

## → SuperWrap Supplementary Product Disclosure Statement

SuperWrap Fund ABN 39 827 542 991 (RSE 1001327)

Superannuation Product Identification Numbers:

TCS0106AU SuperWrap Fund – Personal Super Plan

TCS0105AU SuperWrap Fund – Pension Plan

TCS0002AU SuperWrap Fund – Term Allocated Pension Plan

This Supplementary Product Disclosure Statement (SPDS) is dated 1 September 2009 and supplements the SuperWrap Product Disclosure Statement (PDS) for the SuperWrap Personal Super Plan, SuperWrap Pension Plan and SuperWrap Term Allocated Pension Plan (collectively, the Plan).

This SPDS is issued by Trust Company Superannuation Services Limited ABN 49 006 421 638, AFSL 235153 RSE L0000635 (the Trustee) for the purposes of Part 7.9 of the Corporations Act 2001 (Cth) and should be read together with the PDS.

This SPDS outlines important changes relating to information contained in the PDS. To the extent of any inconsistency, this SPDS prevails over disclosure on the same subject matter in the PDS.

### **Insert the following under ‘Acceptable contributions – Government’ in the SuperWrap Personal Super Plan section of the PDS:**

Subject to eligibility criteria (refer to ‘Government co-contributions’ in this section), each year the Government will contribute up to \$1.00<sup>1</sup> for each dollar of personal after-tax contributions you make.

### **Insert the following under ‘Acceptable contributions – Your spouse’ in the SuperWrap Personal Super Plan section of the PDS:**

Your spouse includes:

- your husband or wife via marriage; or
- your de facto partner or any other person with whom you are in a relationship (provided that this relationship is registered under a certain state or territory law); or
- another person who, although not legally married to you, lives with you on a genuine domestic basis in a relationship as a couple.

Your spouse may make contributions to your super, as long as the contribution is paid from an account in the name of the contributing spouse or a joint account where the contributing spouse is an account holder.

### **Insert the following under ‘Government co-contributions’ in the SuperWrap Personal Super Plan section of the PDS:**

To be eligible for the Government co-contribution you must earn 10% or more of your total income from carrying on a business, eligible employment, or both. In addition:

- your total income must be under the co-contributions upper threshold (\$61,920 in 2009/10 adjusted annually),
- you must not be a temporary resident at any time during the income year in which the contribution is made, and
- you must be under 71 years of age at the end of that income year.

If you make a personal after-tax contribution and your total income is under the co-contributions lower threshold (\$31,920 in 2009/10 indexed annually to Average Weekly Ordinary Time Earnings (‘AWOTE’) the Government will contribute \$1.00 for each dollar you contribute up to \$1,000 pa. The maximum co-contribution payable is phased out by 3.333 cents for every dollar you earn over \$31,920 (2009/10), until your total income reaches \$61,920 (2009/10).

<sup>1</sup> The matching rate will increase to \$1.25 from 1 July 2012 and to \$1.50 from 1 July 2014.



The co-contributions matching rate will remain at \$1.00 and the phase out rate will remain at 3.333 cents for three financial years from 2009/10 to 2011/12 after which these rates will increase as shown in the table below.

	2009-10 to 2011-12	2012-13 and 2013-14	2014-15 onwards
<b>Matching rate</b>	100%	125%	150%
<b>Maximum co-contribution</b>	\$1,000	\$1,250	\$1,500
<b>Phase out rate</b>	3.333 cents	4.167 cents	5 cents

**Insert the following table after the first paragraph under ‘Contributions caps’ in the SuperWrap Personal Super Plan section of the PDS:**

<b>Concessional contributions cap</b>	
<ul style="list-style-type: none"> <li>→ Employer contributions (including salary sacrifice).</li> <li>→ After tax contributions for which you claim a personal tax deduction.</li> <li>→ Untaxed elements of the taxable components of directed termination payments over \$1 million contributed under the transitional rules for employment termination payments.</li> </ul>	<ul style="list-style-type: none"> <li>→ The cap is set at \$25,000 per member pa for the 2009/10 financial year, and will be indexed to AWOTE in \$5,000 amounts in subsequent years.</li> <li>→ For those aged 50 or over at any time in a transitional financial year, a transitional cap of \$50,000 (not indexed) will apply. Current transitional financial years are 2009/10, 2010/11 and 2011/12.</li> <li>→ Concessional contributions in excess of the relevant cap will be subject to additional tax (refer to ‘Understanding Taxation’ in this section).</li> </ul>
<b>Non-concessional contributions cap</b>	
<ul style="list-style-type: none"> <li>→ After tax contributions for which no tax deduction is claimed (including spouse contributions).</li> <li>→ Amounts transferred from overseas super funds (excluding the taxable amount of such transfers).</li> <li>→ Amounts in excess of the CGT cap (see below).</li> <li>→ Amounts of concessional contributions in excess of the concessional contributions cap.</li> </ul>	<ul style="list-style-type: none"> <li>→ The cap is set at \$150,000 per member pa. This will not be separately indexed, but will be fixed at six times the concessional contributions cap (currently \$25,000).</li> <li>→ People under age 65 will be able to ‘bring forward’ future entitlements to two years’ worth of non-concessional contributions, allowing up to \$450,000 over a three year period to be contributed without an additional tax liability. There is no indexation during the three year period.</li> <li>→ Non-concessional contributions in excess of the relevant cap will be subject to additional tax (refer to ‘Understanding Taxation’ in this section).</li> </ul>
<b>Capital Gains Tax (‘CGT’) cap</b>	
<ul style="list-style-type: none"> <li>→ Contributions made from certain amounts arising from the disposal of qualifying small business assets, provided that a tax deduction is not claimed for the contribution.<sup>1</sup></li> </ul>	<ul style="list-style-type: none"> <li>→ A lifetime cap of \$1,100,000 (indexed) is available, provided that this is a personal contribution for which no deduction is claimed.</li> </ul>

**Insert the following as the final paragraph under ‘Contributions caps’ in the SuperWrap Personal Super Plan section of the PDS:**

In addition to the member caps described above, superannuation funds are generally unable to accept single non-concessional contributions in excess of \$450,000 (or \$150,000 if you are 65 or over on 1 July in the financial year in which you contribute) from a member in any financial year. Special rules apply to transfers from overseas super funds and you should consult a qualified professional adviser before initiating an overseas transfer.

<sup>1</sup> The rules about which amounts will qualify are complex. You should consult a qualified professional adviser to establish your eligibility.



**Insert the following under ‘Understanding taxation – Spouse contributions’ in the SuperWrap Personal Super Plan section of the PDS:**

Your spouse may be able to claim a tax offset of up to \$540 for contributions they make to your superannuation account. The maximum offset will be available if your income is below \$10,800 pa and reduces to \$0 once your income is \$13,800 pa. Government eligibility rules apply.

**Insert the following footnote to the table under ‘Understanding taxation – Tax on benefits – Taking a cash lump sum benefit’ in the SuperWrap Personal Super Plan section of the PDS:**

\*\$150,000 for 2009/10. This amount will be indexed to AWOTE in \$5,000 amounts in subsequent years.

**Insert the following after the disclosure under ‘Understanding taxation – Tax on benefits – Taking a cash lump sum benefit – Taxable component’ in the SuperWrap Personal Super Plan section of the PDS:**

Different tax rates may apply for temporary residents taking a superannuation cash lump sum. Refer to ‘Temporary Residents’ in the SuperWrap Personal Super Plan section and the ATO website ([www.ato.gov.au](http://www.ato.gov.au)) for further information.

**Insert the following after the disclosure under ‘Understanding taxation – Tax on benefits – Taking a cash lump sum as a result of a disability’ in the SuperWrap Personal Super Plan section of the PDS:**

**Taking a cash lump sum as a result of a terminal medical condition**

A superannuation lump sum payment will be exempt from tax where a member suffers from a terminal medical condition. A member will be taken to be suffering from a terminal medical condition if two registered medical practitioners certify that the member suffers from an illness, or has incurred an injury that is likely to result in their death within a period of 12 months (the certification period). One of these certifying practitioners must be a specialist practicing in an area related to the member’s injury or illness.

If a member satisfies this condition of release, all benefits which have accrued up to this time become unrestricted non-preserved. This condition of release also covers the certification period, meaning that any further benefits accrued within the 12 month certification period will also be treated as unrestricted non-preserved benefits.

**What if you received a cash lump sum under another condition of release?**

If you received a superannuation lump sum payment after 1 July 2007 under another condition of release and you have a terminal medical condition, you may be entitled to a refund of the tax withheld.

You will need medical certification stating that you had a terminal medical condition (as outlined above):

- at the time the payment was made, or
- within 90 days of receiving the payment, or
- for 2007/08 financial year only, by 30 June 2008.

If you are applying for a refund after 21 July of the following financial year in which you received the payment, you will need to apply for a refund from the Australian Taxation Office (ATO). More information can be found on their website at [www.ato.gov.au](http://www.ato.gov.au).

**Insert the following as the fourth paragraph under ‘Accessing your benefits’ in the SuperWrap Personal Super Plan section of the PDS:**

You may also access your superannuation in various circumstances including if you become permanently incapacitated, suffer from a terminal medical condition, meet the financial hardship conditions, qualify on compassionate grounds, or your beneficiaries may access your benefits if you die.



**Insert the following at the end of the SuperWrap Personal Super Plan section of the PDS:**

**Temporary Residents**

A temporary resident is a holder of a temporary visa under the Migration Act 1958.

From 1 April 2009, if you are, or were, a temporary resident and are not an Australian citizen, New Zealand citizen or permanent resident, or a holder of a retirement visa (Subclass 405 or 410), you can generally only access your preserved superannuation benefits if you become permanently incapacitated, have a terminal medical condition, have departed Australia permanently and your visa has ceased, or your beneficiaries may access your benefits if you die. You may also be able to access your benefit if you satisfied another condition of release under superannuation law before 1 April 2009.

The Australian Government also requires the Trustee to pay temporary residents' unclaimed superannuation to the ATO after at least 6 months have passed since the later of:

- the date a temporary resident's visa ceased to be in effect; and
- the date a temporary resident permanently left Australia.

The ATO identifies and informs the Trustee of the impacted members on a twice yearly basis. Once your benefit has been transferred to the ATO you will need to claim it directly from the ATO ([www.ato.gov.au](http://www.ato.gov.au)).

If your benefit has not yet been transferred to the ATO, you can claim it from SuperWrap under the Departing Australia Superannuation Payments (DASP) regime. Full information regarding DASP procedures and current taxation rates can be found at [www.ato.gov.au](http://www.ato.gov.au).

**Insert the following after the disclosure under 'Generating wealth' in the SuperWrap Pension Plan section of the PDS:**

**Eligibility**

Generally, to purchase a pension or non-commutable pension, you must be an Australian or New Zealand citizen, a permanent resident of Australia or hold an Australian retirement visa (Subclass 405 or 410). If you are or have been a holder of a temporary visa under the Migration Act 1958, you may be ineligible to purchase a pension or non-commutable pension. You should seek advice before applying for a pension or non-commutable pension.

**Insert the following as the final paragraph under 'Payments' in the SuperWrap Pension Plan section of the PDS:**

The Government has provided relief from the minimum pension payment requirements for the 2009/10 financial year. This means that your minimum pension payment specified by Government regulations will be halved for the year ended 30 June 2010. For example, if your minimum payment requirement for the 2009/10 financial year was \$10,000, you will be able to choose to take a payment of only \$5,000 for the financial year.

**Insert the following after the third paragraph under 'Payments' in the SuperWrap Term Allocated Pension Plan section of the PDS:**

The Government has provided relief from the minimum pension payment requirements for the 2009/10 financial year. This means that your minimum pension payment specified by Government regulations will be halved for the year ended 30 June 2010. For example, if your minimum payment requirement for the 2009/10 financial year was \$10,000, you will be able to choose to take a payment of only \$5,000 for the financial year.



**Insert the following footnote numbered ‘1’ after the first reference to the word ‘spouse’ under ‘Death benefits – Nominating a beneficiary’ in the Other important features section of the PDS:**

<sup>1</sup> Your spouse includes:

- your husband or wife via marriage; or
- your de facto partner or any other person with whom you are in a relationship (provided that this relationship is registered under a certain state or territory law); or
- another person who, although not legally married to you, lives with you on a genuine domestic basis in a relationship as a couple.

**Consecutively re-number the other footnotes under ‘Death benefits – Nominating a beneficiary’ in the Other important features section of the PDS.**

**Insert the following under ‘Family Law – splitting superannuation benefits’ in the Other important features section of the PDS:**

Provisions of the Family Law Act 1975 (‘the Act’) deal with the treatment of superannuation on relationship<sup>1</sup> or marriage breakdown with a spouse.<sup>2</sup> The Act provides that a member’s superannuation benefit may be split with the member’s spouse or former spouse on marriage or relationship breakdown. Alternatively, for a Personal Super Plan member a payment flag may be imposed on the member’s superannuation benefit.

In order for the Trustee to commence any payment split or impose a payment flag on your SuperWrap account, the Trustee must have been served with either:

- a superannuation agreement, made between you and your spouse or former spouse, and in accordance with the requirements of the Act, or
- an order of the Family Court of Australia, that specifies how your benefit is to be split with your spouse or former spouse or that a payment flag must be applied to your account.

The Act also specifies that the Trustee must be provided with certain evidence of marriage or relationship breakdown if you serve a superannuation agreement on the Trustee. You and/or your spouse or former spouse may arrange for the required documents to be served on the Trustee. Documents can only be served on the Trustee for the purposes of the Act at the following address:

Family Law and Superannuation Officer  
SuperWrap Trustee  
c/- SuperWrap  
GPO Box 2675  
Sydney NSW 2001

All documents served on the Trustee should be either an original or a certified copy.

If the Trustee is required to effect a payment split on your benefit, the value of your account will reduce by the amount that is paid to, or for the benefit of, your spouse or former spouse.

**Information about your superannuation benefit**

Where an eligible person under the Act wishes to negotiate a superannuation agreement with you (which may be before or during a relationship, or after relationship breakdown) or facilitate the preparation of an order of the Family Court, they may apply to the Trustee to receive information about your benefit. Where the application is made in accordance with the requirements of the Act, the Trustee will be obliged to provide the requested information and will not be permitted to inform you about the application.

**Professional advice**

The Act involves many complex requirements in relation to splitting a superannuation benefit. It is recommended that, if you believe your SuperWrap benefit will be affected by the Act, you should consult your legal adviser, financial adviser and/or accountant.

<sup>1</sup> Legislation to expand the Family Law Act to cover relationship breakdown as well as marriage breakdown came into effect on 1 March 2009 (with the possible exception of South Australia and Western Australia).

<sup>2</sup> Your spouse includes:  
– your husband or wife via marriage; or  
– your de facto partner or any other person with whom you are in a relationship (provided that this relationship is registered under a certain state or territory law); or

– another person who, although not legally married to you, lives with you on a genuine domestic basis in a relationship as a couple.



**Insert the following after the disclosure under 'Transfer of United Kingdom pension benefits to SuperWrap' in the Other important features section of the PDS:**

**Trans-Tasman retirement savings portability scheme**

On 12 May 2009, the Government announced that it has agreed in principle to establish a 'Trans-Tasman retirement savings portability scheme'. The scheme aims to permit transfers of superannuation savings between certain Australian superannuation funds and New Zealand KiwiSaver funds. To date, while a Memorandum of Understanding has been signed by Australia and New Zealand, no legislation has been introduced to Parliament and the start date of the scheme has not yet been determined.

**Insert the following as the second paragraph under 'Unclaimed money' in the Important information section of the PDS:**

On 12 May 2009, the Government announced their intention to introduce new requirements, effective from 1 July 2010, for superannuation providers to transfer to unclaimed monies accounts of lost members with balances of less than \$200, and accounts which have been inactive for a period of five years and have insufficient records to identify the owner of the account. It is proposed that former members of these accounts will be able to reclaim their money from the ATO.

Apart from any interest investors may have in underlying bank accounts held at Westpac Banking Corporation (the Bank), an investment in, or acquired through, SuperWrap is not an investment in, deposit with or any other liability of, the Bank or any other company in the Westpac Group. These investments are subject to investment risk, including possible delays in repayment of withdrawal proceeds and loss of income and principal invested. Neither the Bank nor any other company in the Westpac Group stands behind or otherwise guarantees the capital value or investment performance of any investments in, or acquired through, SuperWrap.

If you have any questions about these changes to the PDS, please contact your adviser.

**Additional Notice – Nomination of Beneficiaries Form**

Due to a recent change in superannuation law there is a reference in the Nomination of Beneficiaries Form dated 1 July 2007 which is now inaccurate. The information included under 'Who qualifies as a dependant?' has changed. A new Nomination of Beneficiaries Form dated 1 April 2009 is now available from your adviser or online at [www.investorwrap.com.au](http://www.investorwrap.com.au). New nominations will only be accepted on this form (or the most current form, if dated after 1 April 2009).