



Personal Super Personal Pension

ADDITIONAL INFORMATION

Issue 1

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This document provides additional information to the Summit Personal Super and Personal Pension Product Disclosure Statement (PDS). A printed copy of this document can be obtained free of charge by contacting Summit Client Service on 1800 622 772.

Important information

This publication has been prepared to provide you with general information only. It is not intended to take the place of professional advice and you should not take action on specific issues in reliance on this information. In preparing this information, we did not take into account the investment objectives, financial situation or particular needs of any particular person. Before making an investment decision, you need to consider (with or without the assistance of an adviser) whether this information is appropriate to your needs, objectives and circumstances. You should obtain a copy of the relevant Product Disclosure Statement (PDS) before making a decision to invest in any financial product. Copies of our PDSs can be obtained from your adviser or by calling Summit Client Service on 1800 622 772. Applications for investment in AXA Australia products will only be accepted on receipt of an application form accompanying a current PDS. Detailed information about the product is contained in the PDS. This information is provided for persons in Australia only and is not provided for the use of any person who is in any other country.

Throughout this booklet

References to:	To be read as:
Member or you	A member of Summit Personal Super and Personal Pension, including any person you authorise to act on your behalf.
Portfolio	In respect of a member, the value of the underlying investments (including cash) held by the Trustee on the member's behalf.
Financial adviser	A financial adviser holding an Australian Financial Services (AFS) Licence or acting as an authorised representative of a licensee.
AXA, our, we or us	AXA Asia Pacific Holdings Ltd ABN 78 069 123 011 and its Australian subsidiary companies, including The National Mutual Life Association of Australasia Ltd ABN 72 004 020 437, AFS Licence No. 234649, NMMT Limited ABN 42 058 835 573, AFS Licence No. 234653 and N.M. Superannuation Pty Ltd (NM Super) ABN 31 008 428 322, AFS Licence No. 234654.
The Fund	Summit Master Trust Personal Superannuation and Pension Fund ABN 74 759 764 217 of which Summit Personal Super and Personal Pension are a part of.
Summit	The portfolio administration service operated by AXA.

Section 1

What type of contributions can be made?

Contributing to Summit Personal Super

The following table illustrates the type of contributions you can make to your Summit Personal Super account.

Your age	Types of contributions that can be made
Under 65	<ul style="list-style-type: none">• Mandated employer contributions: Superannuation Guarantee (SG) and award• Employer voluntary contributions• Salary sacrifice• Personal contributions• Spouse contributions• Government co-contributions
Age 65 to 69	<ul style="list-style-type: none">• Mandated employer contributions (SG and award)• Employer voluntary contributions once you have been gainfully employed or self-employed for at least 40 hours in a period of 30 consecutive days in the financial year• Personal contributions including spouse contributions once you have been gainfully employed or self-employed for at least 40 hours in a period of 30 consecutive days in the financial year• Government co-contributions
Age 70 to 74	<ul style="list-style-type: none">• Mandated employer contributions (award)• Employer voluntary contributions once you have been gainfully employed or self-employed for at least 40 hours in a period of 30 consecutive days in the financial year• Personal contributions excluding spouse contributions once you have been gainfully employed or self-employed for at least 40 hours in a period of 30 consecutive days in the financial year• Government co-contributions (up to and including age 70)
Age 75+	<ul style="list-style-type: none">• Mandated employer contributions only (award)

For more information contact your financial adviser or visit www.ato.gov.au.

Concessional contributions

Concessional contributions include the following:

SG/Award contributions	SG contributions and award contributions are mandated contributions paid into your account by your employer. The amount your employer must contribute is set by legislation or the relevant industrial agreement and is a percentage of your before tax income. At present the SG contribution percentage is generally 9 per cent of your salary.
Additional employer contributions	Your employer can make extra contributions to your account in addition to mandated SG contributions. These extra contributions may include payments for insurance premiums and fees.
Salary sacrifice contributions	Salary sacrifice contributions are deducted from your before tax salary. You will need to enter into an agreement with your employer in order to be able to make such contributions.
Directed termination payments (DTP)	Employment termination payments arising from an entitlement outlined in an employment contract that was in place before 10 May 2006 and is contributed into an employee's superannuation account before 1 July 2012.
Personal contributions for which a tax deduction has been claimed	Members of Summit Personal Super who are self-employed or substantially self-employed and are making personal contributions may be eligible to claim a tax deduction. If a tax deduction is claimed the contribution will be treated as a concessional contribution.

Subject to very limited exceptions, payments made by employers to employees in consequence of the termination of employment (ie employment termination payments) will not be able to be rolled into superannuation funds. Speak to your financial adviser for more information.

For information on the maximum concessional amounts that can be contributed in any one year refer to section 7.

Section 1

What type of contributions can be made?

Non-concessional contributions

Non-concessional contributions are contributions made to a superannuation fund which are generally made from a member's after tax income, though some exceptions to this rule apply.

Personal contributions	You can arrange with your employer to make regular contributions via a payroll deduction from your after tax salary. Alternatively you can make contributions directly to the Fund. If you make personal contributions, you may qualify for the government's co-contribution scheme (see below for more details).
Spouse contributions	These are contributions paid by your spouse into your account. Your spouse does not need to be a member of the Fund to make spouse contributions.

For information on the maximum non-concessional amounts that can be contributed in any one year refer to section 7.

Other contributions

Other contributions the Fund may accept include:

Government co-contributions	Payments made by the government to superannuation accounts of certain low income earners who make non-concessional personal contributions and who are either employees or who generate at least 10 per cent of their income from business activities.
Rollovers from other superannuation funds	If you are entitled to a benefit from another superannuation fund, deferred annuity, retirement savings account or approved deposit fund, you may choose to rollover the amount and consolidate your superannuation benefits under this Fund. This may also be the simplest and most cost-efficient approach to keep track of your superannuation benefits.
Transfers from overseas funds	The Fund is eligible to accept overseas transfers. For more details contact your financial adviser.
CGT small business	Certain proceeds from the disposal of qualifying small business assets can be contributed, provided that a tax deduction is not claimed for the contribution. You should consult your financial adviser to confirm if you are eligible to make this type of contribution.

Section 2

When can I access my superannuation?

Your superannuation benefit is the total of all contributions made, benefits rolled over or transferred in, plus investment earnings, insurance proceeds (if any), less fees, taxes, lump sum withdrawals, insurance premiums (if any) and other charges. Most superannuation benefits are preserved and superannuation law provides that preserved benefits can only be paid in any of the following circumstances:

- when you reach age 65
- if you cease employment after age 60
- when you reach your preservation age (see table to the right) and are still working full time, your superannuation benefit can be used to commence a non-commutable pension
- when you permanently retire, after attaining the preservation age applicable to you (see table to the right)
- if you suffer permanent incapacity as defined by the Superannuation Industry (Supervision) Act 1993
- if you satisfy the criteria for early release of part or all of your benefit on the grounds of severe financial hardship to the satisfaction of the Trustee
- if the Australian Prudential Regulation Authority approves the release on specified compassionate grounds
- upon your death
- if you satisfy the criteria of terminal medical condition as specified by superannuation law
- on complying with any other condition of release specified by superannuation law
- when you have been a lost member and are subsequently found, and your account balance is \$200 or less.

All superannuation contributions and any investment earnings are preserved.

Preservation age

Date of birth	Preservation age
Before 1 July 1960	55
From 1 July 1960 to 30 June 1961	56
From 1 July 1961 to 30 June 1962	57
From 1 July 1962 to 30 June 1963	58
From 1 July 1963 to 30 June 1964	59
On 1 July 1964 or after	60

Some or all of a benefit you roll over to Summit Personal Super may be restricted non-preserved or unrestricted non-preserved. The benefits you roll over will retain this status. This means that you may be able to access these unrestricted non-preserved benefits without meeting the requirements as previously listed.

Speak to your financial adviser if you require further information about restricted non-preserved and unrestricted non-preserved benefits.

Section 3

How are pension payments calculated?

Calculating your pension payment

Allocated pensions require payments of a minimum amount to be made at least annually. There are no restrictions on how much you are able to withdraw above the minimum level other than your maximum account balance.

The minimum amount of income which must be paid in a year is calculated by multiplying the withdrawal value of the account balance by the applicable percentage factor prescribed by government legislation. There is no maximum payment for allocated pensions.

The following table sets out the minimum annual income payments.

Minimum annual income table

Age	Per cent of account balance
Less than 65	4
65 – 74	5
75 – 79	6
80 – 84	7
85 – 89	9
90 – 94	11
95 +	14

Temporary changes to the minimum annual income payment amounts

As part of the 2009 Federal Budget, the government announced that members can elect to halve the minimum annual income percentages for the 2009/10 financial year, which are shown above. This temporary relief recognises the effect of the financial market downturn on investments.

If your pension is a non-commutable allocated pension (NCAP), your funds may consist of three preservation components. Income payments will be made from your preservation components in the following order (if applicable):

- unrestricted non-preserved
- restricted non-preserved
- preserved.

A maximum annual payment applies to NCAPs. In the first year of the NCAP the maximum is 10 per cent of your initial investment. In subsequent years, the maximum annual income payment is 10 per cent of your account balance as at 1 July.

In the first year of an NCAP or an allocated pension, the amount you choose to receive as income will be distributed pro rata across the remaining months in the financial year, unless you instruct us otherwise.

Your pension payments must satisfy the following rules:

- you must receive at least one payment each financial year, unless you invest during June, in which case no pension payment is required in that financial year, and
- your gross annual payment must be at least the prescribed minimum amount.

You can choose to receive the minimum pension or any amount above this.

The prescribed minimum pension amount is determined at the time of your first investment for that year and each subsequent 1 July. If your pension commences on any day other than 1 July, your first year's payment will be calculated pro rata for the number of days until the next 1 July, unless you instruct us otherwise.

Non-concessional and spouse contributions

If you are still eligible to contribute to superannuation you may be able to use some of your ordinary savings to make a non-tax deductible contribution prior to commencing your Summit Personal Pension plan. These funds will be consolidated with any rollovers in a Summit Personal Super plan prior to commencing this pension.

Generally you are eligible to make a personal non-concessional contribution if you are:

- under 65
- aged 65 to 75 and have worked for at least 40 hours in a period of 30 consecutive days in this financial year.

Alternatively your spouse could make a non-concessional contribution on your behalf provided you are under 65, or between 65 and 70 and have been gainfully employed for at least 40 hours in a period of 30 consecutive days in this financial year.

Section 4

What risks apply to investing?

The general sources of investment risk can be split into several categories such as:

Market risk

This is the risk of the fall in the price of assets within a particular market. Movements in interest and inflation rates and changes in government, taxation, legislation and market sentiment can affect the value of assets in the investment options.

Currency risk

Currency risk is the risk that the Australian dollar value of your portfolio may vary in accordance with such movements. At times, such risk can be substantial. Investors should be aware of such risks when making investment decisions and should consult their financial adviser accordingly.

Risk of delay

Generally investment instructions are placed with the fund managers daily. Delays in purchasing and selling investments may occur for a number of reasons, including:

- if a transaction request does not provide sufficient detail for us to act on the request
- if the required signature(s) are not provided
- where instructions are illegible or incomplete
- where the transaction does not meet the minimum investment or withdrawal requirements imposed by fund managers. We will endeavour to combine all investors' instructions to meet the minimum requirements
- where the underlying market in which the assets are traded becomes illiquid.

Derivatives risk

The fund managers may use derivatives (ie securities that derive their value from other assets or indices) actively for risk management purposes or to gear the investment options (refer to Gearing risk below). The use of derivatives may result in more volatile returns and may increase the risk of gains and losses. This risk may apply to all of the investment options.

Gearing risk

Some of the investment options may be geared via the use of borrowings or derivatives. Gearing can increase the magnitude of gains and losses within an option and may increase the volatility of investment returns.

Legislative risk

Changes to superannuation legislation occur, and may affect who can invest, what tax is to be paid and when and how money can be withdrawn.

Liquidity risk

This is the risk that an investment may not be easily converted into cash with little or no loss of capital and minimum delay, because of inadequate market depth or disruptions in the market place.

Investment switches, withdrawals, rollovers and transfers from your superannuation or pension account are normally processed within 30 days of us receiving all the necessary information. There is an exception to this requirement where particular investments have redemption restrictions imposed by the underlying fund manager that prevent us from paying the benefit within this period. These are referred to as 'illiquid assets', and are specifically identified as such in the Summit Investment Menu, together with the maximum redemption period for each illiquid asset.

Section 4

What risks apply to investing?

Investment strategy asset classes

There are five main asset classes that are used when determining your investment strategy:

- Cash
- Fixed interest (International/Australian)
- Property (International/Australian)
- Equities (International/Australian)
- Alternatives.

These five asset classes have different risks and different expected returns. Allocating your money across all the asset classes may reduce your risk by providing diversification, as one asset class may perform well while another asset class performs poorly.

The following table shows how asset classes may be classified by risk and return.

Asset class	Characteristics	Time horizon	Risk	Return
Cash	Cash consists of bank deposits and short-dated debt issued by governments and corporations. This asset class has a low risk classification and historically has generated the lowest return out of the asset classes.	Generally 1 – 3 years	Low	Low
Fixed interest	Fixed interest consists principally of debt issued by governments and corporations. This asset class may provide a higher return than cash at a slightly higher risk.	Generally 2 – 4 years	Medium	Medium
Property	Property generally has lower risk and lower return than share investments as the value of the investment is supported by the underlying value of the property and the rental income. There is nonetheless a risk of reduction in value due to market cycles, increase in vacancies, etc. This asset class is riskier than cash and fixed interest.	Generally 3 – 5 years	Medium/High	Medium/High
Equities	Equities are shares of a company that may be listed on a stock exchange eg Australian Stock Exchange (ASX). The value of equities may rise or fall due to market cycles, the profitability of the underlying companies, etc. Equities (shares) generally have higher risk than other asset classes, but over long periods of time, on average, achieve higher returns.	Generally 5 – 7 years	High	High
Alternatives	Alternatives refer to a diverse range of assets including hedge funds, commodities and private market instruments. The risks associated with these assets are generally high but on average, over long periods of time, they may achieve high returns that (at times) can be diversified from the returns of other assets.	Generally 5 – 7 years	High	High

Section 5

What about insurance?

Terminal illness

If you have Death cover, the Insurer will pay a Terminal illness benefit if you become terminally ill:

- while this policy is in force
- before your cover ends, and
- before you reach the benefit expiry age for the death benefit.

A person is regarded as terminally ill where:

1. you are diagnosed by two registered medical practitioners as being terminally ill, one of which must be a specialist practicing in an area related to the illness
2. that illness stops you working, and
3. in the Insurer's opinion you are not expected to live more than 12 months.

The registered medical practitioner cannot be a family member, business partner, your employee or employer.

The amount of the terminal illness benefit the Insurer pays is the amount of the insured Death cover that applied when you first stopped work due to the terminal illness, up to a maximum of \$1 million.

If a terminal illness claim is admitted, the Insurer will pay the insured amount to the Trustee. Then, subject to your having satisfied a condition of release, the Trustee will make the proceeds available to you.

The benefit is payable for terminal illness, if you are covered for a death benefit. If the Trustee determines that you are entitled to receive your benefit from the Fund, the benefit will be available to you as a lump-sum.

Exclusions

Death and TPD cover

The following exclusions apply to Death and TPD cover:

1. **Suicide or intentional self-injury** – No benefit is payable if the death or TPD has occurred within 13 months of the commencement, reinstatement or increase of your cover and such death or TPD has occurred in the opinion of the Insurer wholly or partially as a consequence of suicide or intentional self-injury.
2. **Invasion or war** – In the event of an invasion or war (whether war has been declared or not) involving Australia's armed forces or involving the country of your residence (including temporary residence), the Insurer may vary premiums or vary the amounts covered by notice. If such a notice is disregarded, no benefit is payable under the policy where your death or TPD occurs directly or indirectly as a consequence of such invasion or war.

Special conditions – The Insurer reserves the right to impose exclusions or additional premium loadings for certain medical conditions and pastimes. You will be notified of any special conditions upon notification of your acceptance and you must agree to these in writing within 30 days before the Insurer can issue any insurance cover, apart from interim Death cover, or the offer will be void.

Salary Continuance cover

For Salary Continuance cover, the Insurer will not pay if, in the Insurer's opinion, one or more of the following circumstances occur:

1. Your injury or illness is a result of intentional self-injury or illness.
2. Your injury or illness is wholly attributable to normal and uncomplicated pregnancy or childbirth.
3. Your injury or illness is a condition that existed when you were accepted for cover under the policy, or is wholly or partially attributable to, or a consequence of such a condition:
 - where the Insurer granted the cover without seeking evidence of health:
 - the condition caused absence from work at any time during the six months prior to granting of the cover, or
 - the condition did not significantly and materially deteriorate since the cover was granted.
 - where the Insurer sought evidence of health before granting the cover:
 - the condition was known to you when the cover was granted, other than where the Insurer, after becoming aware of the condition, agreed to cover it.
4. In the event of an invasion or war (whether or not war has been declared) involving Australia's armed forces or involving the country of residence (including temporary residence) of any member, no benefit shall be payable under the policy where total disablement occurs directly or indirectly as a consequence of such invasion or war.
5. You travel overseas (while receiving Salary Continuance benefits), unless the Insurer agrees in writing to continue payment regardless of such travel.
6. You are not in employment when you become totally disabled, as recognised by the Insurer.
7. The injury or illness is as a result of your service in the armed services of any country or international organisation.

Salary Continuance cover will continue for up to 12 months during approved unpaid leave. The Insurer must be advised in advance of any insured members on unpaid leave from employment and reserves the right to vary the premium basis and request further information regarding the period of unpaid leave. No Salary Continuance benefits are payable during any period in which the member is not in employment unless the Insurer agrees otherwise.

Special conditions – The Insurer reserves the right to impose exclusions for certain medical conditions or additional premium loadings. You will be notified of any special conditions upon notification of your acceptance and you must agree to these in writing within 30 days before the Insurer can issue any insurance cover, apart from interim Death cover, or the offer will be void.

Section 5

What about insurance?

Cessation of cover

Death and TPD

For Summit Personal Super

Death or Death and TPD cover under this option will cease if one of the following occurs:

- a death or TPD benefit is payable under the cover
- a terminal illness benefit is paid and there is no residual insurance
- you turn 65 in respect of TPD cover or 70 in respect of Death cover
- for TPD cover, you are no longer in employment as recognised under the policy
- future premiums are unable to be deducted from your account within 30 days of the date on which notice is given of unpaid premiums
- the group insurance policy is cancelled
- you request in writing to cease cover
- you make a fraudulent claim
- you continue to be on unpaid leave of absence from employment beyond 12 months, or
- you cease to be a member of Summit Personal Super.

For Summit Personal Pension

Death cover under this option will cease if:

- a death benefit is paid
- a terminal illness benefit is paid and there is no residual insurance
- you turn 70
- future premiums are unable to be deducted from your account within 30 days of the date on which notice is given of unpaid premiums
- the group insurance policy is cancelled
- you request in writing to cease cover
- you make a fraudulent claim
- you cease to be a member of Summit Personal Pension.

Salary Continuance

You will have no Salary Continuance cover during any period when you are not in employment (as defined on page 11). You should check with the Trustee for details.

Your cover will also cease if one of the following occurs:

- you turn 65
- you cease to be a member of Summit Personal Super
- future premiums are not paid within 30 days of the date in which notice is given of unpaid premiums
- the group insurance policy is cancelled
- you request in writing to cease cover
- a TPD benefit is payable
- you continue to be on unpaid leave of absence from employment for more than the 12-month period allowed for and approved under the policy
- you are not in employment, as recognised under the policy
- you make a fraudulent claim, or
- a death benefit becomes payable.

Other information for Salary Continuance cover

Cessation of total disability benefit payments

We will stop paying for any total disability as soon as one of the following happens:

- you stop being totally disabled
- you reach age 65
- you are in jail or otherwise detained as a result of a criminal act
- you make a fraudulent claim
- you are assessed as being totally and permanently disabled under another policy with the Insurer
- the benefit period for the disability ends
- you are not under medical care
- you refuse to undertake treatment or rehabilitation which could be expected to allow you to return to work
- you fail to take all steps to return to work if you have capacity to do so
- you fail to make available to the Insurer medical, financial or other evidence required to assess the claim that the Insurer has requested in writing, or
- you die.

Cessation of partial disability benefits

We will cease paying for any partial disability as soon as one of the following happens:

- you stop being partially disabled
- you reach age 65
- you are in jail or otherwise detained as a result of a criminal act
- you make a fraudulent claim
- the benefit period of the cause of the disability ends
- you refuse to undertake treatment or rehabilitation which could be expected to assist your return to full-time work
- you fail to make available to the Insurer medical, financial or other evidence as required to assess the claim
- you are not under medical care, or
- you die.

Reduction of benefits

We may reduce your benefits by any offset amounts. Offset amounts refer to any amount that is paid or is required to be paid (whether by lump sum, periodic payment, settlement of legal proceedings or otherwise):

- under legislation or an award (eg workers' compensation legislation, transport accident legislation or any other legislation or award)
- under any other income protection policy you hold with us or any other insurance company
- under common law actions for loss of earnings, past and future, or
- any paid sick leave received from your employer at the same time as you are receiving total disablement benefits from us.

Any insurance benefits, including life insurance benefits, will be paid as a separate lump-sum payment and will not be included in your nominated pension payment amount.

Section 5

What about insurance?

Notwithstanding the above, your salary continuance benefit will not be reduced by any offset amounts you receive as superannuation benefits from another fund or from social security.

Definitions

Employment refers to your primary source of income and means either permanent employment with an employer or attendance to the duties of the business, trade or profession in which you are permanently engaged as notified to and accepted by the Insurer.

If you go on unpaid leave of absence from employment, you must inform the Trustee. The Insurer reserves the right to change the conditions of cover and vary the premium. TPD cover will continue for up to 12 months of continuous approved unpaid leave, provided premiums continue to be paid. No TPD benefit becomes payable in respect of a period when you are not either in employment or on approved leave of absence. Death cover is not affected by unemployment or unpaid leave.

Salary refers to the main source of your income (as recognised by the Insurer) and means either money generated by a business due to your own activity (after all expenses in earning that income have been deducted) or the total package received from an employer excluding any non-recurring components but including any such regular or recurring components as may be agreed to by the Insurer.

Salary does not include investment or interest income. You are only insured for an amount of salary recognised and verified by the Insurer and upon which premiums are based. Salary Continuance benefits are calculated on your salary at the time of becoming totally or partially disabled.

Medical care means that you must be receiving and following treatment or advice recommended by a medical practitioner who has personally assessed you and has been provided with full clinical details of your case, and you will continue to be reviewed in these circumstances on at least a monthly basis unless the medical practitioner specifies otherwise.

Medical practitioner means a registered medical practitioner who is appropriately qualified to treat you for injury or illness.

Continuation option for Summit Personal Super

If you terminate cover under the policy, you may apply for an AXA individual insurance plan through a continuation option. Subject to certain conditions, normal health evidence requirements will be waived, however we may request any information we consider relevant which does not relate to your health. The following terms and conditions apply:

- your cover must have terminated for reasons other than disablement (either permanent or temporary)
- you are under the age of:
 - 65 next birthday for Death cover
 - 50 next birthday for TPD cover, and
 - 60 next birthday for Salary Continuance cover

- your Continuation option form and individual insurance application are received by us within 60 days of ceasing to be covered under the policy.

If you have Salary Continuance cover under your policy and wish to continue your cover under an individual plan, the following additional terms also apply:

- you must be employed full time (at least 25 hours per week)
- the same waiting periods and benefits apply as under the current policy or as specified by the Insurer at the time the option is exercised
- evidence will be required in respect of income, financial status, occupation, pursuits and pastimes.

The individual insurance plan will be subject to the standard terms and conditions at the time, with the following exceptions:

- any special conditions which applied under the policy will also apply under the individual plan
- the amount of cover will be limited to the sum insured under the current policy at the time of cessation, unless the minimum level of cover under the individual plan is less
- a continuation option is not allowed if you have previously taken out an individual plan by exercising a continuation option with the Insurer.

Contact Summit Client Service on 1800 622 772 for details.

Continuation option for Summit Personal Pension

If you terminate cover under the policy, you may apply for an AXA individual insurance plan through a continuation option. Subject to certain conditions, normal health evidence requirements will be waived, however we may request any information we consider relevant which does not relate to your health. The following terms and conditions apply:

- your cover must have terminated for reasons other than disablement (either permanent or temporary)
- you are under the age of 65 next birthday
- your continuation option form and individual insurance application are received by us within 60 days of ceasing to be covered under the policy.

The individual insurance plan will be subject to the standard terms and conditions at the time, with the following exceptions:

- any special conditions which applied under the policy will also apply under the individual plan
- the amount of cover will be limited to the sum insured under the current policy at the time of cessation, unless the minimum level of cover under the individual plan is less
- a continuation option is not allowed if you have previously taken out an individual plan by exercising a continuation option with the Insurer.

Contact Summit Client Service on 1800 622 772 for details.

Section 5

What about insurance?

Transfer of insurance cover

Transfer to Summit or Generations

You may move your current level of cover held under Summit Personal Super and Personal Pension to another Summit or Generations product without additional medical requirements. If you wish to increase the level of cover or alter the terms and conditions, you will be required to provide medical, financial and other evidence. Contact your financial adviser who can advise you of the requirements.

Transfer from AXA individual plan

Transfer from an AXA individual insurance plan cover can only be transferred where the individual plan has a conversion option and is subject to the same term and sum insured amount on a 'like for like' basis as long as the cover is not reinsured. You are required to complete the Transfer declaration in Step 4 – New or existing cover section of the Insurance application form and personal statement.

Contact your financial adviser who can advise you of the requirements.

Transfer from any other insurance company

For individual insurance business that has been underwritten by any other insurance company, contact your financial adviser who can advise you of the requirements.

Section 6

How will the benefit be paid upon death?

You may choose one of the following options for nominating how a death benefit would be paid in the event of your death:

- binding death benefit nomination – the Trustee is bound to pay your benefit to the person(s) you have nominated as long as your nomination is valid
- non-binding death benefit nomination – the Trustee will consider the nomination provided by you but has discretion to pay your benefit to one or more of your dependants and/or your legal personal representative in proportions it determines.
- reversionary pensioner – you can request that your pension continue after your death by nominating your spouse or your child as a reversionary pensioner.

In the case of pension assets, if a death benefit becomes payable it will consist of:

- your pension benefit, and
- the proceeds of any insurance claim paid by the Insurer.

No tax is paid on lump-sum death benefits paid to a death benefit dependant as defined in the tax legislation. A pension payable to your dependant including a reversionary pensioner may be tax free depending, for example, on your age when you die and the age of the recipient dependant beneficiary.

A non-dependant beneficiary of your death benefit can only receive payment as a lump sum and will be subject to tax. The taxable component of a lump sum paid to a non-dependant (including children 18 and over) is taxed as assessable income.

In the case of a child death benefit dependant, a death benefit income stream may be paid only where, at the time of the member's death, the child dependant is:

- under 18 years of age
- between 18 and 25 years of age and financially dependent on the member (although the income stream is subject to different tax treatment), or
- disabled as defined in disability services legislation (although, again, the income stream is subject to different tax treatment).

A death benefit income stream paid to a child dependant must be commuted when the child reaches age 25, unless the child is disabled as defined in the Disability Services Act 1986.

Contact your financial adviser for further details. To nominate beneficiaries, complete the appropriate section of the Application form.

Definition of a dependant

A dependant is defined as:

- the spouse
- each child (including an adopted child, step-child or an ex-nuptial child) of a member, or the child of a member's spouse,
- any person who is, or was at the relevant time, in the opinion of the Trustee in an interdependency relationship with the member (generally a close personal relationship between two people who live together, where one or both provides the other with financial support, domestic support and personal care),

- any person who in the opinion of the Trustee is, or was at the relevant time, dependent in whole or in part upon the member, and
- any other person treated for the purposes of superannuation law as a dependant.

The beneficiary of your death benefit can ask to receive the payment as a lump sum.

Definition of a spouse

A spouse is a person who is legally married to the member, or a person who, although not legally married to the member lives (or lived at the time of the member's death) with the member on a genuine domestic basis in a relationship as a couple and includes a same sex partner.

Binding death benefit nomination

Estate planning is an important aspect of any financial plan. In the event of your death, effective estate planning can help to ensure that your family's needs are catered for and that your estate is administered or distributed in accordance with your wishes.

A binding death benefit nomination gives you certainty about who will receive your superannuation benefit in the event of your death. Dependants can elect to receive the death benefit as a pension or a lump sum.

The Trustee is bound to pay your benefit to the person(s) you have nominated as long as your nomination:

- is valid
- has been made in the prescribed manner
- is received by the Trustee before your death
- has not expired, and
- the nominated person(s) is a dependant at the time of your death and/or your legal personal representative.

If your nomination is no longer valid or has expired, the Trustee will have discretion to determine to whom your death benefit is paid.

To be valid, a nomination must:

- be fully completed, signed and dated by you
- be witnessed by two people who are 18 years of age or over and neither of whom are nominated on the form. Each witness must also sign and date the Witness Declaration section, and
- nominate one or more (to a maximum of eight) dependants and/or your legal personal representative and provide the percentage of the death benefit for each nominee to receive in the event of your death. The proportional entitlements must total 100 per cent.

Your nomination expires after three years. We strongly recommend that you review your nomination regularly and update your nomination as your personal circumstances change. It is your responsibility to keep your nomination up to date and review it every three years. You may update your nomination by completing a new binding death benefit nomination form at any time.

Section 6

How will the benefit be paid upon death?

If your binding death benefit nomination expires and is not replaced by a new binding death benefit nomination, your benefit will be paid at the discretion of the Trustee to one or more of your dependants and/or your legal personal representative as if a non-binding death benefit nomination or no nomination had been made.

If you wish to revoke a binding death benefit nomination, you must ensure that two people who are 18 years of age or over sign and date this notice. The binding death benefit nomination of beneficiaries – re-confirmation form provides an option to revoke your nomination.

If you nominate your legal personal representative as your beneficiary, make sure that you have a valid and current will. If you die without a will, the Trustee will have to pay the benefit to a court-appointed administrator who will pay the benefit in accordance with a statutory formula that varies from state to state.

Payment to a legal personal representative may also take longer to effect as it is necessary for a Grant of Probate or Letters of Administration to be issued before the benefit can be paid.

You should note that by directing payment to your legal personal representative you may be exposing the benefit to claims by creditors of your estate.

No nomination

In the event that no nomination is made, your benefit will be paid at the discretion of the Trustee to one or more of your dependants and/or your legal personal representative.

Reversionary pensioner

Applicable to pension only

You can request that your pension continue after your death by nominating your spouse or your child as a reversionary pensioner.

When you die, the nominated person will continue to receive the income payments until the benefit is exhausted. If you have nominated your spouse as the reversionary pensioner they must be your spouse at the time of your death. If the nominated person is not a dependant at the time of your death, the Trustee will use its discretion to determine how the benefit will be paid.

The taxation of a death benefit paid as a reversionary pension will depend on the age of the primary and reversionary beneficiary.

- a. If the primary beneficiary was aged 60 or over at the time of death, then payments to the reversionary beneficiary will be tax exempt.
- b. If the primary beneficiary was under age 60 at the time of death, the pension will continue to be taxed at the reversionary beneficiary's marginal tax rate (less any deductible amount and pension rebate) unless, or until, the reversionary beneficiary is age 60 or over, in which case it will be tax exempt.
- c. Death benefits will be able to be paid as a pension to a dependant child, although when the child turns 25, the balance in the fund will have to be paid as a lump sum (tax free) unless the child was permanently disabled within the meaning of the Disability Services Act 1986.

No dependant or legal personal representative

If there is no dependant or legal personal representative, the Trustee is required to pay the benefit to another suitable person – for example, a parent or other close relative.

Anti-detriment payment

Under the Income Tax Assessment Act, following the death of a member of a complying superannuation fund, the lump sum benefit payable may be increased to take account of the tax paid in respect of the contributions credited to the member's account. In effect the contributions tax is refunded by the Australian Taxation Office (ATO) to the deceased member's dependent spouse, former spouse* or child. Anti-detriment payments can also be made to the estate of the deceased member but only if the beneficiary of the estate is one of the persons aforementioned. It should be noted that financial and interdependent beneficiaries are not entitled to the benefits of the anti-detriment payment.

* Under SIS laws, a former spouse must also be a dependant (such as a financial dependant or interdependent) in order to be eligible to receive a death benefit from the fund.

Section 7

What about taxation?

Taxation information for Summit Personal Super

Contributions tax

All concessional contributions (including salary sacrifice and SG contributions) paid to the fund and any personal contributions for which you claim a tax deduction are currently taxed at a rate of 15 per cent.

This tax may be reduced by deductions for items such as life insurance premiums and fees. This is subject to the provision of your tax file number (TFN).

Our current practice is to make provision for this tax as contributions are received. However, the actual tax payable will not be deducted until it falls due. This gives you the benefit of deriving earnings at the cash account rate on this amount from the time you make the contributions to the time the tax falls due.

Contribution limits

Concessional contributions cap

A cap of \$25,000 per person per year applies to concessional contributions. The cap is indexed. Excess concessional contributions will be taxed at the top marginal rate which includes the 15 per cent contribution tax. The excess concessional contributions tax is imposed on the individual, who may pay the liability themselves or withdraw some or all of the liability from their superannuation fund.

If you incur this additional tax, you may elect to have it paid by way of a deduction from your account with the Fund. To do so you will need to complete a 'release authority', which will be provided to you by the ATO at the relevant time, and forward it to the Fund.

A transitional concessional contributions cap of \$50,000 per person per year will apply for people who are aged 50 and over on the last day of a financial year until 1 July 2012. This transitional cap will not be indexed. From 1 July 2012, the concessional contributions cap for individuals aged 50 and over will reduce to \$25,000 (indexed).

Non-concessional contributions cap

An annual cap of \$150,000 per person applies to non-concessional contributions. Members under age 65 on 1 July can make non-concessional contributions up to \$450,000 averaged over three years. Members aged 65 or over on 1 July can only make non-concessional contributions up to \$150,000 in that year and each subsequent year to age 75. The non-concessional contributions cap will be calculated as six times the level of the (indexed) concessional contributions cap.

Non-concessional contributions in excess of this cap will be taxed at the top marginal rate. This tax is imposed on the individual, who must withdraw from their superannuation fund an amount equal to their tax liability. To do so, you will need to complete a 'release authority', which will be provided to you by the ATO at the relevant time, and forward it to the Fund.

The Trustee is prevented by law from accepting a non-concessional contribution which is greater than three times the non-concessional cap. The Trustee is required by law to refund the excess contribution and is entitled to deduct an administration fee and any transaction costs and premiums that have been paid in relation to cover for a specific period.

For more information on the contribution caps, contact your financial adviser.

Contribution surcharge tax

Prior to 30 June 2005, the government imposed a surcharge to certain contributions made or superannuation benefits rolled over to superannuation. Surcharge was abolished after that date. Nonetheless, you may still receive a surcharge assessment after 1 July 2005 for contributions made and/or superannuation benefits rolled over in previous years.

Investment earnings

Earnings on your superannuation investment are taxed at a rate generally lower than other forms of savings. The current rate is 15 per cent. However, this tax may be reduced by deductions for items such as administration fees, adviser fees, life insurance premiums, franking credits and tax offsets.

Tax deductions

Members who are eligible to claim a tax deduction for their personal contributions may do so up to and including the age of 74.

If you have made member contributions, you will be asked by Summit at the end of the financial year to notify us if you want to claim a tax deduction.

If your employer contributes for you, or is obliged to do so under an award or the Superannuation Guarantee legislation (whether or not the employer fulfils those obligations), you will generally not be eligible for a tax deduction for any personal contributions you make.

If you are self-employed or substantially self-employed (less than 10 per cent of your assessable income is from employment where an employer pays superannuation for you) you may be eligible to claim a tax deduction for contributions you make to superannuation. Limits apply on contributions made by you or on your behalf. For more information, contact your financial adviser or visit www.ato.gov.au.

Section 7

What about taxation?

Taxation information for Summit Personal Pension

If your non-concessional contributions to your superannuation account have exceeded the non-concessional cap immediately before commencing your pension, you may incur an excess non-concessional contributions tax liability. In this case you must obtain a release authority from the ATO to withdraw an amount equal to your tax liability from your fund.

Pension payments and taxation

Age under 60

If you are aged under 60 we are generally required to deduct some tax from your pension payments. Accordingly, any difference between your calculated pension amount and the amount you receive represents income tax that has been deducted (see the table to the right for further information).

Your pension payments have two components – the taxable component and the tax-free component. The taxable component forms part of your assessable income and is taxed at your marginal tax rate (plus Medicare levy if applicable).

However, you may be entitled to a tax offset on your income payments relating to the taxable component from your plan of up to 15 per cent of the taxable amount if you are under the age of 60 but have reached your preservation age.

Your financial adviser can assist you to calculate the likely tax payable in your circumstances.

Age 60 and over

For pensioners aged 60 or over, lump-sum benefits and income stream payments are tax free.

Investment earnings

Earnings on your Summit Personal Pension investment are currently exempt from tax.

Taxation information for Summit Personal Super and Personal Pension

Untaxed elements

If a rollover or transfer is received for a Summit account that includes an untaxed element, the Trustee is required to deduct 15 per cent tax from the untaxed element, converting it to a taxed element.

Lump-sum withdrawals

The way lump-sum benefits are taxed depends on your age and the taxable component of your lump sum.

For members under age 60, the taxable component is determined by factors such as the source of the contributions and whether a tax deduction has been claimed for the contribution. If tax is payable on your lump sum, the trustee is required to withhold tax from your benefit. You will be provided with a PAYG payment summary – superannuation lump sum to include in your next tax return.

For members aged 60 and over, superannuation benefits paid from a taxed source, whether in the form of a superannuation lump-sum benefit or pension payments are tax free and are not required to be declared on your tax return.

The actual tax rates and the levels at which they apply are determined by the ATO and can change each year. As you may not be making a withdrawal for a number of years this material is provided for general information only and you should check with your financial adviser, the Trustee or the ATO at the time you make a withdrawal. Further information on current rates and thresholds is available from www.ato.gov.au.

The following is a summary of how your lump sum withdrawal and pension payments are taxed depending on your age at the time of payment.

Age	Superannuation lump sum	Superannuation income stream
Aged 60 and above	Tax free (not assessable, not exempt income)	Tax free (not assessable, not exempt income)
Preservation age to age 59	Zero per cent up to low rate cap of threshold (indexed) Any amount above low rate cap is subject to 15 per cent tax	Marginal tax rates and 15 per cent tax offset may apply.
Below preservation age	Taxable component is subject to 20 per cent tax	Marginal tax rates (no tax offset) ¹

¹ A disability superannuation income stream also receives a 15 per cent offset.

Section 7

What about taxation?

The following is a summary of the different components and how they are taxed as at the issue date of this Additional information booklet.

Current Component	Previous Component	Source	Taxation
Taxable component – taxed element	Post-June 1983 'taxed' component	Benefits relating to service or membership accrued after 30 June 1983	<p>If you are under 55, all of this amount is subject to tax at 21.5% (including Medicare levy).</p> <p>If you are between 55 and 59, an amount up to a threshold will be tax free and the amount over this will be subject to tax at 16.5% (including Medicare levy).</p> <p>If you are aged 60 years or over, any superannuation benefits paid to you are tax free.</p>
Taxable component – untaxed element	Post-June 1983 'untaxed' component	Benefits relating to service or membership accrued after 30 June 1983 being paid directly from an employer or unfunded superannuation scheme.	<p>Any taxable component – untaxed element rolled over to this fund will be subject to contributions tax upon receipt and will then convert to a taxable component – taxed element.</p> <p>Other tax rates apply if a taxable component – untaxed element is paid to you in the form of a lump sum or a pension. As this Fund is a taxed fund, these tax rates will not be relevant to you when your superannuation benefits are paid to you or your dependants.</p>
Tax free component	Undeducted contributions	Contributions other than by an employer, for which a tax deduction has not been claimed by the member.	Tax free
	Concessional component	Payments made before 1 July 1994 as a result of a bona fide redundancy, invalidity or approved early retirement scheme.	Tax free
	Pre-July 1983 component	Benefits relating to service or fund membership accrued before 1 July 1983.	Tax free
	Post-July 1994 invalidity component	Payments made since 1 July 1994 as a result of invalidity.	Tax free
	CGT-exempt component	Proceeds from a sale of a small business elected to be contributed to super and which are exempt from CGT up to \$1.1 million.	Tax free

Section 8

What else do I need to know?

Dollar cost averaging (DCA)

If you complete the DCA purchase option, your contribution, transfer or rollover will be placed into the cash account. Cash will then be drawn down at regular intervals to fund DCA purchase instructions that you nominate from the Summit Investment Menu.

If you complete the DCA sell option, cash will be received into your cash account at regular intervals from the DCA sell instructions that you nominate from the Summit Investment Menu.

DCA requests for both sell and purchase instructions will be processed on the 15th of the month. If this date falls on a Melbourne public holiday or a weekend, we will process them on the next Melbourne business day.

If, for a DCA purchase instruction the nominated amount of cash is not fully available, the amount of available cash used in the DCA purchase instalment will be proportioned down. If the available cash amount is less than \$100 at the time of processing, the DCA instruction will not be processed.

The cash account cannot be used in both DCA sells and purchases simultaneously.

If the DCA instruction has been unsuccessful for two consecutive instalment intervals, it will be cancelled. Funds will then accumulate in your cash account until alternative investment instructions are received.

DCA instructions will be cancelled if:

- an investment option listed in your DCA purchase instruction has been closed or the fund manager has advised that applications are not currently being accepted
- an investment option listed in your DCA sell instruction has been closed or the fund manager has advised that withdrawal restrictions apply
- a managed fund listed in your DCA purchase or sell instruction has been terminated
- you do not have a holding in a managed fund, against which you have nominated a DCA sell instruction
- you nominate to sell part of holdings via DCA sell instruction and the sale instalment amount exceeds 95 per cent of the current asset value, a full sale of the asset will be performed and then the DCA instruction will be cancelled, or
- using the cash account and there is less than \$100 to fund DCA purchases over two consecutive instalments.

If you have a DCA instruction on your plan, it will automatically be cancelled upon processing your new standing purchase instruction.

Managed investment funds that have long redemption periods may be included in DCA purchase instructions, but cannot be included in DCA sell instructions.

You cannot hold a DCA instruction and standing purchase instruction at the same time. If you have standing purchases on your plan, they will automatically be cancelled upon processing your new DCA instruction.

Only one DCA instruction can operate per plan at any time. If an existing DCA instruction is in place, it will be cancelled and replaced upon receipt of a new DCA instruction. You can change your DCA instruction at any time by completing an Summit Investment Menu or DCA instruction form and forwarding it to us.

You should be aware that you may not always have the current PDS for your selected managed investment funds at the time that an investment is made. To obtain a current PDS you should speak to your financial adviser or phone Summit Client Service on 1800 622 772.

Family law and superannuation

The Family Law Act allows for the splitting of your superannuation by agreement or by court order with your spouse if you are permanently separated/divorced.

Supply of member information to the ATO

Lost superannuation member accounts and unclaimed superannuation contributions are currently registered with the ATO. AXA may provide superannuation member information to the ATO, including account details and TFNs, for the purposes of searching for lost superannuation accounts via the ATO's SuperMatch system.

The ATO will check the information supplied by us against its lost members register, superannuation guarantee and super holding account reserve records in order to identify benefits belonging to Fund members. If funds are identified, the ATO will notify you in writing. This service is provided free of charge and will assist you to better manage your super for your retirement. Where your account balance is less than \$200, this total amount may be withdrawn tax free.

The Trust Deed

The Summit Personal Superannuation and Personal Pension Plan is part of the Fund and is governed by the Trust Deed. The Trustee must operate the Fund in accordance with the provisions of the Trust Deed and the law relating to superannuation.

Members' entitlements are determined by the provisions of the Trust Deed and the laws relating to superannuation. The investments of the Fund are held by the Trustee on behalf of all of the Fund's members and no member has an entitlement to any individual asset within the Fund. In administering the Fund, the Trustee is obliged to act in the interests of the members of the Fund as a whole. While it has the power to amend the provisions of the Trust Deed, the Trustee cannot do so in a way that is adverse to members' entitlements without their consent. The Trust Deed has special provisions relating to how and when the Fund can be wound up and how members are to be treated if this occurs.

A copy of the Trust Deed is available upon request by contacting us on 1800 622 772.

Section 8

What else do I need to know?

Relationship between the Trustee and some companies in which the Fund will invest

The Trustee invests in a wide range of managed investment schemes (investment funds). National Mutual Funds Management Limited (NMF) and ipac asset management limited (ipac) are the responsible entities for a number of these investment funds. NMF and ipac are part of the Global AXA Group. For a full list of these investment funds, refer to the Summit Investment Menu.

AllianceBernstein Australia Limited (AllianceBernstein) is also a related party of the Trustee. AllianceBernstein may provide investment management services to the investment funds issued by NMF, including management of the AXA Wholesale Cash Fund and AXA's Wholesale Cash Management Trust.

The Trustee advises that, under the law, where the Trustee invests money of the Fund, it must deal with the other party to the transaction at arm's length or on arm's length terms.

Relationship between the Trustee and some service providers

The Trustee has appointed RBC Dexia Investor Services Trust ABN 75 116 809 824 (RBC) as the Custodian to hold all assets in the Fund. The Trustee reserves the right to change the Custodian without prior notification to members.

The Trustee offers Summit members insurance cover. The insurer is The National Mutual Life Association of Australasia Limited ABN 72 004 020 437, also a member of the Global AXA Group. Insurance cover is provided under insurance policies held by the Trustee.

The Trustee does not deal with service providers to the Fund who are associates of the Trustee more favourably than it would deal with any other independent service providers.