and Benefits is complex and it is recommended that professional advice from a taxation advisor is sought.
- 7.4** Benefits paid from a taxed source either as a lump sum or pension will be tax free when paid to Members who are 60 years of age or older.
- 7.5** Superannuation benefits paid from a taxed source to Members who are under 60 years of age are subject to tax as follows:
- (a) the exempt component will be paid tax free and comprises: the pre-July 83 component; the CGT exempt component; the post-June 1994 invalidity component; the concessional component and the non-concessional (post-tax) contributions;
 - (b) the taxable component comprises the current post-June 1983 component and the non qualifying component and is subject to varying rates of tax depending on the Member's age. If the Member is below their preservation age, the tax rate will be 20% plus Medicare levy on the whole amount. For Members of preservation age to age 59, from 2010-11 it will be paid tax free up to the low-rate cap amount of \$160,000.00 and amounts above the cap will be taxed at 15 per cent plus Medicare levy;

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