

# Australian Ethical Retail Superannuation Fund

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## Product Disclosure Statement

*version 1-09L.3, 1 July 2007.*



This document consolidates the Product Disclosure Statement (PDS) issued 1 July 2007 and the Supplementary Product Disclosure Statements dated 1 April 2008 and 1 October 2008. It also includes the Supplementary Product Disclosure Statement issued 1 July 2009, 1 September 2009 and 30 October 2009. If you wish to obtain separate copies of the Supplementary PDSs please contact us to request a copy.

**australianethical**<sup>®</sup>  
superannuation

*for investors, society and the environment*

# Supplementary Long Form Product Disclosure Statement



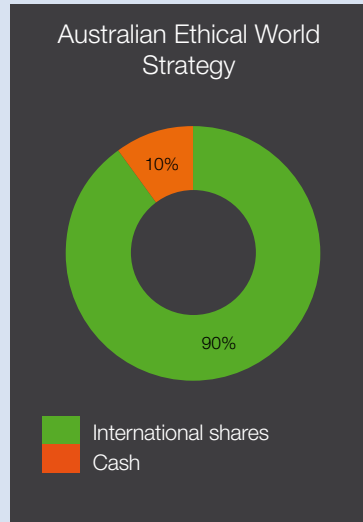
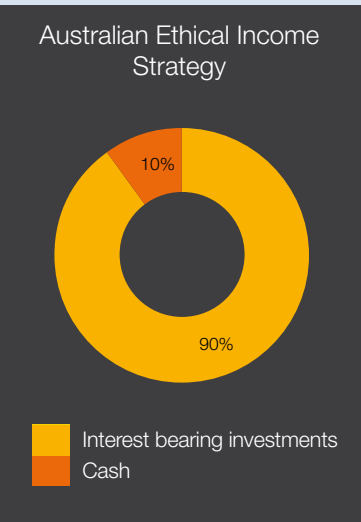
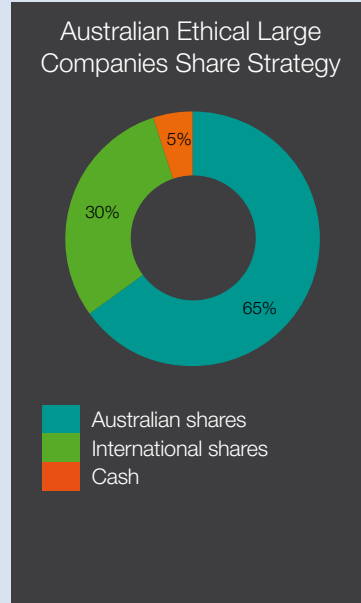
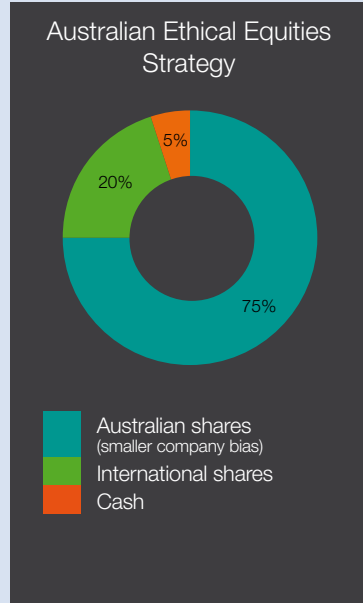
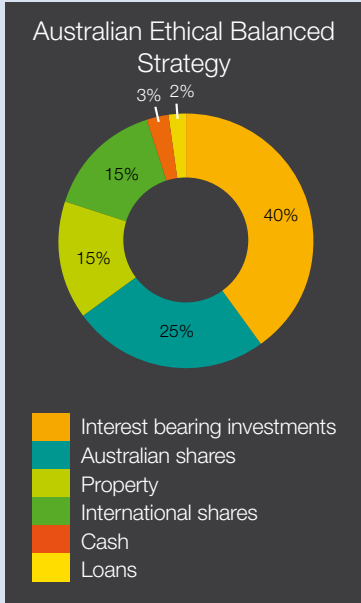
This Supplementary Product Disclosure Statement, prepared on 30 October 2009, supplements the Product Disclosure Statement issued by Australian Ethical Superannuation Pty Ltd dated 1 July 2007. It is to be read together with that statement.

This Supplementary Product Disclosure Statement amends the Product Disclosure Statement by making the following changes.

## Strategy Investment Ranges

The investment ranges for the different investment strategies quoted in the Product Disclosure Statement are amended as follows:

### Strategic Asset Allocations



### Actual Asset Allocations

The strategic asset allocations are based on the investment ranges for the underlying Australian Ethical Investment trusts, through which the bulk of the superannuation investment strategies are currently invested. The effective allocation to cash for the superannuation strategies will generally be marginally greater than the amount set out in the strategic asset allocation as the strategy also has a direct holding of cash.

The strategic asset allocation indicates the mix of asset classes which, on average, the investment strategy will hold over the long term. You need to be aware however that the actual asset allocation at any given time is likely to vary from the strategic asset allocation. These variations arise from normal day to day trading decisions and because of the relative performance of the asset classes over the short term. Asset allocations are examined regularly and the investment manager adjusts the actual asset allocation from time to time to ensure it is consistent with the stated strategic asset allocation.

## **Australian Ethical® Superannuation**

for investors, society and the environment

1 September 2009

# **Supplementary Long Form Product Disclosure Statement**

This Supplementary Product Disclosure Statement, prepared on 1 September 2009, supplements the Product Disclosure Statement issued by Australian Ethical Superannuation Pty Ltd dated 1 July 2007. It is to be read together with that statement.

This Supplementary Product Disclosure Statement amends the Product Disclosure Statement by making the following changes.

## **Australian Ethical World Strategy**

Up to 1 October 2009, the trustee chose to invest Fund monies held in the Australian Ethical World Strategy into the Australian Ethical World Trust, which in turn invested into the wholesale Australian Ethical International Equities Trust.

From 1 October 2009, the trustee will invest Fund monies held in the Australian Ethical World Strategy directly into the Australian Ethical International Equities Trust, although it may also choose to invest directly into other assets that accord with the World strategy selection.

From 1 October 2009, references in the Short Form Product Disclosure Statement to the Australian Ethical World Trust should be read as references to the Australian Ethical International Equities Trust.

The Australian Ethical International Equities Trust is not hedged for foreign currency exchange rate movements. This means that the Australian dollar value of holdings in the International Equities Trust will change as exchange rates fluctuate. The Australian dollar value of an international investment may fall as exchange rates move. Similarly, their value could rise. The International Equities Trust does not use hedging to mitigate the risk of falls in value due to exchange rate movements. In taking this approach, it also does not bear the cost of maintaining such hedges.

References to the hedging of international exposures in the World Strategy do not apply from 1 October 2009.

## **Insurance**

*Replace the insurance section in its entirety with the following:*

## **Insurance options**

The Fund offers you insurance cover for major traumatic events that may significantly damage your own and your family's expected retirement plans. To allow members to effect insurance cover, the trustee has arranged insurance (via a group insurance contract) with TOWER Australia Limited ABN 70 050 109 450 (the insurer or TOWER).

As with all insurance policies, specific terms and conditions apply to the cover of which you should be aware. Please note that this section is only a summary of the terms and conditions of available insurance cover. If you are unsure of any element of the cover available, please talk to your financial adviser or contact us for assistance.

Australian Ethical Superannuation  
**phone: 1300 134 337**  
**fax: 02 6201 1959**  
**email: aes@austethical.com.au**

Except as described in the section *Automatic cover* below, insurance cover offered through the Fund is optional and this means that you will need to apply for insurance to take effect. If you wish to take up optional insurance cover, please read carefully the section titled *Optional insurance cover* set out below.

## Automatic cover

You may be automatically insured for your death or terminal illness when you become a member of the Fund if one of the following circumstances applies to you. If you are automatically insured premiums will be automatically deducted from your account.

<b>Circumstance</b>	<b>More information about the automatic cover</b>
<p><b>Where the Fund is your employer's chosen fund</b>            If you have become a member of the Fund because you have decided not to exercise a choice and the Fund is your employer's chosen fund for the payment of employee superannuation contributions (see the section titled <i>Superannuation choice</i> on page 31).</p>	<p>You should read the section titled <i>Automatic Death cover where the Fund is your employer's chosen fund</i> set out following this table. You should also read the section <i>Important insurance information</i> below.</p>
<p><b>Under an agreed employer plan</b>            If your employer contributes to the Fund on your behalf and has made arrangements with the insurer and the trustee for an insurance benefit to be provided automatically on behalf of its employees.</p>	<p>Your employer should be able to tell you whether such an arrangement has been agreed with the trustee and the insurer and if so the automatic insurance arrangements that will apply. You should ask your employer for the terms and conditions that apply to the insurance. If you are unsure, please contact us. You should also read the section <i>Important insurance information</i> below.</p>

## Automatic Death cover where Fund is your employer's chosen fund

If you become a member of the Fund because you decide not to exercise a choice and the Fund is your employer's fund, you will receive Death cover, **subject to the conditions set out below**. The amount of cover provided is set out below.

Death cover is a lump sum benefit added to your superannuation investment. It is paid in the event of your death or where you become terminally ill.

The cost of the insurance cover (the premium) will be \$104 per year and this amount will be deducted from your account at the commencement of each financial year. If you leave the Fund or if your insurance is cancelled for any reason during a financial year, your account will receive a refund of any unused portion of the premium. Where you become a member part way through a financial year, the premium for that part of the financial year for which cover is provided will be deducted from your account in June of that financial year or upon leaving the Fund, whichever first occurs.

## Can I opt out of the insurance arrangements?

Yes. You can opt out of the insurance arrangements at any time by notifying us in writing through the post. Cancellation of the arrangements will take effect on receipt of your written notification and any unused portion of the premium will be refunded to your account. You should carefully consider any decision to cease Death cover. **Take professional advice if you are unsure about the implications of any decision relating to insurance.**

## **Can I increase the level of cover under the insurance arrangements or take out Total and Permanent Disablement cover?**

Yes. If you wish to apply for additional insurance cover or Total and Permanent Disablement cover, please read the section titled *Optional insurance cover* set out below and contact the Customer Service Centre on 1300 134 337 for application forms. Please note that to receive additional cover, you will need to complete a personal health statement and provide occupational details. Provision of additional cover is also subject to acceptance by the insurer and payment of additional premiums.

### **Circumstances where cover is not provided**

Cover will not be provided if:

- you are over the age of 65
- your employer engages in the practice of preferential employment of persons suffering medical conditions.

The following criteria must also be met for cover to apply:

- you must be an Australian Resident;
- you must be actively performing all the agreed hours and duties of your usual occupation without restriction or limitation due to injury or illness, and not be receiving or entitled to income support from any source ('at work').

Where you are not performing your usual occupation due to illness or injury at the time you become a member of the Fund, full cover will not commence until you have returned to employment and are actively performing all the agreed hours and duties of your usual occupation without restriction or limitation due to injury or illness.

Should any of the above circumstances apply to you, you should contact the trustee or the Customer Service Centre on 1300 134 337 to obtain further information about insurance arrangements.

### **Worldwide cover and cover whilst overseas**

Cover for death is worldwide 24 hours per day, seven days a week for Australian residents.

An Australian resident can continue cover for a period up to three years whilst overseas, except where they are in a country which had a DFAT 'do not travel' warning.

### **When cover ends**

Cover under the insurance arrangement will cease (earliest of):

- on your 70th birthday
- if there are insufficient funds in your account to meet the annual premium due on 1 July each year
- if you are paid your full insured benefit
- when you notify the Fund that cover is no longer required
- upon leaving the Fund
- 30 days after the date your employer receives a notification from you electing to join another superannuation fund under choice of fund arrangements
- 30 days after the date you are accepted by another superannuation fund under choice of fund arrangements.

**It is very important that you consider your insurance cover when making a decision to notify your employer that you wish your superannuation contributions to go to a different superannuation fund. You could lose your cover even if you stay a member of**

the Fund. If unsure, you should seek professional advice.

### Extension of Death cover

Should you cease to be an insured person, Death cover will continue for 30 days from the date insurance ceased.

### Amount of cover provided

Age	Amount of death cover \$
16	216 667
17	192 593
18	176 271
19	170 492
20	167 742
21	167 742
22	173 333
23	179 310
24	189 091
25	200 000
26	212 245
27	221 277
28	236 364
29	253 659
30	260 000
31	266 667
32	273 684
33	281 081
34	273 684
35	266 667
36	260 000
37	241 860
38	221 277
39	203 922
40	189 091
41	170 492
42	155 224
43	142 466
44	128 395
45	118 182
46	107 216
47	99 048
48	90 435
49	83 200
50	77 037
51	70 748
52	65 409
53	60 819
54	56 216
55	52 525
56	48 826
57	45 415
58	42 449
59	39 544
60	36 879
61	34 323
62	31 902
63	29 714
64	27 586
65	25 616
66	22 270
67	19 367
68	16 856
69	14 648
70	12 745

The amounts provided assume a \$2.00 per week premium (inclusive of a 15% commission). The amounts provided are based on white collar risk, to be adjusted for occupational exposure by dividing the amount of cover shown by the occupation adjustment factors. Where a member's occupation is not known, the heavy blue collar (skilled) factor applies.

#### Occupation adjustment factors

Professional	0.90
White collar	1.00
Light blue collar	1.00
Heavy blue collar (skilled)	1.25
Heavy blue collar (unskilled)	1.50

## Optional insurance cover

The Fund offers the following optional insurance covers:

- Death cover
- Death & Total and Permanent Disablement cover
- Income Protection cover.

## Eligibility

Optional insurance cover will only be issued after you complete an Insurance Application and Personal Health Statement and this has been accepted by the insurer. In order to obtain this form please contact your adviser or the Customer Service Centre on 1300 134 337.

## Cancellation of cover

You may cancel cover at any time; however, if you do so, cover can only be reinstated by applying to the insurer in writing. Reacceptance of the cover will be subject to normal medical underwriting. As such, we strongly recommend that, if you are considering cancelling your cover, to only do so after you have sought the advice of a financial adviser who can assess your insurance needs in full.

## Details of cover – Death; Death & Total and Permanent Disablement insurance

### *Death cover*

Death cover is a lump sum benefit added to your superannuation investments. It is paid in the event of your death or if you become terminally ill.

Your Death cover will be reduced by any Terminal Illness benefit paid.

The maximum Death cover available under the Fund's insurance arrangements is \$5,000,000 (maximum payable for terminal illness - \$2,500,000).

### *Death & Total and Permanent Disablement cover*

Death & Total and Permanent Disablement cover provides a lump sum benefit if you die, or become terminally ill or were to suffer an illness or injury that caused you to have to prematurely retire from any work to which you may be suited.

Your Death cover will be reduced by any Total and Permanent Disablement benefit paid.

Maximum Total and Permanent Disablement cover available is \$2,500,000 (\$750,000 where domestic duties definition applies).

### *Definition of Total and Permanent Disablement (TPD)*

The definition that applies for TPD is determined by TOWER at the time of a claim and will depend on whether you were employed immediately before you first became disabled. The various rules and definitions are as follows:

All insured persons are covered under the following parts A, B and C of the TPD definition. Persons employed for at least 15 hour per week are covered under parts A, B, C and D(i) of the TPD definition. Persons not employed and in unpaid domestic duties are covered under parts A, B, C and D(ii) of the TPD definition.

Part A. solely because of illness or injury you have suffered the permanent loss of:

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

- (iii) the use of one limb and the sight in one eye;
- Part B. solely because of illness or injury all of the following apply:
- (i) you have suffered at least 25% whole person impairment (as defined in insurance industry guides approved by TOWER);
  - (ii) you are not engaged in any occupation; and
  - (iii) you are disabled to such an extent as to render you unlikely to ever be engaged in any occupation for which you are reasonably suited by education, training or experience;
- Part C. solely because of illness or injury you are unlikely ever to be able to perform at least two of the following activities of daily living:
- (i) dressing – the ability to put on and take off clothing without assistance;
  - (ii) bathing – the ability to wash or shower without assistance;
  - (iii) toileting – the ability to use the toilet, including getting on and off, without assistance;
  - (iv) mobility – the ability to get in and out of bed and a chair without assistance; or
  - (v) feeding – the ability to get food from a plate into the mouth without assistance;
- where ‘assistance’ means the assistance of another person;

Part D.

- (i) where at the date of disablement, you were employed 15 or more hours per week (averaged over the 13 week period prior to the date of disablement or such shorter period if employed for less than 13 weeks immediately prior to the date of disablement) all the following apply:
  - (a) you have been absent as a result of illness or injury from employment for six consecutive months; and
  - (b) after consideration of all relevant evidence you are disabled to such an extent as to render you unlikely to ever again be engaged in any occupation for which you are reasonably suited by your education, training or experience;
- (ii) Where at the date of disablement, you were not employed and were engaged in unpaid domestic duties at home, all the following apply:
  - (a) as a result of illness or injury you are under the care of a medical practitioner;
  - (b) you are unable to perform those domestic duties;
  - (c) you are unable to leave your home unaided;
  - (d) from the date of disablement, you have not been gainfully employed for a period of six consecutive months; and
  - (e) at the end of the period of six months, in TOWER’s opinion, after consideration of all relevant evidence, you are disabled to such an extent as to render you unlikely to perform those domestic duties.

TPD Cover while unemployed

Should you be unemployed for a continuous period of more than six months, TPD cover will be determined under Parts A, B or C of the TPD definition. If you then return to gainful employment for more than 15 hours per week, TPD will be determined under Parts A, B, C or D(i) of the definition.

### ***Definition of terminal illness***

Terminal illness or terminally ill means any condition that, in the opinion of two appropriate specialist medical practitioners approved by TOWER having regard to the current treatment or such other treatment as you may reasonably be expected to receive, is likely to lead to your death within 12 months from the date you are diagnosed with the condition.

### ***Events not covered (exclusions)***

Under Death, Terminal Illness and TPD cover no benefit will be paid if a claim is made due to:

- suicide occurring in the first 13 months after the date that the cover commences or is reinstated after having lapsed for any reason, or
- any deliberately self-inflicted injury which occurs at any time, and
- any such exclusion the insurer may apply to you as a condition of acceptance of cover.

### ***Premium charges***

The cost of insurance cover will be based on either a nominated dollar per week premium (example \$2.00 nominated weekly premium) or the indicative premium rates shown at the end of the insurance section. These rates are adjusted based on your occupation or occupational industry as well as other matters such as your state of health or if you undertake some hazardous pastimes. For a premium quotation please consult your financial adviser or the Customer Service Centre on 1300 134 337

### ***Additional charges***

All the related fees and charges for your insurance are within the premium deducted from your member account. There are no additional fees or charges directly related to the insurance cover.

### ***Different amounts of Death cover to Total and Permanent Disablement cover***

You can have Death cover greater than your Total and Permanent Disablement but you cannot have a Total and Permanent Disablement benefit greater than the amount payable on death.

### ***When cover commences***

Cover will be provided once the Insurance Application and Personal Health Statement has been accepted by TOWER and notified to you in writing.

### ***Accident benefits***

From the time the insurer receives a completed Insurance Application and Personal Health Statement you will have up to 90 days of accidental death or TPD (if applicable) cover up to the amount of cover applied for or \$750,000 (whichever is the lesser).

### ***Worldwide cover and cover while overseas***

Cover for death and TPD is worldwide 24 hours per day, seven days a week for Australian residents.

An Australian resident whilst overseas will retain cover for a period up to three years, except where they are in a country which had a DFAT 'do not travel' warning in place in the 30 days prior to departure.

Should you suffer total and permanent disablement while outside Australia, TOWER may require you to return to Australia at your own expense for assessment of the claim.

### ***Cover when on leave without pay***

While on employer approved leave without pay, your Death or Death and TPD cover will continue. For the first 12 months of leave without pay your pre-leave employment status is

used to determine TPD status. Thereafter, the TPD definition will revert to parts A, B, C and D(ii)(unpaid domestic duties).

#### *When cover ends*

Cover will cease on the earliest of:

- on your 65th birthday for TPD cover;
- on your 70th birthday for Death cover;
- if there are insufficient funds in your account to meet the annual premium due on 1 July each year;
- if you are paid your full insurance benefit;
- when you notify the Fund that cover is no longer required; or
- upon leaving the Fund.

Cover may lapse if a breach of the disclosure requirements in the Insurance Application and Personal Health Statement occurs.

#### *Extension of Death cover*

Should you cease to be an insured person, Death cover will continue for 30 days from the date insurance ceased.

## **Details of cover – Income Protection insurance**

#### *Income Protection cover*

Income Protection cover provides a monthly benefit if you are temporarily unable to work due to injury or illness. The amount of the monthly benefit payable is the amount agreed by TOWER for your cover.

The maximum monthly benefit is broadly an amount equal to 75% of last agreed annual salary or wages, plus superannuation contributions, or \$20,000, whichever is the lesser.

#### *When cover commences*

Cover will be provided once the Insurance Application and Personal Health Statement has been accepted by TOWER and notified to you in writing.

#### *How and when monthly benefits are paid*

If you are entitled to a Income Protection benefit, it will be paid by the insurer at the end of each month that you are on claim. This benefit is paid by the insurer to the Fund which then must deduct the pay-as-you-go withholding tax, and forward the net proceeds to you, the same as if it were normal wages or salary.

#### *Definition of total disablement*

To be eligible for a claim you must be totally disabled which means that due to an illness or injury, you are unable to perform at least one important income-producing duty of your regular occupation. You must also not be undertaking any work in any capacity, gainfully or otherwise, and be under the care of a medical practitioner and following their advice.

#### *Returning to work with a partial disability*

If you have been totally disabled but you have recovered enough to work but are still not earning your full income, at the end of the waiting period you may be eligible for a partial disability benefit. This ensures that you are not financially disadvantaged by returning to work, even at a reduced income.

A partial disability is where you have been totally disabled for at least 14 consecutive days and, as a result of the same illness or injury, all of the following conditions apply:

- you cannot work full-time or are unable to perform at least one important income-producing duty of your regular occupation, or you do not have the capacity to work at the same level you were working at prior to commencement of total disability;
- you have returned to gainful employment and the work carried out is approved by a medical practitioner and TOWER;
- you suffer partial loss of income; and
- you are under the regular care and following the advice of a medical practitioner and, in TOWER's reasonable opinion, you are complying with the advice and treatment given by the medical practitioner.

#### ***Events that are not covered (exclusions)***

No benefits are payable if your injury or illness is a result of any of the following:

- intentional self-inflicted injury;
- uncomplicated pregnancy or childbirth;
- war or acts of war whether declared or not;
- service in the armed forces of any national or international organisation including active service and training exercises within national or international armed reserve units; or
- any such exclusion the insurer may apply to you as a condition of acceptance of cover.

#### ***Premium charges***

The cost of insurance cover will be based on the indicative premium rates shown at the end of this insurance section. These rates are adjusted based on your occupation or occupational industry as well as other matters such as your state of health or if you undertake some hazardous pastimes. For a premium quotation please consult your financial adviser or the Customer Service Centre on 1300 134 337.

#### ***Additional charges***

All the related fees and charges for your insurance are within the premium deducted from your member account. There are no additional fees or charges directly related to the insurance cover.

#### ***Premium waiver***

If your Income Protection premium becomes payable while a benefit is being paid, the premium due at that time will be waived.

#### ***Accident benefits***

From the time the insurer receives a completed Insurance Application and Personal Health Statement you will have up to 90 days of accident cover (if you become totally disabled as a result of an accident) for the amount of cover applied for or \$15,000 per month, whichever is the lower amount. The waiting period applies.

#### ***Waiting period***

Before you can receive benefits under Income Protection you have to be off work for a minimum length of time, referred to as the *waiting period*. This can be either 30 or 90 days, depending on the waiting period chosen in your initial application.

#### ***Death benefit while on claim***

Should you die while receiving benefits, monthly payments will cease and a final lump sum equal to three monthly benefit payments will be paid.

### *Receiving income from other sources*

If you are on claim and are receiving benefits such as workers' compensation, sick leave payments, social security, other income insurance benefits or such similar payments, your benefits paid by the insurer will be reduced by the amount of these other income payments.

### *Assistance with rehabilitation*

If your return to work is likely to be accelerated by a program of rehabilitation (that is approved by your doctor and the insurer), the cost of the program may be met by the insurer.

### *Should you return to work and then have a relapse*

If you have been on claim and receiving benefits and then recover and return to work, should you then have a relapse within six months of going back to work, the benefits will recommence without the waiting period being reapplied.

In these circumstances the payments are treated as a continuation of the same claim as if there was no break in benefit payments.

### *Worldwide cover and cover while overseas*

Cover for Income Protection is worldwide 24 hours per day, seven days a week for Australian residents

An Australian resident whilst overseas will retain cover for a period up to three years, except where they are in a country which had a DFAT 'do not travel' warning in place in the 30 days prior to departure.

If you are totally or partially disabled whilst overseas you must return to Australia (or another country acceptable to TOWER) within six months or your benefits may cease to be paid until you do.

### *Cover when on leave without pay*

While on employer approved leave without pay, your total disability cover may be continued for up to 12 months. During this time your pre-leave employment status will be used to assess the total disability claim.

### *When cover ends*

Cover will cease on the earliest of:

- when you cease to be eligible to be a member of the Fund;
- when you are no longer working in your occupation for at least 15 hours per week, except for persons with cover on leave without pay;
- when you notify the Fund that cover is no longer required;
- on your 65th birthday;
- when you die;
- when you retire from the workforce;
- if there are insufficient funds in your account to meet the annual premium due on 1 July each year;
- upon leaving the Fund; or
- the expiry of employer approved leave without pay, unless otherwise agreed with TOWER.

### *Extension of cover*

Should you cease to be an insured person, Income Protection cover will continue for 30 days

from the date insurance ceased, provided employment is maintained during this time.

## **Employer related insurance**

Employers intending to make contributions to the Fund on behalf of at least five employees may be able to agree an insurance plan with TOWER that will cover their employees in the Fund. In some circumstances employees within such a plan may be eligible for automatic acceptance of cover up to an automatic acceptance limit without providing medical evidence. Specific conditions apply. Interested employers should contact us for further information.

## **Important insurance information**

The insurance cover described above applies to the arrangements we currently have in place for the Fund at the time of publishing the Product Disclosure Statement. The terms and conditions as well as premiums may change in the future.

## **Premium rates**

The premium rates that apply to the Fund for Income Protection are guaranteed not to change until 30 June 2012. The Premium rates that apply to the Fund for Death & Total and Permanent Disablement cover are guaranteed not to change until 30 June 2010. At the end of this period the rates are reviewed in line with the overall claims experience of the Fund and may be altered at this time. Currently, the rates that apply to the Fund for Death & Total and Permanent Disablement will increase by approximately 10% on 1 July 2010, and will then remain at that level until 30 June 2012. The trustee may also choose to have the rates changed, or change insurers at any time if they believe the change would be in the best interests of the overall membership of the Fund.

## **Lodging a claim**

If there is a need to lodge a claim, contact the Customer Service Centre on 1300 134 337 and they will arrange all the necessary forms to be issued to you. All claims are subject to the approval of TOWER.

## **Trustee's responsibility**

Although the trustee manages the group insurance arrangements, it does not guarantee the payment of an insured benefit or the performance of the insurer.

## **Tax deductions**

Because the premiums payable are deducted from your superannuation account and not paid by you as an individual, they are a tax deduction to the Fund. This deduction is credited to your superannuation account and not to you as an individual, thus you cannot claim personal tax deductions for this cost.

## **Tax payable on benefits paid out**

### *Death & Total and Permanent Disablement benefits*

Because the insurance cover is part of a superannuation plan, any benefits payable are treated as superannuation death or permanent disablement benefits and are taxed as such when paid out. For further information, refer to *What about taxation?* on page 44.

### *Income Protection benefits*

The benefits paid under the Income Protection insurance are paid as taxable income, the same as salary and wages. Any payments will be made after deducting pay-as-you-go withholding tax.

Please note the statements regarding taxation were correct at the time of developing this document however they may have changed since that time. As such we strongly recommend that you seek the advice of a qualified taxation adviser in relation to your own circumstances.

**Death only and death & total and permanent disablement rates**

Premium rates are in dollars per year for each \$1000 of insurance cover*								
Age next birthday	Death cover				Death & total and permanent disablement cover			
	Male non-smoker	Male smoker	Female non-smoker	Female smoker	Male non-smoker	Male smoker	Female non-smoker	Female smoker
16	0.55	0.67	0.30	0.36	0.57	0.69	0.31	0.38
17	0.64	0.77	0.31	0.38	0.67	0.80	0.33	0.39
18	0.71	0.85	0.30	0.36	0.75	0.91	0.31	0.38
19	0.74	0.88	0.30	0.36	0.80	0.96	0.31	0.38
20	0.76	0.91	0.28	0.33	0.83	1.00	0.30	0.35
21	0.75	0.91	0.25	0.31	0.83	1.03	0.27	0.33
22	0.74	0.91	0.25	0.31	0.83	1.05	0.25	0.33
23	0.71	0.89	0.23	0.30	0.83	1.03	0.25	0.31
24	0.67	0.86	0.20	0.25	0.78	1.02	0.23	0.30
25	0.63	0.83	0.19	0.25	0.76	0.99	0.22	0.30
26	0.59	0.80	0.18	0.25	0.72	0.97	0.22	0.30
27	0.55	0.76	0.17	0.23	0.69	0.94	0.20	0.28
28	0.52	0.74	0.17	0.23	0.64	0.91	0.22	0.31
29	0.47	0.69	0.16	0.23	0.62	0.91	0.22	0.33
30	0.45	0.69	0.16	0.23	0.59	0.91	0.23	0.35
31	0.42	0.66	0.16	0.25	0.57	0.88	0.25	0.40
32	0.41	0.66	0.17	0.27	0.55	0.89	0.28	0.45
33	0.40	0.66	0.17	0.27	0.55	0.91	0.31	0.50
34	0.39	0.66	0.18	0.31	0.54	0.91	0.35	0.59
35	0.39	0.69	0.20	0.36	0.55	0.98	0.41	0.72
36	0.40	0.71	0.22	0.39	0.59	1.05	0.45	0.80
37	0.42	0.77	0.25	0.44	0.64	1.17	0.52	0.93
38	0.45	0.83	0.28	0.52	0.69	1.27	0.59	1.08
39	0.49	0.91	0.31	0.58	0.78	1.47	0.67	1.25
40	0.53	1.00	0.35	0.66	0.86	1.63	0.76	1.44
41	0.57	1.08	0.39	0.75	0.97	1.85	0.85	1.63
42	0.63	1.22	0.44	0.85	1.11	2.15	0.97	1.88
43	0.69	1.34	0.47	0.94	1.24	2.43	1.08	2.13
44	0.76	1.51	0.53	1.05	1.41	2.79	1.21	2.40
45	0.83	1.68	0.59	1.19	1.58	3.17	1.36	2.73
46	0.91	1.85	0.64	1.32	1.79	3.64	1.52	3.09
47	0.99	2.05	0.71	1.46	2.00	4.12	1.71	3.51
48	1.10	2.29	0.77	1.61	2.26	4.72	1.88	3.93
49	1.19	2.51	0.83	1.78	2.50	5.30	2.10	4.46
50	1.29	2.77	0.91	1.94	2.79	6.02	2.32	5.00
51	1.41	3.06	0.98	2.10	3.13	6.74	2.59	5.57
52	1.54	3.30	1.05	2.27	3.48	7.49	2.90	6.22
53	1.68	3.61	1.15	2.46	3.88	8.35	3.23	6.95
54	1.82	3.90	1.22	2.63	4.29	9.23	3.61	7.76
55	1.99	4.27	1.32	2.82	4.77	10.25	4.03	8.65
56	2.15	4.61	1.41	3.03	5.27	11.28	4.51	9.66
57	2.33	4.97	1.51	3.21	5.82	12.39	5.03	10.70
58	2.54	5.39	1.61	3.42	6.41	13.59	5.62	11.91
59	2.76	5.83	1.73	3.65	7.05	14.89	6.24	13.17
60	2.99	6.28	1.85	3.87	7.73	16.24	6.86	14.40
61	3.26	6.71	1.96	4.03	8.53	17.54	7.51	15.46
62	3.57	7.22	2.09	4.22	9.37	18.94	8.17	16.50
63	3.89	7.71	2.23	4.42	10.27	20.35	8.87	17.57
64	4.25	8.25	2.37	4.61	11.25	21.82	9.56	18.56
65	4.64	8.82	2.52	4.80	12.30	23.37	10.27	19.52

\*Rates include 15% commission.

Base rates are white collar and are to be adjusted for occupational exposure as per the following table:

Occupation adjustment factors	Death	Death and total and permanent disablement
Professional	0.90	0.90
White collar	1.00	1.00
Light manual	1.00	1.25

Heavy manual (skilled)	1.25	1.60
Heavy manual (unskilled)	1.50	2.00

Income protection insurance rates

Two year benefit period

Premium rates are in dollars per year for each \$1000 of insurance cover\*

Age next birthday	Male 30 day non-smoker	Female 30 day non-smoker	Male 30 day smoker	Female 30 day smoker	Male 90 day non-smoker	Female 90 day non-smoker	Male 90 day smoker	Female 90 day smoker
16	2.11	3.61	2.63	4.52	0.83	2.98	1.04	3.73
17	2.11	3.61	2.63	4.52	0.83	2.98	1.04	3.73
18	2.11	3.61	2.63	4.52	0.83	2.98	1.04	3.73
19	2.11	3.61	2.63	4.52	0.83	2.98	1.04	3.73
20	2.11	3.61	2.63	4.52	0.83	2.98	1.04	3.73
21	2.11	3.61	2.63	4.52	0.83	2.98	1.04	3.73
22	2.21	3.63	2.76	4.54	0.82	2.80	1.02	3.51
23	2.47	3.95	3.08	4.94	0.85	2.87	1.06	3.59
24	2.72	4.29	3.41	5.36	0.88	2.94	1.10	3.66
25	3.00	4.62	3.74	5.78	0.91	3.01	1.14	3.76
26	3.27	4.97	4.09	6.21	0.96	3.08	1.20	3.86
27	3.55	5.32	4.44	6.65	0.99	3.16	1.24	3.94
28	3.81	5.69	4.76	7.10	1.04	3.20	1.29	4.01
29	4.03	6.05	5.04	7.56	1.07	3.24	1.34	4.05
30	4.23	6.42	5.28	8.02	1.11	3.25	1.39	4.07
31	4.39	6.79	5.49	8.49	1.15	3.25	1.43	4.07
32	4.54	7.18	5.67	8.97	1.19	3.24	1.49	4.05
33	4.66	7.58	5.83	9.47	1.21	3.24	1.52	4.05
34	4.78	8.00	5.98	9.99	1.26	3.23	1.56	4.03
35	4.90	8.44	6.12	10.54	1.29	3.22	1.62	4.02
36	5.00	8.89	6.25	11.11	1.34	3.23	1.68	4.03
37	5.12	9.36	6.39	11.71	1.40	3.24	1.74	4.05
38	5.23	9.85	6.54	12.31	1.46	3.28	1.83	4.10
39	5.37	10.38	6.71	12.98	1.52	3.35	1.91	4.18
40	5.54	10.95	6.93	13.69	1.63	3.44	2.03	4.30
41	5.73	11.55	7.17	14.43	1.74	3.58	2.18	4.47
42	5.97	12.18	7.46	15.22	1.89	3.76	2.36	4.70
43	6.25	12.87	7.81	16.07	2.06	3.98	2.57	4.97
44	6.57	13.59	8.22	16.98	2.28	4.27	2.84	5.34
45	6.97	14.36	8.72	17.96	2.54	4.62	3.18	5.78
46	7.43	15.19	9.28	18.98	2.87	5.05	3.59	6.31
47	7.97	16.09	9.96	20.12	3.24	5.56	4.05	6.96
48	8.60	17.05	10.75	21.31	3.71	6.16	4.63	7.70
49	9.32	18.08	11.65	22.60	4.24	6.86	5.31	8.57
50	10.15	19.20	12.69	24.00	4.88	7.67	6.10	9.59
51	11.09	20.42	13.87	25.52	5.64	8.59	7.06	10.73
52	12.18	21.73	15.22	27.15	6.51	9.65	8.14	12.06
53	13.39	23.16	16.74	28.94	7.51	10.85	9.40	13.56
54	14.77	24.71	18.47	30.88	8.69	12.19	10.86	15.24
55	16.32	26.40	20.41	32.99	10.04	13.70	12.54	17.13
56	18.08	28.26	22.60	35.32	11.56	15.38	14.45	19.23
57	20.05	30.31	25.06	37.89	13.31	17.25	16.63	21.57
58	22.26	32.55	27.83	40.70	15.27	19.34	19.10	24.17
59	24.76	35.05	30.95	43.81	17.52	21.63	21.91	27.04
60	27.57	37.82	34.47	47.27	20.05	24.15	25.06	30.19
61	30.75	40.90	38.43	51.12	22.89	26.93	28.61	33.66
62	34.36	44.35	42.96	55.44	26.08	29.96	32.59	37.45
63	38.46	48.22	48.07	60.28	29.65	33.29	37.06	41.61
64	40.44	50.68	50.54	63.35	31.07	35.01	38.84	43.77
65	22.94	28.39	28.67	35.48	15.95	17.97	19.93	22.47

\*Rates include 15% commission and stamp duty.

Base rates are white collar and are to be adjusted for occupational exposure as per the following table:

Occupation adjustment factors	
Professional	0.80
White collar	1.00
Light manual	1.50
Heavy manual (skilled)	1.75
Heavy manual (unskilled)	2.50

## Australian Ethical<sup>®</sup> Superannuation

for investors, society and the environment

1 July 2009

# Supplementary Long Form Product Disclosure Statement

This Supplementary Product Disclosure Statement, prepared on 1 July 2009, supplements the Product Disclosure Statement issued by Australian Ethical Superannuation Pty Ltd dated 1 July 2007. It is to be read together with that statement.

This Supplementary Product Disclosure Statement amends the Product Disclosure Statement by making the following changes in the sections indicated.

## Your superannuation account

*On page 30, replace all the material under the headings “Concessional contribution limits” and “Non-concessional contribution limits” with the following:*

### *“Concessional contribution limits*

Concessional taxation arrangements for contributions which are tax deductible to an employer or to an individual are limited to an amount of \$25 000 a year per person (commencing 1 July 2009). If concessional contributions exceed \$25 000<sup>1</sup> a year per person there are significant taxation implications. For further information about taxation, please read the section What about taxation? at page 44.

A transition period applies in which people aged 50 and over will be able to make concessional contributions of up to \$50 000 per year without breaching the cap. This period applies to the financial years up to 2011–12. A person turning 50 during that period will be able to take advantage of the transitional arrangements from the financial year in which they turn 50.

### *Non-concessional contribution limits*

There is a non-concessional (post-tax) contribution limit of \$150 000<sup>2</sup> per year (commencing 1 July 2007).

If you make contributions in excess of the non-concessional cap then there are significant taxation implications. For further information about taxation, please read the section What about taxation? at page 44.

To accommodate larger non-concessional contributions, people aged under 65 will be allowed to bring forward two years of contributions. This means a person under 65 is able to make up to \$450,000 of contributions in a single year.

*Example: A member is aged 55. In the 2009/10 year he makes non-concessional contributions of \$350,000. Over the next two years a total of only \$100,000 can be contributed.*

Alternatively, if contributions of \$450,000 are contributed in the 2009/10 year, no further contributions can be made in the next two years.

Once a person turns 65 they will be able to make \$150 000 of non-concessional contributions each financial year, provided they satisfy the work test described above.

There are two ongoing exemptions to the non-concessional cap. These are:

- proceeds from the disposal of assets that qualify for the small business capital gains tax retirement exemption or have been held for 15 years. Both types of proceeds are subject to a single lifetime cap. For the 2008/09 year the cap was \$1 045 000. The cap is indexed and you

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<sup>1</sup> The \$25 000 limit will be indexed to average weekly ordinary time earnings, but will only increase in fixed dollar increments as set out in relevant legislation.

<sup>2</sup> The non-concessional cap will remain at six times the level of the concessional cap and will increase as the concessional cap moves with indexation.

should contact the Australian Taxation Office to find the applicable cap for any particular financial year; and

- proceeds from a settlement for an injury resulting in permanent disablement.”

***On page 31, replace all the material under the heading “Co-contribution” with the following:***

You may be eligible for the Australian Government’s co-contribution designed to help low to middle income earners increase their savings.

Co-contributions will be paid as follows:

<b><i>Relevant Year</i></b>	<b><i>Co-contribution amount</i></b>
2009/10, 2010/11 and 2011/12 financial years	\$1.00 for each \$1 of eligible contributions. Maximum is \$1,000, reduced by 3.333 cents for each dollar by which the person’s total income exceeds the threshold for receiving the full co-contribution.
2012/13 and 2013/14 financial years	\$1.25 for each \$1 of eligible contributions Maximum is \$1,250, reduced by 4.167 cents for each dollar of total income above the threshold for receiving the maximum contribution.
2014/15 financial year and thereafter	\$1.50 for each \$1 of eligible contributions Maximum is \$1,500, reduced by 5 cents for each dollar of total income above the threshold for receiving the maximum contribution.

The co-contribution threshold is indexed annually to reflect changes in average wages.

For the 2008/09 financial year, a full co-contribution was available for those with taxable income (assessable income plus reportable fringe benefits) of \$30 343 or less. For those having a taxable income between \$30 343 and the upper limit of \$60 342, the full co-contribution was reduced by 5 cents for each dollar of taxable income above \$30 343.

You don’t need to apply for the co-contribution. At the end of each financial year, the Australian Taxation Office will receive your tax return and a statement from the Fund indicating your level of contributions. The Australian Taxation Office will then determine the level of co-contribution required, based on your income. For further information on eligibility and the applicable income thresholds for any financial year, please contact the Australian Taxation Office.”

***On page 33, include the following sentence after the sentence that ends “...the minimum payment in any one year must be \$4000.”***

“The Government has permitted a temporary reduction on the minimum payments until 30 June 2010. So members only need to take 50% of the regulated minimum withdrawal amount from their account based pension for the 2008/2009 and 2009/2010 financial years.”

***On page 36, replace the third paragraph under “Keeping you informed” with the following:***

“An annual financial report for the Fund will be provided on the Australian Ethical website. It will detail the financial position of the Fund over the last financial year and any relevant superannuation issues which have arisen during that time. Hardcopy reports can be requested by calling 1 300 134 337”

## **What about taxation**

***On page 46, add the following paragraph to the section “Tax File Numbers”***

**“EMPLOYERS PLEASE NOTE:**

From 1 July 2007, if your employee completes a *Tax file number declaration* form and you make a super contribution for your employee, you must provide the employee’s TFN to the Fund within 14 days of receiving their declaration form, unless the employee has indicated otherwise.”

## Other information

*On page 60, replace the second paragraph under “Eligible rollover fund” with the following*

“The trustee has determined that lost members with account balances of \$4000 or less will be transferred to the eligible rollover fund if there have been no contributions to their account in the previous 12 months.”

*On page 61, before the section headed “Superannuation and family law” include the following material*

### “Temporary residents

If you are, or have been, working in Australia on a temporary resident visa and you are not a permanent resident or an Australian or New Zealand citizen, then once you permanently depart Australia you are able to apply for and be paid your benefit from the fund.

If you have not been paid your benefit after six months of departing Australia and your temporary visa has expired or been cancelled, your superannuation benefits must be transferred from the fund to the Australian Taxation Office (ATO). If this occurs, you will need to claim your superannuation benefit direct from the ATO.

Also:

- benefits claimed by temporary residents will generally be subject to a 35% withholding tax
- temporary residents will not be able to open an account based pension
- limited conditions of release apply for access to benefits.

For more information, contact the Australian Taxation Office.

### Same sex partners

Same sex couples are entitled to the same treatment as opposite sex couples in all superannuation matters. De-facto and same sex couples also have rights to property settlement under the Family Law Act

The definition of a child under superannuation law, of the member or the member’s spouse, is: a child; adopted child; foster child; ward; or child within the meaning of the Family Law legislation, including a child of a same-sex couple.”

*On page 62, replace the third dot point under “Conflicts of Interest” with the following*

- the Australian Ethical Superannuation board consists of an independent chair (who is not a director of Australian Ethical Investment) and has an equal number of independent directors (who have no material personal interest in the financial performance of the parent company).

# About this Product Disclosure Statement

This Product Disclosure Statement will help you to:

- decide whether the Australian Ethical Retail Superannuation Fund, referred to in this Product Disclosure Statement as ‘the Fund’, will meet your needs, and
- compare the Fund with others you may be considering.

A Short Form Product Disclosure Statement is also available. This Product Disclosure Statement and the Short Form are available from the contacts listed on page 3 and should be considered before deciding whether to acquire, or to continue to hold, interests in the Fund.

When you download an electronic copy of this Product Disclosure Statement Australian law requires that you must download all pages, including the application form. If you make this Product Disclosure Statement available to another person, you must give them the entire electronic file or printout, including the application form. If you print the file, we encourage you to use recycled paper. You can obtain a paper copy of this Product Disclosure Statement (and any supplementary documents) free of charge on request by calling us on 1300 134 337 or emailing us at [aes@austethical.com.au](mailto:aes@austethical.com.au).

Interests in the Fund cannot be issued to you unless you use an application form attached to this Product Disclosure Statement to become a member of the Fund. Full details on how to become a member of the Fund are provided in the section *How to invest or roll over*, page 64.

The trustee will amend this Product Disclosure Statement or withdraw it from circulation in the event of any material alteration of the information it contains. The trustee may change any of the terms and conditions in the Product Disclosure Statement. If the change is an increase in fees and charges, the trustee shall give 30 days’ notice of the change. Notification of other material or significant changes will be given before the change is made if the change is adverse or potentially adverse to the interests of a member. Notification of other material or significant changes will be included in member communications.

All monetary amounts are references to Australian dollars. The offer made in this Product Disclosure Statement is available only to persons receiving this Product Disclosure Statement in Australia.

You should keep this Product Disclosure Statement for your records.

The information contained in this Product Disclosure Statement is general information only. It does not take into account your individual objectives, financial situation or needs. You should assess whether the information is appropriate for you.

If you want advice that takes into account your specific financial needs and objectives, you should contact a person or organisation licensed to provide personal advice.

**No person or organisation guarantees the return of capital or the performance of your investment in the Fund. Due to the level of investment returns earned by the strategy you choose and the imposition of taxes and fees, you may get back less than the amount you pay into the Fund.**

# About Australian Ethical

Australian Ethical Investment Ltd is a publicly listed company that helps people manage their money while seeking benefits for society and the environment. It is one of the longest established ethical fund managers in Australia, managing in excess of \$560 million in funds on behalf of some 17 000 investors.

## Our products

Australian Ethical offers investment strategies for different times of life and different financial circumstances. You can choose:

- **superannuation** – tax-advantaged, long-term saving for your retirement
- **superannuation income stream** (allocated pension) – a pre-retirement/retirement income stream

Read this Product Disclosure Statement.

OR

- **investment trusts** – pooled savings, professionally managed to help you reach your financial goals (available for investments through self-managed super funds)

To obtain the Product Disclosure Statement for the investment trusts, visit our website, [www.austethical.com.au](http://www.austethical.com.au), or phone 1800 021 227.

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Australian Ethical Retail Superannuation Fund  
PO Box 1916  
Wollongong NSW 2500  
Australia  
phone: 1300 134 337  
fax: 02 6201 1959  
[aes@austethical.com.au](mailto:aes@austethical.com.au)  
[www.austethical.com.au](http://www.austethical.com.au)

Interests in the Australian Ethical Retail Superannuation Fund are offered by Australian Ethical Investment Ltd ABN 47 003 188 930, AFSL 229949 and issued by the trustee of the Fund, Australian Ethical Superannuation Pty Ltd ABN 43 079 259 733, RSEL L0001441 (referred to in this Product Disclosure Statement as 'the trustee', 'we', 'our', or 'us').

® 'Australian Ethical' is a registered trademark of Australian Ethical Investment Ltd, used in Australia by Australian Ethical Superannuation Pty Ltd, an authorised user.

# What do we offer you?

Ethical investment integrates personal values with investment decisions. Australian Ethical follows a set of principles – our Australian Ethical Charter – and invests to obtain a financial return consistent with those principles and the risks involved.

## *How we work*

### **research**

We commission ethical researchers to gather public and other information on companies' business activities and finances.

### **experience**

Our investment analysts have experienced good and bad investment markets across asset classes and are skilled at finding ethical industries new and old.

### **diversification reduces risk**

We have investments in a variety of sustainable industries and financial instruments around the world.

### **investment style**

Our ethical investment style brings with it some unique advantages:

*investment quality* – Because of the nature of ethical investment, we believe that there is a greater likelihood the managers of the companies we select are more likely to think ahead, to care for staff, customers and the environment, and to use resources wisely.

*future demand* – We think that many consumers are willing to pay for sustainable goods and services, raising the profits of the firms that supply them.

*value overlooked* – Our investment style involves a thorough investigation of potential investments (not just a financial analysis) which positions us to identify good investment opportunities that other financial market players may overlook.

## *Benefits include:*

- **investment choice** – We offer a range of investment strategies to suit differing financial needs and objectives
- **simplicity** – Our investment strategies provide you with an easy way to invest in a diversified portfolio
- **high level of transparency and access to investment information** – Our website offers easy access to our portfolio lists and investment profiles and our newsletter discusses current ethical investment issues
- **access to insurance** – You can take out insurance cover for: death; death & total and permanent disablement; and income protection through your membership of our Fund
- **account information** – With our regular reporting and easy internet and telephone access, you can obtain the information you need regarding your superannuation at any time
- **potential investment returns** – Although future performance can never be guaranteed, the Fund has been able to achieve competitive long-term performance for each of its investment strategies.

## *Remember the risks of investing*

- There is always a level of risk associated with investing. An investment in the Fund is not guaranteed and your investment may rise and fall. Past investment earnings are not an indicator of future earnings.

# Features summary

Feature	Summary	More information available at
<b>Superannuation accounts</b>	The Fund offers both accumulation/rollover accounts and account based income streams (allocated pensions). A separate account is established for each member of the Fund.	See <i>Your superannuation account</i> page 29.
<b>Investment options</b> – All strategies invest in accordance with our Australian Ethical Charter (page 10).	<b>Each investment strategy currently invests through the corresponding Australian Ethical investment trust (see page 9).<sup>1</sup></b>	See <i>Investment strategies</i> page 20.
	<i>Balanced Strategy</i> – Aims to provide a diversified portfolio of investments offering a balance between capital growth and a moderate level of income. Suits investors who are willing to risk negative returns but not a significant loss of capital in one year. The Australian Ethical Balanced Trust (underlying the Balanced Strategy) won the Standard and Poor’s 2005 Fund Award in the Balanced Fund – Neutral category for consistent high performance over three years. <sup>2</sup>	
	<i>Equities Strategy</i> – Aims to provide long-term growth through investment in Australian and overseas companies including some smaller companies. Suits investors willing to take a higher risk (including the possibility of some loss of capital) with the prospect of higher returns over time.	
	<i>Large Companies Share Strategy</i> – Aims to provide long-term growth through investment in: <ul style="list-style-type: none"> <li>• larger listed companies on the Australian Securities Exchange and</li> <li>• overseas listed companies.</li> </ul> Suits investors willing to take a higher risk (including the possibility of some loss of capital) with the prospect of higher returns over time.	
	<i>World Strategy</i> – Aims to provide long-term growth through investment in high-quality companies listed on global share markets. Suits investors willing to take a higher risk (including the possibility of some loss of capital) with the prospect of higher returns over time.	
<i>Income Strategy</i> – Aims to generate a competitive income stream while minimising the risk of capital loss. Suits investors who are highly risk-conscious.		

<sup>1</sup> There are five relevant Australian Ethical investment trusts – Balanced, Equities, Large Companies Share, World and Income. Each investment trust is a registered managed investment scheme and Australian Ethical Investment Ltd is the responsible entity for each scheme. A Product Disclosure Statement for the investment trusts is available from the Australian Ethical website. Except where specified, references in this Product Disclosure Statement to the diversification, specific investments or characteristics of asset classes are currently references to the diversification, specific investments or characteristics of asset classes held within the investment trusts. For examples of the investments made by the Australian Ethical investment trusts see *Investment examples* at page 14.

<sup>2</sup> Past performance is not indicative of future performance.

Feature	Summary				More information available at
<b>Risk and investment period</b>	<i>Capital Risk</i> <sup>3</sup>		<i>Earnings risk</i> <sup>4</sup>	<i>Minimum recommended investment period</i> <sup>5</sup>	See <i>Investment Strategies</i> , pages 20 – 28.
	<i>In any one year period</i>	<i>(historic incidence of three year periods with negative returns</i> <sup>6</sup> )			
<i>Balanced Equities</i>	Med	0%	Med	3-5 years	
<i>Large Companies Share</i>	High	6.7%	High	5-7 years	
<i>World</i>	Med – High	5.0%	Med – High	5-7 years	
<i>Income</i>	High (estimated)	Not applicable (new strategy)	High (estimated)	5-7 years	
	Low	0%	Low	6-12 months	
<b>Accepted contributions</b>	Concessional contributions: <ul style="list-style-type: none"> <li>• employer contributions: superannuation guarantee and other contributions</li> <li>• salary sacrifice (before tax) contributions</li> </ul> Non-concessional contributions: <ul style="list-style-type: none"> <li>• voluntary (after tax) contributions</li> <li>• spouse contributions</li> </ul> The Fund also accepts: <ul style="list-style-type: none"> <li>• Government co-contributions</li> <li>• Rollovers and transfers.</li> </ul>				See <i>What sort of accounts are there and who can contribute?</i> Page 29.
<b>Keeping you informed</b>	<p><i>Investment confirmation:</i> You will receive a confirmation report for any roll-overs and switches<sup>7</sup>. Confirmation will not be issued for each contribution but these will be shown on your statements. You can also register to receive a password and subsequently access your record online at any time.</p> <p><i>Regular reporting:</i> You will receive a statement every six months detailing your balance and a transaction summary, including any earnings and charges or fees during the period.</p> <p><i>Annual report:</i> A report will be provided each year that includes information on the financial position and performance of the Fund over the year.</p> <p><i>Newsletter:</i> A twice-yearly newsletter will be provided covering ethical investment issues, details of specific investments in the Australian Ethical investment trusts, and performance details.</p>				See <i>Keeping you informed</i> , page 36.

<sup>3</sup> Capital risk is defined as the likelihood of a negative return for the underlying trust from combined income generation and unit price movement.

<sup>4</sup> Earnings risk is defined as the possibility that the underlying trust return in any one year is significantly different from the annualised return of the underlying trust since its inception.

<sup>5</sup> Investment professionals will have differing views about the minimum period you should hold various investments, and your own personal circumstances will also affect your decision. Although we have suggested minimum investment periods based on our own research, you should regularly review your investment decisions with your financial adviser because your investment needs or market conditions may change over time.

<sup>6</sup> Based on end-of-month measurements for the underlying trusts over the five year period to 30 June 2006. Historical incidence of loss is not a reliable indicator of the risk of future episodes of capital loss over similar periods.

<sup>7</sup> A switch is where you redeem your investment from one investment strategy to invest it in one of the other investment strategies.

<b>Feature</b>	<b>Summary</b>	<b>More information available at</b>
<b>Insurance</b>	Insurance is available for death; death & total and permanent disablement; and income protection.	See <i>Insurance options</i> , page 47.
<b>Taxation</b>	Superannuation is a tax-effective way to invest and grow your retirement savings. It is important that you understand how superannuation is taxed.	See <i>What about taxation?</i> page 44.
<b>Dispute resolution</b>	We will respond to any complaint within five business days, and seek a resolution of the complaint as soon as possible, and certainly within 90 days. If you are not satisfied with our handling of a complaint or with a decision we have made, you may contact the Superannuation Complaints Tribunal.	See <i>Enquiries and complaints</i> , page 36.
<b>Cooling off</b>	You may be able to change your mind after you make an investment with us.	See <i>Cooling off</i> , page 34.
<b>What does the Fund cost?</b>	It is important that you understand that fees and costs will apply to your investment in the Fund. Please make sure that you read the <i>Fees and other costs</i> section in detail.	See <i>Fees and other costs</i> , page 37.
<b>Fee discounts</b>	Discounted contribution fees apply to contributions in excess of \$6000 and rollovers in excess of \$1000 made directly with us to the Balanced, Equities, Large Companies Share and World strategies. Discounted contribution fees may also be offered to our staff, staff of related parties, like-minded organisations or on the basis of other criteria such as total value of holdings, total period of time a person has been a member or the cost of servicing a member.	
<b>Adviser commissions and rebates</b>	If your investment is made through a licensed financial adviser they may be paid much of our contribution fee as a commission. An adviser may rebate to you a significant proportion of the contribution fee.	
<b>How to apply</b>	You need to complete and send to us the application form located towards the end of this Product Disclosure Statement.	See <i>How to invest or roll over</i> , page 64.

# About Australian Ethical Superannuation

## Nature of the Fund

The Australian Ethical Retail Superannuation Fund is a regulated superannuation fund and is registered with the Australian Prudential Regulation Authority (Registration Number R1004731). It is required to comply with the laws and regulations that cover the Australian superannuation industry.

The Fund is based in Canberra and has assets worth more than \$260 million. Anyone who is eligible to contribute to superannuation can become a member, subject to acceptance by the trustee. Rules on eligibility are in the section *What sort of accounts are there and who can contribute?* on page 29. You can continue to use our superannuation fund even if you change employment, are self-employed or are unemployed.

Current superannuation contributions or existing balances can be invested in any of the strategies. We also offer superannuation account-based income streams (allocated pensions) so you can plan and manage your superannuation over your lifetime. You may receive tax concessions from investing your savings for your retirement. Australian Ethical Superannuation provides a range of ethical investment options to suit differing individual investment needs. Without compromising our ethical principles, we aim to produce competitive rates of return on each of our investment strategies consistent with the risk/return profile of the strategy. This is achieved by seeking out financially sound investments which promote a sustainable and environmentally responsible society in accord with our Australian Ethical Charter, which appears on page 10.

If you wish to invest through a self-managed superannuation fund please contact Australian Ethical Investment or visit the Australian Ethical website.

## Management of the Fund

The trustee of the Fund is Australian Ethical Superannuation Pty Ltd ('Australian Ethical Superannuation'). Australian Ethical Superannuation was established by its parent company, Australian Ethical Investment Ltd ('Australian Ethical Investment'), in 1998 to provide ethical superannuation. Australian Ethical Superannuation has been granted a Registrable Superannuation Entity licence (RSEL No. L0001441) by the Australian Prudential Regulation Authority.

As trustee, Australian Ethical Superannuation is bound to invest Fund assets in a responsible way on behalf of members.

The trustee's management of the Fund is governed by legislation and the trust deed.

Australian Ethical Superannuation is assisted in the operation of the Fund by a number of external service providers. At all times, the trustee board of Australian Ethical Superannuation remains legally responsible for functions performed by external service providers. The trustee also reviews the performance of external service providers and may from time to time change service providers where that is considered to be in the best interests of Fund members. Current external service providers are detailed on the Australian Ethical website.

By arrangement with the trustee, Australian Ethical Investment has responsibility for providing the following services:

- offering interests in the Fund to investors
- providing member assistance, management support, compliance and risk management functions
- providing information about the Fund and its features to the public.

Australian Ethical Investment also operates the registered managed investment schemes (the Australian Ethical investment trusts) in which the superannuation strategies currently invest their monies.

There are five relevant Australian Ethical investment trusts – Balanced, Equities, Large Companies Share, World and Income. A Product Disclosure Statement for the investment trusts is available from the Australian Ethical website or by contacting Australian Ethical on the details provided on page 3.

## Fund strategies

Australian Ethical Superannuation offers five investment strategies to choose from (for both accumulation and income stream accounts), providing a range of risk/return profiles to suit individual investment needs. Members are able to switch between strategies as their investment needs change over time. **At present, the trustee chooses to invest Fund monies in the corresponding Australian Ethical investment trust, but it may also invest directly in other assets that accord with your strategy selection.**

The respective strategies and their current underlying investment trusts are:

- **Australian Ethical Balanced Strategy:** invests in the Australian Ethical Balanced Trust, a balanced portfolio covering a range of asset classes including loans, interest-bearing securities, property, domestic equities (shares) and international equities
- **Australian Ethical Equities Strategy:** invests in the Australian Ethical Equities Trust, a diversified portfolio of domestic and international equity investments which includes some smaller companies
- **Australian Ethical Large Companies Share Strategy:** invests in the Australian Ethical Large Companies Share Trust, with an investment portfolio in larger listed companies on the Australian Securities Exchange; and overseas listed companies
- **Australian Ethical World Strategy:** invests in the Australian Ethical World Trust, which invests into a diversified portfolio of quality equity investments listed on overseas exchanges
- **Australian Ethical Income Strategy:** invests in the Australian Ethical Income Trust, a portfolio of loans and capital-stable, interest-bearing securities of short, medium and long-term duration

Profiles of each strategy's underlying investment trust are updated periodically on the Australian Ethical website.

# How do we manage your money?

Australian Ethical offers investors something beyond conventional superannuation investment because it applies its unique combination of financial and ethical objectives to the selection of investments.

These objectives are:

- to obtain a financial return commensurate with any risk taken
- to avoid investment in activities which are socially or environmentally detrimental
- to participate financially in profitable activities which bring social or environmental benefits.

The application of the Australian Ethical Charter defines the universe of investments for the investment trusts which currently underlie the superannuation strategies. The investment trusts invest across a broad spectrum of sectors ranging from new environmental and energy technologies to education and health.

## The Australian Ethical Charter<sup>8</sup>

**The trusts shall seek out** investments which provide for and support:

- (a) the development of workers' participation in the ownership and control of their work organisations and places
- (b) the production of high quality and properly presented products and services
- (c) the development of locally based ventures
- (d) the development of appropriate technological systems
- (e) the amelioration of wasteful or polluting practices
- (f) the development of sustainable land use and food production
- (g) the preservation of endangered eco-systems
- (h) activities which contribute to human happiness, dignity and education
- (i) the dignity and well being of non-human animals
- (j) the efficient use of human waste
- (k) the alleviation of poverty in all its forms
- (l) the development and preservation of appropriate human buildings and landscapes.

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**The trusts shall avoid** any investment which is considered to unnecessarily:

- (i) pollute land, air or water
- (ii) destroy or waste non-recurring resources
- (iii) extract, create, produce, manufacture, or market materials, products, goods or services which have a harmful effect on humans, non-human animals or the environment
- (iv) market, promote or advertise, products or services in a misleading or deceitful manner
- (v) create markets by the promotion or advertising of unwanted products or services
- (vi) acquire land or commodities primarily for the purpose of speculative gain
- (vii) create, encourage or perpetuate militarism or engage in the manufacture of armaments
- (viii) entice people into financial over-commitment
- (ix) exploit people through the payment of low wages or the provision of poor working conditions
- (x) discriminate by way of race, religion or sex in employment, marketing, or advertising practices
- (xi) contribute to the inhibition of human rights generally.

## **How do we take labour standards, environmental, social and ethical issues into account?**

The Australian Ethical Charter includes matters related to labour standards and environmental and social considerations. Our charter sets out the types of activities Australian Ethical seeks to support, and the types of activities it seeks to avoid. Thus, for example, it is supportive of companies whose business or activities involve the efficient use of waste, but would avoid investment in companies considered to unnecessarily promote products or services in a misleading manner.

Researchers from the Centre for Australian Ethical Research, in association with Australian Ethical Investment analysts, investigate potential investee enterprises to assess their ethical merits with reference to the charter. This work, which is appraised in detail through Australian Ethical's investment management processes, combines with financial analysis to determine selection priorities.

Whilst there are certain types of stocks in which Australian Ethical will not invest at all because of the absolute negative screens (for example, stocks with interests in tobacco, uranium or gambling), it is very active in its positive screening approach to stock selection. This differs from most ethical fund managers as Australian Ethical goes beyond merely applying negative screening to the range of possible investments.

The monitoring of investments is also very stringent. If a company Australian Ethical invests in diversifies into an excluded industry or engages in unacceptable practices, a review will be performed which may involve discussions with a company both prior to and after the event. If, on the weight of evidence, the stock is no longer appropriate, it will be divested as soon as practicable.

Debate is an integral part of this decision making process. For this reason we are keen to hear from you. While we reserve the right to exercise our judgment regarding investment selection, your opinions or any information you may give us will be considered. Normally, comments about ethical profiles of investments in the underlying trusts are referred to the Centre for Australian Ethical Research, which reports regularly to Australian Ethical about communications received.

## What is our investment approach?

**At present, the trustee chooses to invest Fund monies in the Australian Ethical investment trusts, but it may invest directly in other assets that accord with your investment strategy selection.**

Investments are selected and portfolios constructed within the range of investments that meet the requirements of our charter and a detailed assessment of financial soundness and value. Candidate investments are assessed by means of fundamental analysis of the dynamics of the management, products, markets, cash flow, profitability and balance sheet of each company.

The international investment portfolio has expanded and will continue to grow, supporting investment in some of the world's best ethical companies and improving portfolio diversification. In order to limit the impact of large adverse movements in international exchange rates, Australian Ethical Investment undertakes a currency hedge for the Equities, Large Companies and World Trusts. The hedge is achieved through the use of currency derivatives or options.

The portfolios are actively managed which means we continuously adjust the proportions of the holdings in order to buy more of what is considered better value. In order to do this, Australian Ethical Investment's team of experienced analysts monitor and assess new market information.

The portfolio of investments in the investment trusts includes various types of shares, debentures, hybrid debt/equity investments, managed investments, loans and other securities in Australian and overseas markets.

The provision of private loans by the trusts and investment in unlisted equity helps domestic enterprises fostering social change. Strategies with portfolios which include overseas investment give an opportunity to participate in ethically attractive sectors in which there are few or no large listed companies on the Australian Securities Exchange, for example, wind turbine manufacturers.

For examples of the investments made by the Australian Ethical investment trusts see the *Investment examples* section at page 14.

**We believe that sustainable returns will come from the support of businesses that are sustainable both financially and environmentally. Society will increasingly require businesses to meet the full environment costs of production, and will have an enhanced willingness to pay higher prices for those goods and services which lower environment costs. There will be increasing demand for products which are made in an environmentally sustainable way.**

## How do we manage risk?

The trustee has identified and recorded what it considers to be the material risks currently facing the trustee and the Fund. It has developed a risk management strategy and a risk management plan for the Fund. The risk management plan is available to members on request. It identifies what the trustee regards as the material risks facing the Fund in a number of risk areas, including prudential, corporate, investment, financial and personnel risk. It also describes the trustee's processes for the management of the material risks.

Risk management is monitored by a board committee appointed by the trustee.

## Investment risks

One very important area for you to consider is investment risk.

The level of investment risk which attaches to a fund or to strategies within a fund is affected by the combination of the riskiness of individual investments held, the extent of diversification and the extent to which the individual investment risks are correlated.

Investments of the Australian Ethical investment trusts underlying the Fund's superannuation investment strategies are subject to an extensive investment risk management framework overseen by an experienced Investment Committee within Australian Ethical Investment. The risk management framework has at its core the principles of risk spreading through adequate diversification, and risk control through maintenance of minimum standards of financial viability amongst investee companies as assessed by an experienced research team.

Particular investment risks of the underlying Australian Ethical investment trusts and the way we contend with them include:

- **individual investment risk:** Individual investments, like shares on a stock exchange, can and do fall in value (or perform below expectations or below market benchmarks) for many reasons such as changes in a company's internal operations or management, or in its business environment. Australian Ethical aims to reduce these risks with careful analysis of research from many sources and by conferring with those people who run companies and are responsible for changes which may affect our investments. The constitutions of the investment trusts prohibit more than 10% of trust assets being invested in any one company. Through the trust investment processes generally significantly lower limits for individual company investments are set based on assessment of credit and business risk, market capitalisation, liquidity and ethical attractiveness. The investment limits are strictly observed, which means selling occurs as soon as possible when these limits are exceeded (where this occurs it is usually because of share price rises). Investee companies are continuously monitored and fully reviewed regularly by the research team.
- **market risk:** Economic, technological, political or legal conditions, and even market sentiment, can (and do) change, and this can mean that changes in the value of investment markets can affect the value of the Australian Ethical investment trusts and therefore the value of the Fund. Australian Ethical uses research and analysis to form a view on these matters and to then rebalance the investment mix of the Australian Ethical investment trusts to reduce this impact.
- **interest rate risk:** Changes in interest rates can have a positive or negative impact on investment value or returns. For example, if you are locked into investments where the interest return is fixed for long periods and market interest rates rise, you will have to wait until those investments mature before you can get the advantage of those higher market rates. In the meantime, you will be getting returns below the current market rate. Within Australian Ethical Investment's risk management framework, a system of limits on interest rate exposure operates. Generally, a predominance of the interest-bearing investments in the Australian Ethical investment trusts is maintained in securities where the interest return is reset regularly to reflect market rates, or which mature in a reasonably short time frame.
- **currency risk:** The Australian Ethical investment trusts invest in other countries, and if their currencies change in value relative to our dollar, the value of the investment measured in Australian dollars can change. Australian Ethical undertakes a hedging strategy (see derivative risk below) for the Equities, Large Companies and World Trusts with the aim of reducing the impact of large adverse movements in currency exchange rates.
- **derivative risk:** derivatives are used to reduce currency risk. Foreign currency options are bought for approximately the full value of the currency exposure embodied in international equity investments in the Equities, Large Companies and World Trusts. Management of foreign currency and derivatives exposure is governed by an approved derivatives risk statement and associated control procedures.

# Investment examples

The following are investment examples, sometimes summaries, of some of the more than 100 investments which may be held within the Australian Ethical investment trusts.

Clauses of the Australian Ethical Charter relevant to a company's selection precede the examples/summaries in each section or field of activity (in italics).

These examples do not represent proportionally the kind of investments found in the Australian Ethical investment trusts at any particular time.

Please see our website for a listing of investments underlying the Fund.

## Renewable energy and energy efficiency

- Charter:*
- (c) the development of locally based ventures*
  - (d) the development of appropriate technological systems*
  - (e) the amelioration of wasteful or polluting practices*
  - (l) the development and preservation of appropriate human buildings and landscapes*

### Viridis Clean Energy Group

Viridis Clean Energy Group is an energy infrastructure fund that invests in a diversified global portfolio of clean energy assets. The fund has been established to capitalise on the burgeoning global clean energy sector as consumers and governments take action to address climate change by supporting environmentally responsible energy solutions. Based on book value as at the end of June 2006 the fund has a portfolio of assets invested in wind (37%), process gas/natural gas (6%) and landfill gas (57%) assets spread across Europe and the United States.

### Energy Developments Ltd

Energy Developments is a Queensland-based company engaged in the development and management of an international portfolio of projects with a particular focus on renewable energy and waste fuels. Power plants operated by Energy Developments are providing greenhouse gas emission reductions equivalent to approximately 10 million tonnes per year of carbon dioxide. Energy Developments directly captured the equivalent of 8.5 million tonnes of carbon dioxide from landfill gases in 2005–2006.

### Conergy AG

Conergy AG is a solar energy company headquartered in Hamburg, Germany. The company's 800 employees manufacture products under two broad headings: photovoltaics, including solar panels, mounting systems and power inverters; and solar thermal, including flat plate collectors, pump assemblies and storage tanks. Conergy covers all main stages of the solar value chain to provide products to solar wholesalers, installers, owners of commercial or residential roofs, and investors in solar funds. The company aim is to offer every energy consumer worldwide the most suitable technologies in those markets where renewable energy is an attractive option.

### Ormat Technologies Inc.

Ormat power solutions have combined ecology with economy to produce environmentally sound energy systems since 1965. The company is a multi-disciplinary power technology organisation with over four decades of experience in the design, engineering, construction and operation of renewable power plants. Ormat is the third largest geothermal power producer in the United States. The company has built or supplied equipment for over 800 megawatts of geothermal and recovered energy power generation power plants and delivered over 2500 remote power units.

## **Vestas Wind Systems AS**

Danish company Vestas began wind turbine manufacturing in 1979: it is now world leader in wind technology and a driving force in the development of the wind power industry. During their 20-year service lives, V90-3.0 Mw offshore wind turbines manufactured by Vestas generate 35 times as much energy as consumed in their life cycle.

## **Ceramic Fuel Cells Ltd**

Fuel cells are one of the most exciting developments in the field of renewable energy, offering the potential to provide energy for applications ranging from transport to base-load electricity generation. Ceramic Fuel Cells' solid oxide fuel cell design is based on research originally conducted by the CSIRO in Australia. The fuel cell can be powered by natural gas as well as renewable fuels such as ethanol. The only emission for hydrogen-fuelled cells is water vapour, but for cells using more available fuels some carbon dioxide is still produced. Ceramic Fuel Cells are currently focused on developing domestic power units to generate electricity and heat water while also examining other product options.

## **Knowledge**

*Charter: (b) the production of high quality and properly presented products and services  
(b) activities which contribute to human happiness, dignity and education*

## **Independent education**

*Bowral Steiner School, Little Yarra Steiner School, Lorien Novalis Steiner School, Mumbulla Steiner School, and Steiner Education Foundation*

Located in NSW and Victoria, these schools meet the intellectual, artistic and physical needs of children through reason, imagination and environmental awareness. Australian Ethical loans along with government capital grants have helped finance school expansion, classroom fit-outs, libraries and administrative centres.

## **Fairfax Media Ltd**

Fairfax is a leading Australian publishing group, with its mastheads including The Sydney Morning Herald, The Age and the Australian Financial Review, along with a range of business and consumer magazines. The company's Corporate Values identify a commitment to truth, accuracy, integrity, fairness and balance in journalism. Fairfax's new headquarters at Tullamarine have been designed to be 'zero impact', with advanced wastewater treatment facilities and natural lighting.

## **Scholastic Corporation**

Scholastic Corporation is a global children's publishing and media company and the world's largest publisher and distributor of children's books. It produces quality educational and entertainment materials and products for use in school and at home, including children's books, textbooks, magazines, technology-based products, teacher materials, television programming, film, videos and toys. Recognising that literacy is the cornerstone of a child's intellectual, personal and cultural growth, Scholastic's corporate mission supported through all divisions of the company is to instil the love of reading and learning for lifelong pleasure in all children.

## **Benesse Corporation**

Benesse Corporation has been involved in the education sector in Japan since 1955. Originally a publisher of schoolbooks the company has broadened its focus to provide products and services in the fields of education, language, living and lifestyles and nursing care. In addition to providing educational services to students from pre-school through to university, Benesse offers information services relating to pregnancy and childcare, administers Berlitz language training programs in Japan and operates nursing homes.

## Health care and wellbeing

- Charter:*
- (a) the development of workers' participation in the ownership and control of their work organisations and places*
  - (b) the production of high quality and properly presented products and services*
  - (c) the development of locally based ventures*
  - (d) the development of appropriate technological systems*
  - (f) the development of sustainable land use and food production*
  - (b) activities which contribute to human happiness, dignity and education*
  - (i) the dignity and well being of non-human animals*

### Blackmores Ltd

Blackmores manufactures and markets a variety of vitamins, mineral supplements and natural beauty products. The company has been committed to non-animal testing of its products for twenty years. The use of complementary medicines is growing in Australia, with over 80 per cent of GPs in an AMA survey referring patients for a complementary therapy. As well as maintaining a long-term employee share ownership program, Blackmores provides facilities for staff including a gymnasium and subsidised kitchen.

### Cochlear Ltd

This company supplies approximately 70 per cent of the world market in cochlear implants for profoundly hearing-impaired people. Almost half of the implant recipients are children. While some in the deaf community reject the cochlear technology, Australian Ethical believes the positive aspects make the technology worthwhile in providing choice to adults and to parents with children having profound hearing impairment.

### Sonic Healthcare Ltd

Since listing on the Australian Securities Exchange in 1987, Sonic Healthcare has grown to become one of the world's largest medical diagnostics companies. The company provides pathology and radiology services to medical practitioners, hospitals, community medical services and their patients. Sonic employs over 14 000 people in its operations in Australia, New Zealand, Hong Kong, the United Kingdom, the United States and Germany, and approximately 10 per cent of the company's equity is held by its staff.

### Quantum Technology Pty Ltd

Quantum is an Australian company specialising in the development, manufacture and distribution of products that assist people who are blind or who have low vision. Quantum currently exports to 35 countries in addition to providing a comprehensive range of products throughout Australia, particularly for young children and the elderly.

### Whole Foods Market Inc

Whole Foods Market is now the world's largest retailer of natural and organic foods, with 184 stores in the United States, Canada and the United Kingdom. It was America's first national 'Certified Organic' grocer, demonstrating a commitment to the preservation of the integrity of organic foods from field to shopping cart. The company has taken a pro-active stance on a range of issues including food irradiation, genetic manipulation and the sustainability of seafood.

### Tallawarra Valley

This certified biodynamic farm is located west of Esperance, in the south-eastern part of Western Australia. Tallawarra Valley has been certified 'Demeter' by the Biodynamic Research Institute since 2000. The entire property is 2842 acres, of which nearly half, 1100 acres, is remnant vegetation.

# Wealth

*Charter: (a) the development of workers' participation in the ownership and control of their work organisations and places  
(c) the development of locally based ventures  
(k) the alleviation of poverty in all its forms*

## **Banks from the second tier (Adelaide Bank Ltd, Bank of Queensland Ltd, Bendigo Bank Ltd and St George Ltd)**

These banks were chosen for the high proportion of their loans portfolio in home loans, and for community banking initiatives.

## **Impax Group Plc**

Impax Group Plc is an investment management and financial advisory company quoted on the Alternative Investment Market of the London Stock Exchange. The group provides financial services within the environmental markets sector, particularly alternative energy, waste management and water treatment. Impax has two subsidiaries, Impax Asset Management Limited and Impax Capital Limited. Impax Asset Management Limited provides fund management and advisory services to investors and has expertise in managing portfolios of listed stocks and private equity in the environmental markets sector. Impax Capital Limited provides comprehensive corporate finance services for the renewable energy and environmental sectors.

## **Insurance Australia Group Ltd**

Insurance Australia Group Limited (IAG) is Australasia's leading general insurance group. It owns some of the region's most respected insurance brands including NRMA Insurance, SGIO, SGIC, CGU and Swann Insurance in Australia, and State Insurance, Circle and NZI in New Zealand. IAG has publicly recognised the link between its insurance business and environmental issues such as climate change. The company has a number of initiatives in place to address its own energy efficiency, water usage, waste management, greenhouse gas emissions and product design. In 2002, the company published a groundbreaking research paper linking climate change to insurance risk.

## **SLM Corporation**

Sallie Mae was established in 1972 as a US government-sponsored entity chartered to provide federally guaranteed loans to assist university students. The company commenced a privatisation process in 1997, and this process was completed in 2004 – the company now trades under the name SLM Corporation. Despite the change to its ownership, Sallie Mae continues to offer a broad range of financial services focused on the provision of federally guaranteed and private loans to tertiary students. The company manages a portfolio of student loans totalling in excess of US\$100 billion.

## **Maleny and District Credit Union Ltd**

Maleny is a locally based credit union circulating money within its part of Queensland for the benefit of the community. It has a policy of supporting loans for socially and environmentally responsible purposes, and it donates a percentage of profits to community funds.

## Infrastructure and communications

- Charter:*
- (b) the production of high quality and properly presented products and services*
  - (c) the development of locally based ventures*
  - (d) the development of appropriate technological systems*
  - (e) the amelioration of wasteful or polluting practices*
  - (h) activities which contribute to human happiness, dignity and education*
  - (i) the development and preservation of appropriate human buildings and landscapes*

### Hansen Technologies Ltd

Hansen Technologies provides billing systems and information technology outsourcing services worldwide, with offices in Australia, New Zealand, the United Kingdom and the United States. The company's billing software is used in the telecommunications, electricity, gas and water industries. Hansen also provides facilities management and outsourcing services as well as superannuation administration software. Its products deliver demonstrable and sustainable long term benefits.

### Genesee & Wyoming Inc.

Genesee & Wyoming Inc. (GWI) provides rail-freight transportation and supporting services, with subsidiaries owning and operating regional freight railroads. Company revenues are generated from the movement of freight over track owned or operated by GWI railroads, with GWI success attributed to the integration of their railroads into strong regional rail systems. GWI currently operates more than 47 railroads in five countries (the United States, Canada, Mexico, Bolivia and Australia), over 9300 miles of owned and leased track, with access to an additional 3000 miles through track-access arrangements.

### Macquarie Communications Infrastructure Group

MCIG aims to acquire a portfolio of communications infrastructure assets in order to provide its investors with stable long term returns. The group's cornerstone investment is Broadcasting Australia (BA), the primary television and radio broadcaster for the ABC and SBS, as well as a number of regional and community stations. BA also leases broadcasting facilities to emergency services such as fire brigades, ambulances and the police.

### Hastings Diversified Utilities Fund

The Hastings Diversified Utilities Fund (HDUF) owns and operates approximately 2333 kilometers of gas transmission pipeline in South Australia, Queensland and Western Australia. Australian Ethical recognises the environmental advantages that natural gas has over other fossil fuel sources. According to research by the Australian Bureau of Agricultural and Resource Economics (ABARE), natural gas usage is expected to account for 24 per cent of Australia's energy consumption by 2020.

## Waste management

- Charter:*
- (c) the development of locally based ventures*
  - (d) the development of appropriate technological systems*
  - (e) the amelioration of wasteful or polluting practices*
  - (j) the efficient use of human waste*

### Mornington Park Development Pty Ltd

The Mornington Park Project is an innovative approach to waste management that minimises the amount of waste transferred to landfill. As a nationwide model it has potential to redesign society's attitude toward waste management and disposal. The resource recovery unit sorts out and recovers large amounts of recyclable waste for reuse and sale where possible. It also undertakes an active role in the education of future waste managers by housing an on-site education facility.

## **Sims Group Ltd**

The Sims Group is the world's leading metals recycling company, with operations throughout the world. Ancillary activities include secondary metals and plastic reprocessing, and interests in renewable energy. The company has also expanded into the recycling of electronics waste in Europe, the United States and Australia, including the identification of products and components that can be reused, as well as the extraction of raw materials from the remaining waste. Metal recycling can result in significant pollution, however, and Australian Ethical continues to monitor the activities of this company.

## **TOMRA Systems ASA**

TOMRA is a Norwegian manufacturer of 'reverse vending machines' (RVMs) that collect beverage containers for recycling purposes, and dispense an appropriate refund. In addition to reducing costs and increasing efficiencies for retailers and the recycling industry, TOMRA also helps to 'close the loop' in the life cycle of more than 25 billion beverage containers used each year worldwide.

## **Asahi Pretec Corporation**

Asahi Pretec is a Japanese company involved in the recycling, manufacture and sale of precious metals. The company extracts precious metals from a range of waste streams including dental materials, photosensitised materials, electronic materials and jewellery industry waste. In addition, the company has a specialised waste treatment business that handles a wide range of industrial wastes including acids, sludge, oils, plastics, inks, photographic waste, chemical reagents and other persistent organic pollutants.

## **Efficient transport**

- Charter:*
- (b) the production of high quality and properly presented products and services;*
  - (c) the development of locally based ventures*
  - (d) the development of appropriate technological systems*
  - (e) the amelioration of wasteful or polluting practices*
  - (l) the development and preservation of appropriate human buildings and landscapes.*

## **Accell Group NV**

Accell Group's bicycle brands have been sold in Europe for over 100 years. The company's sales are centred on the European market. Accell brands cater to a broad range of consumer needs, including children's bikes, racing and mountain bikes and bikes designed for use in European cities. The company also generates a small percentage of revenue from the manufacture of fitness and gymnasium equipment.

## **Stagecoach Group Plc**

Stagecoach Group is a leading international public transportation group, with extensive operations in the United Kingdom, the United States and Canada. The group, including its London bus operations, employs around 31 000 people, and operates bus, coach, rail and tram services. The company operations integrate public transport systems that will form the core of future efforts to reduce pollution levels, alleviate road congestion and improve the quality of life in towns and cities. Stagecoach Group aims to be a market-leading public transport business with long-term growth prospects based on high-quality services and investment in innovation.

## **MTR Corporation Ltd**

The Mass Transit Railway Corporation was established as a government body in 1975 to operate Hong Kong's commuter railway system. The company was privatised in 2000 as MTR Corporation Ltd, and continues to focus on the provision of public transport. The company is also involved in the development of residential and commercial property projects associated with existing and new rail lines.

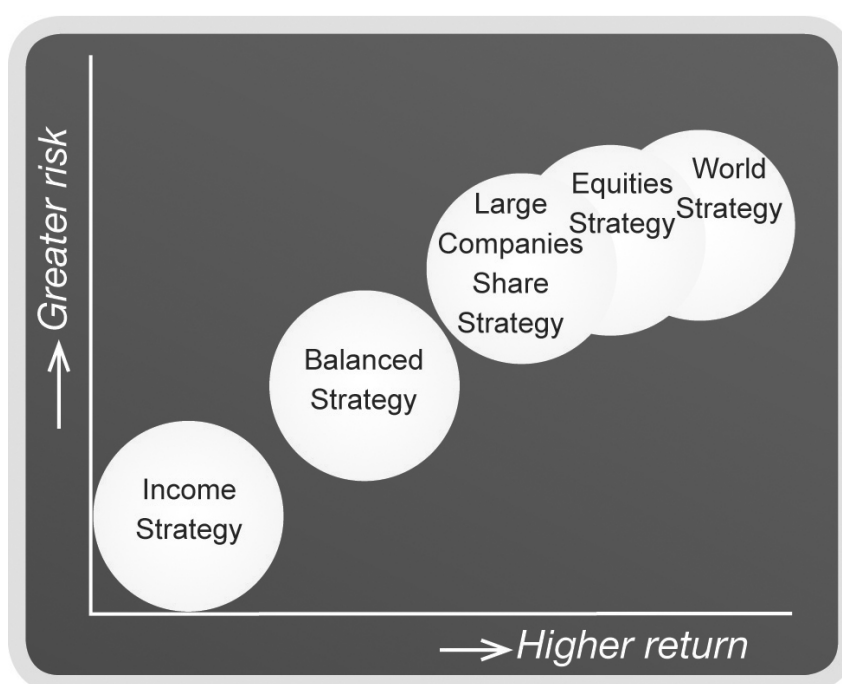
# Investment strategies

## Investment, risk and reward

### Risk versus return

Investors should be particularly aware of the varying risk/return characteristics of the different strategies which are represented in the accompanying diagram.

The Australian Ethical Superannuation strategies (for both accumulation and pension accounts) offer differing reward and risk profiles to investors ranging from the most conservative, capital stable approach of the Income Strategy through to the growth oriented Large Companies Share, Equities and World Strategies.

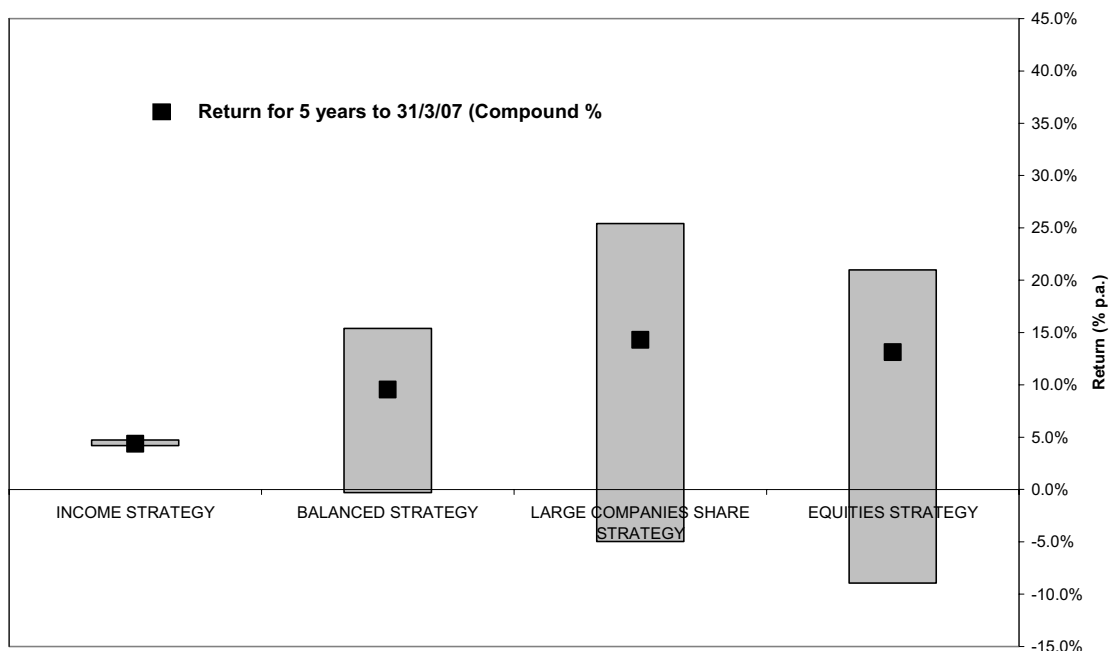


The presentation of risk is based on the historical volatility of the current trusts and back-testing (simulations) of the working version of the proposed underlying World Trust portfolio as at end March 2007.

### Variability in annual return (% per annum)

The following graph shows the past volatility (variation) of each superannuation accumulation strategy over the five-year period to 31 March 2007. The graph shows the range of annual returns – the top of the bar shows highest return over a 12 month period (1 April–31 March) with the lowest return being the bottom of the bar. The black squares in the graph show the compound annual return over the last five years. The wide range of returns experienced over the period for the two equities strategies (the Australian Ethical Equities Strategy and the Australian Ethical Large Companies Share Strategy) illustrates the generally greater risk associated with growth assets than interest-bearing securities. The Australian Ethical Balanced Strategy, which comprises a mix of asset types, is, not surprisingly, between the Australian Ethical Income Strategy and the two equities strategies in terms of past volatility.

Variability in annual return (% p.a.)



The Australian Ethical World Strategy is not represented in the above diagram. It is a new strategy launched in July 2007 and had no investment history at the time this document was prepared.

All investments are subject to varying risks and their value can go down as well as up. Changes in value can be significant and they can happen quickly.

A cardinal rule of investing is that the more secure an investment is perceived to be at its outset, the less is the expected return.

Investing in a portfolio which spreads its risks across different securities or different types of assets (often called diversification) is a common way to reduce risk.

## Choosing the appropriate strategy for your superannuation

As the default option, the conservatively structured Balanced Strategy (see page 23) represents a middle road in terms of risk and reward.

The Income Strategy is strongly conservative, aiming to minimise the risk of any capital loss. Typically, the Income Strategy would not be a suitable strategy for the entire superannuation savings of a person many years away from retirement.

For those with a longer term investment horizon (for example, people many years away from retirement) the Large Companies Share, Equities and World Strategies may offer a desirable choice.

Even for those nearing (or in) retirement it may be prudent to incorporate a proportion of growth assets in order to maintain purchasing power and keep pace with inflation because even in retirement your superannuation may need to last 20 years or more. There are some growth assets in the Balanced Strategy and more in the Large Companies Share, Equities and World strategies.

You should consider your own circumstances if you intend to concentrate your entire superannuation savings into higher risk strategies like the World Strategy. Investing in higher risk strategies only would not normally be a suitable approach for a person who will soon need to access their superannuation savings.

We would suggest that in formulating your superannuation investment options, you seek professional financial advice from a licenced financial advisor.

# Strategy performance and size

## Past performance

### Important

**Past performance is not a reliable indicator of future performance. Short-term returns change constantly. Asset allocation and longer term performance figures change from time to time.**

**The long-term performance of your investment strategy is very important for your pension or lump-sum payment when you retire.**

## Benchmarks

Australian Ethical Investment identifies a benchmark for each of the underlying investment trusts against which it measures long-term performance. Performance figures, however, are simply tools for monitoring your investment and the performance of your trustee and should not be relied upon to forecast future returns. Data on these benchmarks are included against the return figures for each strategy below.

For technical information on Australian Ethical's approach to the use of benchmarks you can contact us or visit the Australian Ethical website.

## Updated information

**Portfolio lists of the investment trusts underlying the superannuation strategies and strategy performance figures change over time. Where not materially adverse, updated information may be obtained from the Australian Ethical website or by contacting us for a free copy. A financial adviser may also be able to provide you with useful information and explanations if you do not understand the way in which performance issues apply to our products.**

If information in this Product Disclosure Statement changes and those changes would be materially adverse to investors, then we will issue a new Product Disclosure Statement or a Supplementary Product Disclosure Statement.

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<sup>9</sup> Balanced Strategy benchmark: © 2007 Morningstar Research Pty Ltd. All rights reserved. To the extent that the above constitutes general advice by Morningstar, this advice has been prepared by Morningstar Research Pty Ltd ABN: 83 062 096 342, AFSL: 243 161 and does not take account of your objectives, financial situation or needs. Before acting on any advice, you should consider the appropriateness of the advice, having regard to your objectives, financial situation and needs. Please refer to Morningstar's Financial Service Guide (FSG) for more information at [www.morningstar.com.au/fsg.asp](http://www.morningstar.com.au/fsg.asp) and consider the product disclosure statement before making a decision to acquire the financial product.

## Australian Ethical Balanced Strategy

### Objective:

The Australian Ethical Balanced Strategy aims to provide investors with a diversified portfolio of investments which meet the Australian Ethical Charter, offering a balance between capital growth and a moderate level of income.

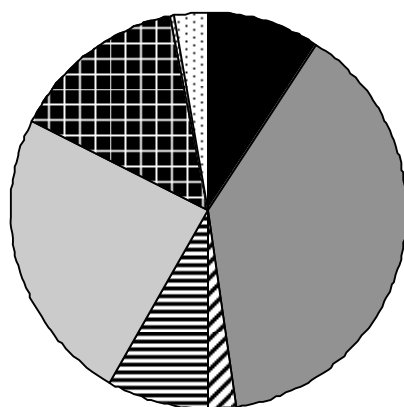
### Performance:

Total returns to 31 March 2007	Strategy size \$m	1 year	3 years pa	5 years pa	Since inception pa	Inception date
Accumulation and rollover	103.8	8.0%	11.6%	9.5%	9.3%	Dec 1998
Income stream / pension	11.1	8.8%	12.9%	10.6%	10.2%	May 1999
Benchmark*		9.0%	12.7%	8.6%	9.3%	

Total returns take into account ongoing management fees and fund expenses, except that the annual member fee of \$41 is not included. Total returns are calculated taking into account taxation on fund earnings and capital gains. Returns have been annualised (that is on a per annum compound basis).

\* The benchmark for the Australian Ethical Balanced Strategy is the Morningstar Peer Group Retail Investment Trusts Multisector – Balanced Index<sup>9</sup>. (See footnote page 22.)

### Example asset allocation as at 31 March 2007:



- Cash
- Interest-bearing Investments
- ▨ Interest-bearing Loans
- ▨ Property
- ▨ Listed Equities - Australia & NZ
- ▨ Listed Equities - International
- ▨ Unlisted Equity: Australia
- ▨ Other
- ▨ Units in AE Income Trust

### Investment ranges:

	Minimum** %	Maximum** %
<b>Interest-bearing – total</b>	<b>40</b>	<b>60</b>
Cash	0.5	6
Interest-bearing securities	25	60
Secured private loans	0	12.5
Units in AE Income Trust	0	10
<b>Capital growth assets – total</b>	<b>40</b>	<b>60</b>
Listed equities – Australia and New Zealand	30	60
Listed equities – international	0	20
Other***	0	1
Units in AE Equities Trust	0	7.5
Property**** – Australian	0	15

\*\* based on the investment ranges for the Australian Ethical Balanced Trust, through which the bulk of the Australian Ethical Balanced Strategy's funds are currently invested (note that the effective allocation to cash for the Balanced Strategy is generally greater than that of the trust).

\*\*\* one unlisted equity investment.

\*\*\*\* includes both direct property and investments in property trusts.

## Australian Ethical Equities Strategy

### Objective:

The Australian Ethical Equities Strategy aims to provide long-term growth through investment in Australian and overseas companies which meet the Australian Ethical Charter.

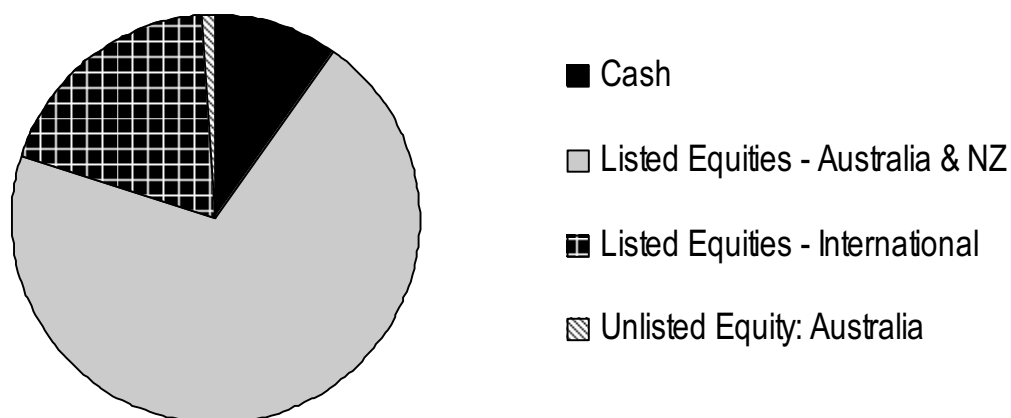
### Performance:

Total returns to 31 March 2007	Strategy size \$m	1 year	3 years pa	5 years pa	Since inception.pa	Inception date
Accumulation and rollover	74.4	20%	20.1%	13.1%	13%	Dec 1998
Income stream / pension	3.6	22.2%	21.9%	14.4%	13.5%	June 1999
Benchmark*		24.1%	25.4%	17.5%	11.6%	

Total returns take into account ongoing management fees and fund expenses, except that the annual member fee of \$41 is not included. Total returns are calculated taking into account taxation on fund earnings and capital gains. Returns have been annualised (that is on a per annum compound basis).

\* The benchmark used here for the Australian Ethical Equities Strategy is the S&P ASX Small Industrials index. Investors should note that the use of this benchmark for the underlying Equities trusts does not mean that the structure of that trust is the same as the structure of the benchmark used. There is likely to be a high tracking error between the returns of the underlying trust and the benchmark.

### Example asset allocation as at 31 March 2007:



### Investment ranges:

	Minimum** %	Maximum** %
Cash	3	15
Listed equities – Australia and New Zealand	55	97
Listed equities – international	0	30
Other***	0	7

\*\* based on the investment ranges for the Australian Ethical Equities Trust, through which the bulk of the Australian Ethical Equities Strategy's funds are currently invested (note that the effective allocation to cash for the Equities Strategy is generally greater than that of the trust).

\*\*\* includes shares in unlisted companies and the unlisted securities of listed companies.

## Australian Ethical Large Companies Share Strategy

### Objective:

The Australian Ethical Large Companies Share Strategy aims to provide long-term growth through investment in:

- larger listed companies on the Australian Securities Exchange
- overseas listed companies,

which meet the Australian Ethical Charter.

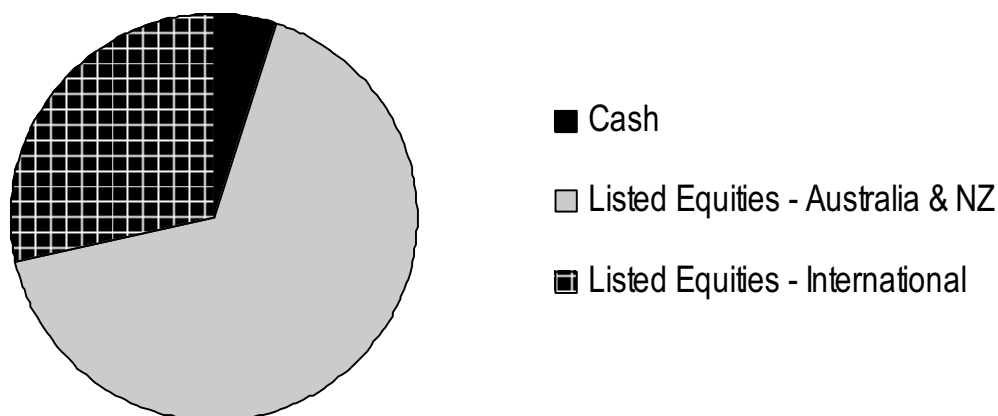
### Performance:

Total returns to 31 March 2007	Strategy size \$m	1 year	3 years pa	5 years pa	Since inception pa	Inception date
Accumulation and rollover	55.1	13.9%	19.8%	14.3%	14.2%	Dec 1998
Income stream / pension	3.4	15.4%	21.3%	15.5%	13.3%	July 1999
Benchmark*		24.6%	23.6%	15%	12.5%	

Total returns take into account ongoing management fees and fund expenses, except that the annual member fee of \$41 is not included. Total returns are calculated taking into account taxation on fund earnings and capital gains. Returns have been annualised (that is on a per annum compound basis).

\* The benchmark used here for the Australian Ethical Large Companies Share Trust is the S&P/ASX 200 Industrials Index. Investors should note that the use of this benchmark for the underlying Large Companies trust does not mean that the structure of the trust is the same as the structure of the benchmark used. There is likely to be a high tracking error between the returns of the underlying trust and the benchmark. The appropriate comparison period is three years or longer.

### Example asset allocation as at 31 March 2007:



### Investment ranges:

	Minimum** %	Maximum** %
Cash	0.5	10
Listed equities – Australia and New Zealand (including listed property trusts)	59.5	99.5
Listed equities – international	0	40

\*\* based on the investment ranges for the Australian Ethical Large Companies Share Trust, through which the bulk of the Australian Ethical Large Companies Share Strategy's funds are currently invested (note that the effective allocation to cash for the Large Companies Share Strategy is generally greater than that of the trust).

# Australian Ethical World Strategy

**Objective:**

The Australian Ethical World Strategy aims to provide long-term growth through investment in overseas companies which meet the Australian Ethical Charter.

**Management:**

The World Strategy will invest in units in the Australian Ethical World Trust which will in turn invest in units in the wholesale Australian Ethical International Equities Trust. The Australian Ethical International Equities Trust will make the actual international investments.

The hedging of approximately the full value of currency exposure is used to protect the value of international equities holdings against large adverse movements in currency exchange rates.

The inclusion of companies from around the world in the underlying trust enables investment in a wide range of socially and environmentally attractive activities which are not available for investment on the Australian Securities Exchange, while also enabling construction of a portfolio which is diversified both in terms of sectors and country risk.

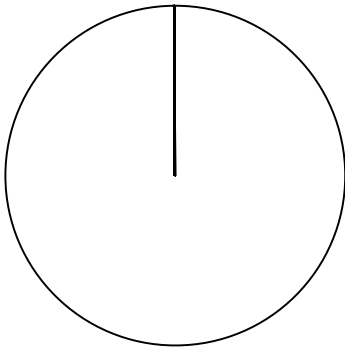
Companies in the underlying trust will be researched via access to international databases, research from our international brokers, subscription to databases of international broker research, networks, webcasts and published information, and regular visits by Australian Ethical analysts.

**Performance:**

The strategy was launched in July 2007; no performance data were available at the time this document was prepared.

The benchmark for the Australian Ethical World Strategy is the World MSCI measured in AUD (unhedged).

**Example asset allocation as at 31 March 2007:**



**Investment ranges:**

	Minimum** %	Maximum** %
Cash	1	10
Listed equities – international	90	99

\*\* based on the investment ranges for the Australian Ethical World Trust, through which the bulk of the Australian Ethical World Strategy’s funds are currently invested (note that the effective allocation to cash for the World Strategy is generally greater than that of the trust).

### *Indicative portfolio*

As an indication, as at end March 2007, the planned portfolio of international equities included the following (note that this is indicative only and the composition of the underlying trust may change substantially over time - updated information about the portfolio will be provided on our website from time to time):

- two bicycle companies (Japan, Holland)
- six public transport companies (UK, US, Hong Kong, Singapore)
- five clean energy companies (Denmark, Germany, US)
- three utilities - geothermal, hydro, wind, natural gas and transmission networks (New Zealand, Italy)
- two hearing aid manufacturers (Switzerland, Denmark)
- two natural/organic food companies (US).

Other possible stocks include:

- a Japanese education company
- a US furniture manufacturer (major recycled components)
- a US 'small footprint' carpet manufacturer
- three European retail banks
- a Japanese precious metals recycler
- a Danish healthcare company
- a British socially responsible fund manager
- a Singapore water company
- US companies in water/gas/electricity metering, rail freight, efficient electric motors, and computer software
- a Norwegian recycling company
- two European insurance companies
- one US and one French optical glass manufacturer.

The expected portfolio will initially cover around 40 stocks across 14 countries. Broadly, the geographic break-up by major regions for the expected portfolio is 30% North America; 50% Europe; 15% Asia. Asia will be the region targeted for the most growth.

## Australian Ethical Income Strategy

### Objective:

The Australian Ethical Income Strategy aims to generate a competitive income stream while minimising the risk of capital loss and supporting the Australian Ethical Charter.

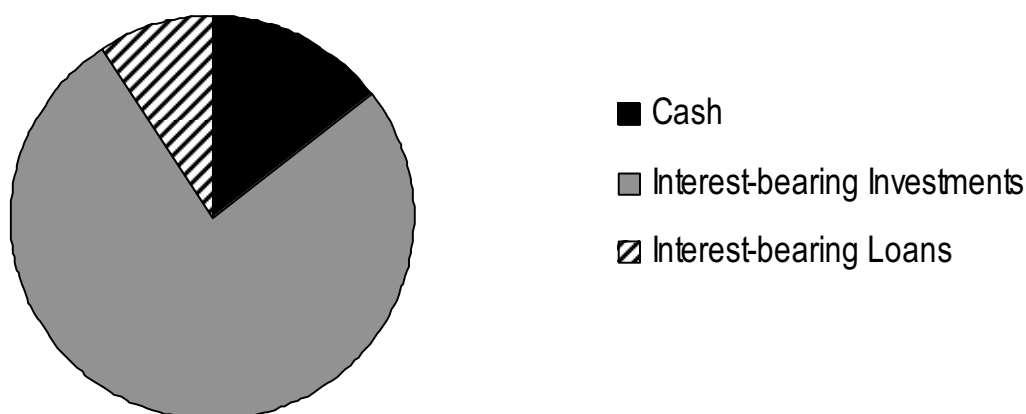
### Performance:

Total returns to 31 March 2007	Strategy size \$m	1 year	3 years pa	5 years pa	Since inception pa	Inception date
Accumulation and rollover	10.3	4.4%	4.3%	4.4%	3.9%	Dec 1998
Income stream / pension	<1	5.1%	4.9%	5.3%	5.1%	July 1999
Benchmark*		3.8%	3.9%	4.0%	4.3%	

Total returns take into account ongoing management fees and fund expenses, except that the annual member fee of \$41 is not included. Total returns are calculated taking into account taxation on fund earnings and capital gains. Returns have been annualised (that is on a per annum compound basis).

\* The benchmark for the Australian Ethical Income Strategy is the consumer price index plus 2%, adjusted for tax on fund earnings (nominal rate 15%).

### Example asset allocation as at 31 March 2007:



### Investment ranges:

	Minimum** %	Maximum** %
Cash	3	10
Interest-bearing securities (of which a minimum of 60% of this asset class shall be investment grade***)	40	97
Secured private loans	0	50

\*\* based on the investment ranges for the Australian Ethical Income Trust, through which the bulk of the Australian Ethical Income Strategy's funds is currently invested (note that the effective allocation to cash for the Income Strategy is generally greater than that of the Income Trust).

\*\*\* Securities have been classified as investment grade where the rating assigned by S&P Bank Ratings Guide, July 2003, is BBB or higher.

# Your superannuation account

## Your account

The trustee maintains a separate account for each member. The account records contributions and rollovers, payments made and any other transactions. It also records which strategy or strategies you have selected and the current value of your investment in each selected strategy. You can find out about your personal account details on the Australian Ethical website using a password or by contacting us.

## Account values

Under the trust deed, the trustee must value the Fund at least monthly. Valuations normally occur weekly, and it is possible that valuations will occur on a daily basis in future.

The value of the Fund is the total of the market values of all assets of the Fund, less the value of the liabilities of the Fund including accrued and contingent liabilities.

When valuing the Fund, the trustee will also value each investment strategy and will determine the value of each member's account. The value of your account is affected by changes in the value of assets and liabilities, fees and costs charged against the account, contributions made into the account, payments made out of the account and any provision against the account to meet any Fund liabilities. For up-to-date valuations of the strategies, see the Australian Ethical website or call us.

## What sort of accounts are there and who can contribute?

There are two sorts of accounts:

- accumulation and rollover – this account gathers and builds your savings. Benefits are usually paid out in a lump sum or transferred to a pension account on retirement.
- account-based income stream (allocated pension) – this account allows you to draw on your savings in regular payments during retirement (or in some circumstances, pre-retirement – see page 34).

Once we have established an account, we place your investment in the strategy or strategies you have chosen. If you do not choose a strategy, your investment is placed into the Balanced Strategy.

## Accumulation and rollover

### Contributions

Contributions into superannuation are of two types:

- concessional contributions (previously referred to as deductible or taxable contributions). These contributions are typically made on your behalf by your employer. They include the superannuation guarantee and award superannuation payments, and superannuation salary sacrifice arrangements, and
- non-concessional contributions (previously referred to as undeducted or after tax contributions). These are typically personal after-tax contributions, but also include after-tax contributions made by your spouse.

Australian Ethical accumulation and rollover accounts accept concessional and non-concessional contributions and transfers from other funds. The Fund also accepts government co-contributions.

There are various rules that determine the eligibility of people to make contributions.

## What are the accumulation and rollover contribution rules?

### Age and employment contribution rules

Age of member in years	Concessional contributions		Non-concessional contributions (can only be accepted if the member's TFN has been quoted to the Fund)	
	Mandated employer contributions	Voluntary employer contributions	Member contributions	Eligible spouse contributions
Less than 65	can be accepted	can be accepted	can be accepted	can be accepted
65 but less than 70	can be accepted without restriction	can be accepted provided person gainfully employed on at least a part-time basis	can be accepted provided person gainfully employed on at least a part-time basis	can be accepted provided the receiving member spouse is gainfully employed on at least a part-time basis
70 but less than 75	can be accepted without restriction	can be accepted provided person gainfully employed on at least a part-time basis	can be accepted provided person gainfully employed on at least a part-time basis	cannot be accepted
75 or older	can be accepted without restriction	cannot be accepted	cannot be accepted	cannot be accepted

\* Mandated employer contributions are compulsory contributions and include superannuation guarantee contributions up to age 70 and employer contributions made under an industrial award or certified agreement at any age.

A person is gainfully employed on a least a part-time basis for a financial year if they:

- are employed or self-employed for gain or reward during the financial year
- have worked at least 40 hours in a period of not more than 30 consecutive days in that financial year.

### Concessional contribution limits

Concessional taxation arrangements for contributions which are tax deductible to an employer or to an individual are limited to an amount of \$50 000 a year per person (commencing 1 July 2007). If concessional contributions exceed \$50 000<sup>10</sup> a year per person there are significant taxation implications. For further information about taxation, please read the section *What about taxation?* at page 44.

A transition period applies in which people aged 50 and over will be able to make concessional contributions of up to \$100 000 per year without breaching the cap. This period applies to the financial years of 2007–08 to 2011–12. A person turning 50 during that period will be able to take advantage of the transitional arrangements from the time they turn 50.

### Non-concessional contribution limits

There is a cap of \$150 000<sup>11</sup> per annum on non-concessional (post-tax) contributions.

If you make superannuation contributions in excess of the non-concessional cap then there are significant taxation implications. For further information about taxation, please read the section *What about taxation?* at page 44.

<sup>10</sup> The \$50 000 limit will be indexed to average weekly ordinary time earnings, but will only increase in \$5000 increments.

<sup>11</sup> The non-concessional cap will remain at three times the level of the concessional cap and will increase as the concessional cap moves with indexation.

To accommodate larger non-concessional contributions, people aged under 65 will be allowed to bring forward two years of contributions. For example, a person under 65 will be able to make up to \$450 000 of contributions in the 2007–08 financial year, but then will be unable to make further non-concessional contributions until the 2010–11 financial year, without significant taxation implications.

Once a person turns 65 they will be able to make \$150 000 of non-concessional contributions each financial year, provided they satisfy the work test described above.

There are two ongoing exemptions to the non-concessional cap. These are:

- proceeds from the disposal of assets that qualify for the small business capital gains tax retirement exemption (\$500 000 cap) or have been held for 15 years (\$1 000 000 cap). Both types of proceeds are subject to a single lifetime \$1 000 000 indexed cap, and
- proceeds from a settlement for an injury resulting in permanent disablement.

### *Timing and types of contribution payments*

We accept contributions on an irregular or regular basis. Payment can be by cheque, electronically or direct debit from a bank or credit union account. We do not accept postal orders, money orders or credit card payments.

The trust deed which governs the Fund permits the trustee to reject any contribution with or without a reason.

### *Co-contributions*

You may be eligible for the Australian Government's co-contribution designed to help low to middle income earners increase their savings.

If you earn less than \$28 980 taxable income (assessable income plus reportable fringe benefits) you may be entitled to the full benefit. This means that for every \$1 you contribute to your super as a personal (after tax) contribution, the government will put in an extra \$1.50 (up to a maximum of \$1500).

If you earn between \$28 980 and the upper limit of \$58 980, the government will match each \$1 you contribute (up to \$1000) with a contribution that decreases as your income increases.

You don't need to apply for the co-contribution. At the end of each financial year, the Australian Taxation Office will receive your tax return and a statement from the Fund indicating your level of contributions. The Australian Taxation Office will then determine the level of co-contribution required, based on your income.

The co-contribution thresholds are indexed and will change from time to time.

### *Consolidating your superannuation*

If you have superannuation accounts with other funds you are able to transfer those investments to the Fund. A transfer authority is at Form D at the end of this Product Disclosure Statement. Complete the form and post it to us together with proof of identity as indicated on the form.

We will arrange to transfer your superannuation from the other fund(s).

### *Superannuation choice*

The choice of fund legislation commenced on 1 July 2005 and gives certain eligible employees the right to choose which superannuation fund will receive their employer superannuation guarantee contributions.

The process of offering choice of fund occurs via a standard choice form which is available from your employer, the Australian Taxation Office or the government's superannuation website, [www.superchoice.gov.au](http://www.superchoice.gov.au).

The Fund can be utilised by both employers and employees under the choice of fund legislation. Employees can nominate the Fund on their standard choice form as their chosen fund.

The Fund can also be nominated by an employer as the employer's chosen fund – the employer's chosen fund is the fund to which employee's superannuation guarantee contributions will be paid if an employee does not make a different choice. The Fund meets the insurance requirements that must be satisfied to allow an employer to nominate the Fund as their chosen fund.

You can obtain further information about the choice of fund legislation by contacting the Australian Taxation Office or by visiting the government's website, [www.superchoice.gov.au](http://www.superchoice.gov.au).

### **Contribution splitting**

The contribution splitting rules allow superannuation concessional contributions to be split with a spouse on an annual basis. Non-concessional contributions cannot be split.

From 1 July 2007, in any one year, a member spouse will be able to split up to the lesser of:

- 85% of all concessional contributions
- the concessional contributions cap - \$50 000.

Married and de facto couples will be eligible to participate in contribution splitting.

The split of contributions will take the form of a transfer of the requested amount from your account to an account for your spouse. Your spouse's account can be in the Fund or a different fund. Transfers will be limited to one per year. An application to split contributions must be received by us no later than the end of the financial year following the financial year in which the relevant contributions were made.

A notice to claim any tax deduction on personal contributions must be made prior to a contribution splitting request being made.

Contribution splitting rules changed as at 5 April 2007 and the rules quoted above do not apply to contributions made before 6 April 2007. You should seek professional financial advice from a licensed financial adviser about contribution splitting, particularly if you are interested in splitting superannuation contributions made prior to 6 April 2007.

From 1 July 2007, any amounts split will be treated as concessional contributions in the spouse's account.

### **Account based income stream (allocated pensions)**

Our Fund's account based income stream offers you a regular, tax-effective income stream.

An account based income stream (post retirement) can be purchased with unrestricted non-preserved superannuation benefits held with the Fund or with another superannuation fund. An account based income stream also gives you the option to make lump sum withdrawals at any time (subject to attaining a condition of release – see details below and also the information in the *Pre-retirement pensions* section page 34).

Payments from your income stream will be made until your account is reduced to nil or until the date of your death. You can elect to automatically index your payment amount to the consumer price index (CPI) or another discretionary fixed percentage each year provided that you meet the minimum payment requirements set by the Australian Government.

The income stream you can draw from your account in a year is subject to a minimum amount prescribed by the Australian Government (these are set out below). The balance in your account over time is determined by:

- the initial amount used to establish the account
- the amount of your regular payments – the lower your regular payments, the longer the income stream will last
- the amount of any lump sum payments
- the investment returns earned by the Fund – higher than expected returns means that your income stream should last longer, lower than expected returns will lead to a shorter than expected income stream
- any applicable taxes and the Fund’s charges.

**It is important that you understand that this product may not provide an income stream for the rest of your life. Payments will cease when your account balance is reduced to nil.**

On the death of a person receiving an account based income stream the remaining balance in the account is paid to the person’s dependents or to the estate of the person. There is more information on the payment of death benefits and the taxation of death benefits in the section *What about taxation?*, page 44.

### **Establishment**

To start an account based income stream you must:

- be entitled to have your superannuation account paid out to you. This usually means you will either have reached 55 and retired, or have reached 65. The amount that can be paid out to you will be described on your superannuation statement as ‘unrestricted non-preserved’
- have a minimum amount of \$30 000 (there is no maximum)
- complete the pension application for membership form (Form B) in this Product Disclosure Statement.

There is no tax payable in setting up your account based income stream if you use money from a superannuation fund to establish the account, unless the amount transferred contains an untaxed component (this is a termination payment direct from an employer, or a payment from certain superannuation funds for government employees). A transfer of an untaxed component attracts the 15% tax on contributions. A higher rate of tax also applies to transfers over \$1 million from an untaxed scheme to a taxed scheme.

For details about taxation arrangements when payments from an account based income stream are made to you, see *What about taxation?*, page 44.

### **Receiving your account based income stream**

You can choose whether to have your income stream paid to you monthly, quarterly, six-monthly or annually. You may also choose how much you wish to have paid to you at these times (and you can alter that amount over time) however, under Australian Government regulations, there is a minimum amount you must receive in any one year as follows :

Age	% of account balance
Under 65	4
65–74	5
75–79	6
80–84	7
85–89	9
90–94	11
95 or more	14

For example if your account balance is \$100 000 and you are aged 55–64, the minimum payment in any one year must be \$4000.

Your income stream is recalculated annually and following this, you will be sent the required information to complete your annual tax return including any tax withheld from your income stream and other information required by Centrelink for your use, if applicable.

If you invest in an account based income stream before 1 June a payment must be made to you before 30 June of that year. The payment will be as specified by you or at least the proportional amount of the minimum payment based on the number of days in the financial year in which the investment is held applied to your opening balance.

If you invest in an account based income stream after 1 June in any year you can choose whether to have an income stream payment in that financial year. However, you must receive an income stream payment by 30 June in the following year.

## Pre-retirement pensions

If you have reached your preservation age but have not satisfied a condition of release (typically by retiring or attaining age 65) you may commence a non-commutable account based income stream. These income streams are not able to be cashed as a lump sum benefit unless a full condition of release has been satisfied.

Information about tax implications of pre-retirement pensions is available from the Australian Taxation Office. It is strongly recommended that you seek advice from a licensed taxation adviser or financial planner if you are interested in a pre-retirement pension.

## Valuing interests in the Fund when investing and withdrawing

The Fund is valued as described in the earlier *Account values* section. Once the Fund is valued, a price is determined for interests (or units) in the Fund. That price is used when contributions are made into the Fund to determine the number of interests or units that will be issued. The price is also used when you make a withdrawal from the Fund. The price for interests or units is normally determined weekly on a forward pricing basis. This means that when processing contributions or withdrawals the price used will be a price calculated after the contribution or withdrawal request is received. In other words, the end of a week price is used for contributions or withdrawal requests received during that week. It is possible however that the price for interests or units will in future be determined on a daily basis and that the daily price will apply to contributions or redemptions received on that same day.

## Cooling off

If you make an investment with us and you change your mind, you must tell us in writing. You have 14 days to do so, starting on the earlier of:

- the day on which we send you confirmation that you are invested
- the end of the fifth day after the day on which we issue interests or units to you.

If you exercise your right to cool off, note that preserved and restricted non-preserved amounts will be rolled over to another fund – they will not be paid directly to you.

The amount rolled over or repaid will be adjusted to take into account the increase or decrease in the value of the investment at the date we receive the notification from you, as well as any transaction costs and/or reasonable administrative fees. The contribution fee will be refunded.

The cooling off period does not apply to:

- a wholesale investor as defined by the *Corporations Act 2001*
- an investor who has previously exercised rights as a member of the Fund
- switches between investment strategies.

## When can you draw from your superannuation strategy?

Superannuation is a long-term investment for your retirement. The Australian Government has placed restrictions on when you can get access to most of your superannuation savings.

These restricted superannuation savings are called preserved benefits, and the age at which you can gain access to them is called the preservation age. At present, your preserved superannuation benefits can be paid out only in the following circumstances:

- when you reach age 65
- when you cease employment on or after age 60
- if you retire on or after your preservation age, as set out in the following table

Preservation ages	
Born before 1/7/1960	55
Born between 1/7/60 and 30/6/1961	56
Born between 1/7/61 and 30/6/1962	57
Born between 1/7/62 and 30/6/1963	58
Born between 1/7/63 and 30/6/1964	59
Born after 1/7/64	60

- if you have a terminal medical condition (two registered medical practitioners have certified, jointly or separately, that you suffer from an illness, or have incurred an injury, that is likely to result in your death within a period (the certification period) that ends not more than 12 months after the date of the certification; and at least one of the registered medical practitioners is a specialist practicing in an area related to the illness or injury suffered by you)
- if you become permanently unable to work
- if you die, your superannuation will be paid to either your dependants or your legal personal representative
- if you suffer severe financial hardship or are eligible on specified grounds which are subject to government rules and the discretion of the trustee - in such cases, only some of your super savings may be withdrawn
- if you are a foreign national who has permanently left Australia (in this situation, tax rates different from those outlined in this document may apply), or
- where the Trustee receives a request from you to pay tax on excess concessional contributions.

You may be able to cash out some of your superannuation savings earlier. For example, when you change jobs you may be able to take out your own after-tax contributions paid into the Fund prior to 1 July 1999.

### Payment of benefits, withdrawals and switches

A part of each investment strategy is held in cash which allows the trustee, in normal circumstances, to process and pay a withdrawal or transfer request within 10 business days. If the trustee considers the transaction will reduce the cash holding of the strategy to an unacceptable level, assets will be redeemed to meet the request. The trustee will generally make payment within 10 business days of receiving cleared funds from, for example, the relevant Australian Ethical investment trust. The Australian Ethical Balanced, Equities, Large Companies Share and World Trusts, provided they are liquid, are required to meet redemption requests within 21 days (in normal circumstances); however, the trusts may delay payment for another 14 days. The Australian Ethical Income Trust, provided it is liquid, is required to meet a redemption request for up to 60 per cent of the units held within 21 days, with the balance paid within 60 days. In the past, this process has usually taken about seven days.

A request to switch from one strategy to another (or others) is treated by the trustee as a withdrawal from the strategy and an investment (but with lower fees, as outlined on page 39). The trustee will not carry out the switch until cleared funds are received from the relevant investment trust.

Payments out of the Fund (including account-based income stream payments) will only be made by electronic funds transfer to Australian financial institutions. No cheque payments will be made.

## Keeping you informed

We aim to keep you well informed.

Every six months, as long as we have your current address you will receive a report showing the activity in your account – earnings, contributions and withdrawals, switches and any other transactions – together with current account values and your investment strategy selections.

You will also receive an annual financial report for the Fund detailing the financial position of the Fund over the last financial year and any relevant superannuation issues which have arisen during that time.

Members will also receive a twice yearly newsletter produced by Australian Ethical Investment which contains information on some of the underlying investments of the Fund (those in the Australian Ethical investment trusts) and performance results of the investment strategies.

You can contact Australian Ethical Superannuation or visit the Australian Ethical website for up-to-date information about the strategies. You can also apply for a password to access your investment account details online (terms and conditions apply).

## Enquiries and complaints

We welcome comments by phone, email, fax or letter. If members have problems or complaints about any aspect of our operation, please contact us. Some matters can be resolved over the phone or by email but we encourage you to put complaints in writing.

The appropriate supervisor will respond to any complaint within five working days, and seek a resolution of the complaint as soon as possible, certainly within 90 days. If you are not satisfied with our handling of your complaint or our decision, you may contact the Superannuation Complaints Tribunal. The tribunal is an independent body set up by the Australian Government to assist members or beneficiaries to resolve certain types of complaints with fund trustees.

The tribunal may be able to assist you to resolve your complaint, but only if you are not satisfied with the response received from our handling of your complaint. If you wish to find out whether the tribunal can handle your complaint and the type of information you would need to provide, phone 1300 780 808.

## Keeping your investment secure

To make sure that your investment is secure you need to:

- make sure your details are up to date. You should advise us in writing of any changes including a change of name and address
- keep us informed of any changes to your adviser details
- ensure your member number and website access password are secure.

When you invest with us, you will be given a member number which will appear on all our correspondence with you. We will assume you have authorised the release of the information you have given us, or details regarding your investment, to any person who quotes your member number. Do not give your member number to anyone unless you wish them to be able to obtain this information. If you wish to prevent someone to whom you have provided your member number from continuing to access your investment details (such as a previous adviser) you must notify us.

# Fees and other costs

Australian government regulations require the inclusion of the following consumer warning. The information in the box is standardised across all product issuers and does not provide any specific information on the fees and costs applicable to the superannuation product offered under the Product Disclosure Statement. You should refer to the information that follows the consumer warning for the specific fees and costs applicable to the superannuation product offered under the Product Disclosure Statement.

## DID YOU KNOW?

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

**For example, total annual fees and costs of 2% of your fund balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100 000 to \$80 000).**

**You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.**

**You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.**

## TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website ([www.fido.asic.gov.au](http://www.fido.asic.gov.au)) has a superannuation calculator to help you check out different fee options.

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the Fund's assets as a whole.

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

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

This section is divided into three parts:

- *Fees and costs* – a list of the main fees that can be payable on superannuation investments (Table 1)
- *Additional explanation of fees and costs* – an additional explanation of management costs and other fees and costs (Tables 2 and 3)
- *Example of annual fees and costs for a balanced investment option* – an example of annual fees and costs for the Balanced Strategy (Table 4).

## Fees and costs

Table 1: Fees and costs<sup>12</sup>

Type of fee or cost	Amount	How and when paid
<b>Fees when your money moves in or out of the Fund</b>		
<i>Establishment fee</i> The fee to open your investment	Nil	
<i>Contribution fee</i> <sup>1</sup> The fee on each amount contributed to your investment – either by you or your employer	4.1% for contributions to the Balanced, Large Companies Share, Equities and World strategies  For example, if you invest \$5000 into the Balanced Strategy the contribution fee (at 4.1%) will be \$205	Charged against the member's contribution.  This fee is discounted for contributions in excess of \$6000 made directly to us with the Balanced, Equities, Large Companies Share and World strategies. See <i>Discounted fees and Negotiable fees</i> in Table 2 below.  This fee may also be negotiable down to 0.5125% if you retain a licensed financial adviser. See <i>Adviser commissions and rebates</i> in Table 2 below.
	0.5125% for contributions to the Income Strategy  For example, if you invest \$5000 into the Income Strategy the contribution fee will be \$26	
<i>Withdrawal fee</i> The fee on each amount you take out of your investment	\$51.25 for any one-off withdrawal. This fee does not apply to regular income stream payments. This fee may be indexed to inflation on 1 July each year.	Deducted from a member's account balance at time of withdrawal.
<i>Termination fee</i> The fee to close your investment	Nil	
<b>Management costs</b>		
The fees and costs for managing your investment	<b>Member fee:</b> <sup>2</sup> \$41 per annum	Member fees are deducted from member account balances in two equal instalments in December and June.
	<b>Plus</b>	
	<b>Administration and investment management fee:</b> <sup>3</sup> <i>Balanced, Large Companies Share, Equities and World strategies</i> 1.9% per annum.  For example if you maintained a \$50 000 investment in the Balanced Strategy for a year, your administration and investment management fee would be \$948 for that year  <i>Income Strategy</i> 1.13% per annum  For example if you maintained a \$50 000 investment in the Income Strategy for a year, your administration and investment management fee would be \$564 for the year	Your investment is valued at least weekly and these fees are taken into account at that time through deduction from the Fund's assets.

<sup>12</sup> Percentages expressed to one or two decimal places in the table may have been rounded. For ease of reading, some monetary amounts are expressed to the nearest dollar.

<b>Management costs (continued)</b>	<b>Plus</b>	
	<b>Expense recoveries <sup>4</sup></b> The trustee estimates that expense recoveries will be 0.1% per annum. For example, if you maintained a \$50 000 investment in the Fund, expense recoveries by the trustee referable to your investment are estimated to be \$50 for the year.	This is an estimate of the out-of-pocket expenses the trustee intends to recover from the Fund based on the quantum of those expenses for the year ended 30 June 2006. The amount will change from year to year. Your investment is valued at least weekly and these expenses are taken into account at that time.
	<b>Plus</b>	
	<b>Indirect expenses <sup>5</sup> :</b> 0.36% per annum (Income Strategy) for example \$180 per annum for a \$50 000 investment. 0.15% per annum (Balanced Strategy) for example \$75 per annum for a \$50 000 investment 0.16% per annum (Large Companies Share Strategy) for example \$80 per annum for a \$50 000 investment, 0.15% per annum (Equities Strategy) for example that is \$75 per annum for a \$50 000 investment  The World Strategy has no history of expense recoveries; however, it is anticipated that expense recoveries will be similar to those for the Large Companies Share Strategy	These are estimates based on actual indirect expenses for the year ended 30 June 2006. The amounts will change from year to year. Your investment is valued at least weekly and these expenses are taken into account at that time.
<b>Service fees<sup>6</sup></b>		
<i>Investment switching fee</i> The fee for changing investment options	3.1% when switching from the Income Strategy to another strategy, otherwise nil. For example, if you switched \$5000 from the Income Strategy to the Balanced Strategy, the investment switching fee would be \$154.	Charged to member's account at the time of the switch.

Notes to Table 1

- 1 Contribution fees are not charged on super co-contributions made by the Australian Government. Contribution fees are not charged on amounts re-invested under contribution-splitting arrangements; such investments are treated in the same way as investment switches (see *Investment switching fee*).
- 2 This is a member account-keeping fee charged to each member.
- 3 This is the fee to cover the general administration of the Fund and for managing the Fund's investments. We charge one fee for performing both these functions and it is not possible for us to separate them. See also *Indirect expenses*.
- 4 The expense recovery estimate is based on an assumption that the trustee will recover from the Fund amounts paid by the trustee for regulatory levies and charges, Fund auditing fees and Fund accounting fees.
- 5 Members bear the expenses of the underlying Australian Ethical trust because these expenses are incorporated in the valuation of the trust. The indirect cost estimates shown are based on these expenses. Note however that no further contribution fee or administration and investment management fee will be borne by the Fund when monies from a strategy are invested in an Australian Ethical investment trust.
- 6 Other service fees are described in *Additional explanation of fees and costs* below.

## Additional explanation of fees and costs

Table 2: Important additional disclosure items<sup>13</sup>

Type of fee or cost	Amount	How and when paid
<i>Trailing commission/adviser service fee:</i> This is the fee charged by your adviser for advice about your investment(s) in the Fund.	Up to 1.1% per annum of your account balance as negotiated between you and your adviser. On a \$50 000 investment, at 1.1% per annum, this would amount to \$550 for the year.	Deducted monthly from your account balance and paid to your adviser quarterly in arrears. See further <i>What is paid to your adviser?</i> in the text below Table 2.
<i>Adviser commissions and rebates</i>	Up to 3.5% (exclusive of GST) of your contributions to the Balanced, Large Companies Share, Equities and World strategies.  This is not an additional fee, but is included in the contribution fee referred to in Table 1 above. See examples provided in the <i>What is paid to your adviser?</i> section below.  Commissions and rebates do not apply to the Income Strategy.	If you have an adviser, they may rebate all or part of this fee for the Balanced, Large Companies Share, Equities and World Strategies. See further <i>What is paid to your adviser?</i> in the text below Table 2.
<i>Transaction costs:</i> These are taxes, duties and other costs such as brokerage and other fees related to buying and selling assets in the Fund. When you invest, switch or withdraw all or part of your investment, we may use what is called a buy-sell spread to recover transaction costs from you so that the remaining investors in the Fund are not paying the costs of your transaction.	It has never been necessary to levy a buy-sell spread and we cannot predict what the amount might be as it would be an <i>estimate</i> of the actual costs the Fund is bearing on transactions if required. The amount would typically be less than 1% of the value of the transaction or less than \$1 in every \$100.	This would be an additional cost were we ever to charge it. It would be paid in the unusual circumstance where a transaction resulted in costs to other members of the Fund.
<i>Family law fees:</i> We may charge reasonable fees for our costs when providing family law-related services such as payment flagging, payment splitting and information applications.	Under normal circumstances, an administration fee of \$110 will apply. However, the amount of fees payable will vary depending on the degree of involvement required by the trustee to administer the service. Applicants and members should also be aware that any legal or court costs incurred by the trustee in relation to a member account may also be payable.	A fee of \$110 is payable upon initial request for family law-related services and a cheque made out in accordance with the trustee's instructions must be provided with the request. Payment procedures for ongoing matters will vary according to the services requested.
<i>Member protected benefits:</i> If your account balance falls below \$1000, special fee provisions may apply which will limit the fees which can be charged to your account. Note these provisions will not apply to taxation or insurance charges and premiums.		
<i>Discounted fees: Large contributions</i> Discounted fees apply to contributions made directly with us to the Balanced, Large Companies Share, Equities and World strategies. They do not apply to investments made through third parties such as advisers.	For single investments between \$6000 and \$25 999 a 3.1% contribution fee applies. For example, on a \$6000 investment, the contribution fee would be \$185.  For single investments of \$26 000 to \$199 999 a 2.05% contribution fee applies.  For single investments of \$200 000 and over, a 0.5125% contribution fee applies.  Rollovers (transfers from another fund) of \$1000 and above: 3.1%. For example, on a rollover of \$1000, the contribution fee would be \$31.	Discounts apply at the time a contribution is made. Contributions via multiple cheques must be paid into the Fund on the same day for discounts to apply. Please contact us to discuss whether a discounted fee is available to you.

<sup>13</sup> Percentages expressed to one or two decimal places in the table may have been rounded. For ease of reading, some monetary amounts are expressed to the nearest dollar.

Type of fee or cost	Amount	How and when paid
<i>Discounted fees: Staff</i> We provide contribution fee discounts to our staff or staff of related parties and may offer them to like-minded organisations.	0 to 0.5125% contribution fee applies.	Discounts apply at the time a contribution is made.
<i>Negotiable fees: Other</i> Discounted fees may be offered based on other criteria – for example, total value of holdings, total period of time a person has been a member or cost of servicing a member.	This would be determined by the trustee when deciding how and to whom the discount would be offered.	Discounts apply at the time a contribution is made.
<i>Incidental fees:</i> Special fees for services are allowed by the trust deed.	Nil at present – we do not currently charge any special fees.	
<i>Taxes</i> – please see page 44 for a description of tax implications for investments in the Fund.		
<i>Insurance charges and premiums:</i> Please see <i>Insurance charges</i> below.		
<i>Issuer fee:</i> This is the fee for the product issuer's services in overseeing the Fund's operations and/or for providing access to the Fund's investment options.	Nil	

## GST

Goods and services tax (GST) is not payable on the issue, withdrawal or transfer of units in the Fund, as these are input-taxed financial supplies for GST purposes.

When fees and costs are shown in this section (unless otherwise stated) the net cost of GST is included. If the GST rate or arrangements change, the total amount you pay may change even though fees due to us are not increased.

## Changes to fees

All fees are subject to change. Reasons might include changing economic conditions or changes in regulation.

Our current fees are lower than the maximum allowed in the trust deed. The trust deed sets out the maximum amounts that we may charge. We are entitled to charge contribution or exit fees of up to 6% of the amount contributed or withdrawn. The trustee is also entitled to charge up to 3% per annum for the administration and investment management fee and 3% for switches and up to \$100 for the member account-keeping fee. The trust deed also allows the trustee to charge an indexed flat fee of \$4 on all regular contributions. All fees quoted in this paragraph are exclusive of GST and the net cost of GST would be in addition to the stated fees.

Under the trust deed, recovery of a wider range of expenses than covered in the table above is allowed and the trustee may also levy special fees for any additional services it may provide. The trustee does not currently intend to make changes to the fees set out in the tables and will not increase fees set out in the tables without advance notice to members.

**The trustee has the right to change fees without your consent and some fees may be indexed. We would always give you at least 30 days' notice of any proposed increases to our fees, to allow you enough time to reconsider your investment.**

## *Insurance charges (death; death & total and permanent disablement; and income protection)*

If you have insurance through the Fund, then insurance premiums will be deducted in advance in July of each year. If you leave the Fund or if your insurance is cancelled during the year your account will receive a refund of the unused premium. Fifteen per cent of insurance premiums will be paid as commission. For further information, see *Insurance options* in this Product Disclosure Statement.

## What is paid to your adviser?

If an investment is made through a licensed financial adviser, much of the contribution fee may be paid to them as commission. An adviser can rebate to investors a significant proportion of the contribution fee. However, neither the annual service fee, the administration and management fee nor the trustee portion of the contribution fee can be reduced through the rebate of commissions. If you wish to negotiate adviser payments or rebates, talk to your adviser.

We administer three types of commission to advisers:

**1 Up-front commission** – Up to a maximum of 3.5% (exclusive of GST) of your contribution for all strategies except for the Income Strategy (there is no commission payable where a member invests in the Income Strategy). The up-front commission is negotiable between you and your adviser, who may be prepared to waive or accept a lower commission (they might also charge a fee for their services). If your adviser rebates some or all of the up-front commission, we will, correspondingly, reduce your contribution fee.

**2 Adviser trailing commission** – Upon your instruction, up to 1.1% per annum of your account balance may be paid to your adviser **in addition to the management fee** paid to us. This trailing commission, if any, is an ongoing payment set by negotiation between you and your adviser, and should be reviewed regularly with your adviser. Note that this additional fee is deducted from your account balance. **These trailing commission arrangements are different from those used in standard industry practice.<sup>14</sup> Be aware that a trailing commission is usually ongoing and we continue to pay your adviser quarterly until you instruct us otherwise.**

**3 Switch commission** – Up to a maximum of 1.5% (exclusive of GST) of the amount switched may be paid as commission when you switch to a strategy with a higher contribution fee. The commission payable to your adviser is indicated on your application form.

If you initially joined the Fund through a licensed adviser, and then subsequently instruct us that you no longer have a relationship with that (or any other) licensed adviser, then your contribution fees may revert to 4.1% on each contribution, subject to any other applicable discounts set out in Table 2 above.

## Example of how up-front adviser commissions work in practice

Table 3 shows how up-front adviser commissions work in the Balanced, Equities, Large Companies Share and World strategies.

Table 3: Example of up-front adviser commissions

The contribution amount is assumed to be \$5000 and the maximum contribution fee is 4.1% of the contribution amount. In all cases, the trustee retains 0.5%, or \$25, of the total contribution fee payable by the member. The up-front commission is included within the contribution fee. Calculations do not include contributions tax.

Up-front commission agreed with adviser – (exclusive of GST)	Contribution fee payable by member (inclusive of net cost of GST)	Contribution amount invested into the Balanced, Equities, Large Companies Share or World Strategy (before contributions tax) <sup>15</sup>
3.5% – \$175	4.1% – \$205	<b>\$4795</b>
2.0% – \$100	2.5625% – \$128.13	<b>\$4871</b>
1.0% – \$50	1.5375% – \$76.88	<b>\$4923</b>
0.5% – \$25	1.025% – \$51.25	<b>\$4948</b>
0% – \$0	0.5125% – \$25.63	<b>\$4974</b>

<sup>14</sup> Standard industry commissions are typically included in administration and management fees.

<sup>15</sup> For ease of comparison, the cents have been omitted from this column.

## Example of annual fees and costs for a balanced investment option

Table 4 gives an example of how the fees and costs in the balanced investment option for this product (the Balanced Strategy) can affect your superannuation investment over a one-year period. You should use this table to compare this product with other superannuation products.

Table 4: Example of annual fees and costs

<b>EXAMPLE</b> – the Balanced Strategy		Balance of \$50 000 with total contributions of \$5000 during the year. <sup>16</sup>
Contribution fees	0.5125% to 4.1%	For every \$5000 you put in, you will be charged between \$25 and \$205.
<b>PLUS</b> management costs	2.15% per annum + \$41 per annum (\$0.79 per week)	<b>And</b> , for every \$50 000 you have in the Fund you will be charged \$1075 each year plus a \$41 member fee regardless of your balance.
<b>EQUALS</b> cost of fund		If you put in \$5000 during a year and your balance was \$50 000, then for that year you will be charged fees of from: <b>\$1141 to \$1321*</b> <b>What it costs you will depend on the investment option you choose and the fees you negotiate with your fund or financial adviser.</b>

\* Additional fees may apply:

- If you take money out of your investment, a **withdrawal fee** of \$51.25 (including net cost of GST) for any one-off withdrawal will apply. This fee does not apply to regular income stream payments.
- If you have agreed a trailing commission with your adviser, the commission (plus GST) will also be deducted from your account balance.
- Management costs shown in the table are calculated on the initial balance of \$50 000 and ignore the \$5000 contribution made during the year.
- Management costs include an estimate of expenses indirectly borne by members of the Balanced Strategy because it invests in the Australian Ethical Balanced Trust. Strictly speaking, these expenses are not charged to members, rather they are deducted from the trust's gross income before the distribution from the trust to the Fund is determined. The estimate is based on the actual indirect expenses for the year ended 30 June 2006, but the amount will vary from year to year. Management costs also include an estimate of expense recoveries borne by members of the Balanced Strategy (at 0.1% per annum). Similarly, these expenses are not charged directly to members but are taken into account as part of the valuation cycle.
- Please be aware that the example of fees and costs provided above does not show the impact of income taxation. This is different from the way fees and costs will be presented in your member statements.

<sup>16</sup> For ease of comparison, the cents have been omitted from this column.

# What about taxation?

The following tax information is based on the tax laws that were current as at the date of this Product Disclosure Statement.

Further information is available from the Australian Taxation Office. This information is not a substitute for professional advice. It is strongly recommended that you seek advice from a professional taxation adviser.

The tax treatment of superannuation is concessionary but complex and may be subject to regulatory change.

## Taxation of contributions to the Fund

### Non-concessional contributions

No tax is paid by the Fund on contributions you make to the Fund from income on which you have already paid tax – these are non-concessional contributions.

There is a cap on the amount of non-concessional contributions that you can make to superannuation funds before there are significant taxation implications (the cap is described in detail in the section, *Non-concessional contribution limits* on page 30).

If you exceed the cap on non-concessional contributions then the excess contributions will be taxed at the top marginal rate plus Medicare levy.

A member will be able to direct a superannuation fund to pay any tax due arising from such action.

### Concessional contributions

All contributions paid by employers on your behalf, and personal contributions for which you claim a tax deduction (for example, where you are self-employed), are called concessional contributions.

Concessional contributions are part of the assessable income of the Fund. The trustee will normally deduct 15% from concessional contributions to meet tax liabilities.

There is a cap on the amount of non-concessional contributions that you can make to superannuation funds (the cap is described in detail in the section, *Concessional contribution limits* on page 30).

Any contributions paid in excess of the cap will be taxed at the top marginal rate plus Medicare levy.

## Taxation on Fund earnings

Earnings on your accumulation superannuation investment are taxed at a concessional tax rate of 15%. The effective rate of tax incurred may be less than this because superannuation funds derive the benefit of a capital gains tax discount as well as franking credits on dividend income from their share investments when companies have pre-paid company tax at 30%.

Earnings on assets supporting account-based income streams are not taxed.

## Tax and rollovers

Generally, a benefit rolled over to the Fund from another Australian superannuation fund will not be taxed at the time of the rollover. The exception is when the rollover contains an untaxed component, in which case the component amount will be taxed at 15%. A higher rate of tax also applies to transfers over \$1 million from an untaxed scheme to a taxed scheme.

You should seek professional taxation advice if you wish to make a payment from an overseas superannuation fund into the Fund.

## Tax on benefits

Generally, when you retire (at age 55 or over), your benefits in Australian Ethical Superannuation can be accessed by you. At that time you can elect to receive your benefit either as a lump sum or as an account based income stream.

### Benefits received where you are aged 60 and above

From 1 July 2007, benefits payable after attaining the age of 60 will be tax free.

### Benefits received where you are aged less than 60

Lump sums paid to a member under the age of 60 will have two components – a tax free component and a taxable component.

You pay no tax on benefits received prior to age 60 on that part of your superannuation benefit that consists of the contributions you made from your after-tax income after 30 June 1983 and an amount that represents the portion of the benefit that accrued prior to 1 July 1983. The Fund is required to calculate the latter amount as a fixed dollar figure by 1 July 2008. The tax free component applies to both income stream and lump sum payments from the Fund.

The taxable component is the total value of the superannuation benefit less the tax free component. For those at or above preservation age the taxable component will be tax free up to a low rate threshold and then taxed at 15% plus Medicare levy for any amount above that threshold. The low rate threshold will be set at \$140 000 on 1 July 2007, and then indexed to AWOTE in increments of \$5000. For those below preservation age the taxable component will be taxed at 20% plus Medicare levy.

If you are at preservation age or above but under age 60 and receive an income stream from a superannuation fund, your income stream will be taxed at marginal rates but you receive a 15% tax rebate on the taxable amount of your income stream. For example, if your annual income stream is \$20 000 and you have an annual tax free component of \$5000 then you will receive a tax rebate of 15% of \$15 000, which is \$2250.

It is strongly recommended that you seek advice from a licensed taxation adviser or financial planner if you are interested in receiving a lump sum payment or an account-based income stream before the age of 60.

### Benefits received where you are terminally ill

Benefits released to you because you have a terminal medical condition will be tax free.

## Tax and death benefits

### Death benefits paid as a lump sum

A lump sum death benefit payment will be tax free if paid to a person who is a dependent of the member at the time of death, as defined in the tax legislation (a spouse or former spouse, a child less than 18, a person with whom the deceased had an interdependency relationship just before death, or any person who was dependent on the deceased before death).

If a lump-sum benefit is paid to a non-dependent, tax is payable on the taxable component. The taxed element with the taxable component will be taxed at 15% and any untaxed element within the taxable component will be taxed at 30% plus Medicare levy.

**You should be aware that the definition of dependant for tax purposes does not include adult children unless they were financially dependant on the deceased. If a lump sum death benefit is left to an adult child who is not financially dependent on the deceased, the taxable component of the benefit will be taxed at 15%. Members should seek professional estate planning advice if they intend to leave superannuation benefits to non-dependents.**

## Death benefits paid as income streams

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

If the primary beneficiary was aged 60 or over at the time of death, then payments to the reversionary beneficiary will be tax exempt.

If the primary beneficiary was under age 60 at the time of death, the pension will be taxed at the reversionary beneficiary's marginal rate (less any deductible amount and income stream rebate) unless, or until, the reversionary beneficiary is aged 60 or over, in which case the pension becomes tax exempt.

Death benefits are able to be paid as an income stream to a dependent if the member dies before commencing an income stream.

Death benefits are able to be paid as an income stream to a dependent 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 is permanently disabled.

An income stream will not be able to revert or be paid to a non-dependent upon the death of a person. These income streams will be paid out to the non-dependent as a lump sum.

Please seek professional advice or contact the Fund for further details.

## Tax file numbers

You can, but do not have to, give us your tax file number (TFN). We can collect your tax file number under the Superannuation Industry (Supervision) Act 1993. Before deciding whether or not to supply us with your tax file number you should take into account the following.

Your tax file number will only be used for legal purposes. At present, your tax file number is used for calculating tax on payments, providing information to the Australian Taxation Office, transferring or rolling over your benefits to another superannuation fund and for identifying or finding your superannuation benefits where other information is insufficient.

If in the future the law changes, these purposes may also change.

Your tax file number may be disclosed to the trustee of any fund to which you transfer your benefits, unless you write to us requesting us not to do so. Your tax file number will also be disclosed to the commissioner of taxation. Otherwise, your tax file number will not be disclosed to any other person unless changes to the law require it.

Although it is not an offence not to quote your tax file number you should be aware that from 1 July 2007, where a tax file number is not quoted, the top marginal rate plus Medicare levy will apply where concessional contributions for a member exceed \$1000 for superannuation accounts in existence at 30 June 2007. The \$1000 threshold will not apply for superannuation accounts opened on or after 1 July 2007. This means that tax at the top marginal rate plus Medicare levy will apply from the first dollar of concessional contributions paid if the tax file number of the member is not quoted. However, members will have until 30 June 2008 to quote their tax file numbers, and any tax deducted may be refunded where a valid tax file number is provided within that period. Note that a fund cannot accept any non-concessional components where no TFN is held.

## Tax deductions

Where a tax deduction is available to the Fund in relation to fees and premiums, this deduction is passed back to your account at the time of deducting the applicable fee or premium.

# Insurance options

The Fund offers you insurance cover for major traumatic events that may significantly damage your own and your family’s expected retirement plans. To allow members to effect insurance cover, the trustee has arranged insurance (via a group insurance contract) with TOWER Australia Limited ACN 050 109 450 (the insurer, or TOWER).

TOWER has provided to us the following information for inclusion in this Product Disclosure Statement:

*TOWER is a specialist Australian life insurance company. TOWER is an industry leader in the provision of life insurance arrangements to superannuation funds and administration platforms and is widely acknowledged in the market as a provider of quality products with superior service.*

*TOWER is one of the top 5 life insurance companies in Australia and has over \$500 million of annual in-force premiums.*

*All benefits and guarantees relating to the insured benefits are provided by the Insurer and not the trustee or administrator.*

As with all insurance policies, specific terms and conditions apply to the cover of which you should be aware. Please note that this section is only a summary of the terms and conditions of available insurance cover.

If you are unsure of any element of the cover available, please talk to your financial adviser or contact us for assistance.

## Australian Ethical Superannuation

phone: 1300 134 337

facsimile: 02 6201 1959

email: [aes@austethical.com.au](mailto:aes@austethical.com.au)

Except as described in the section *Automatic cover* below, insurance cover offered through the Fund is optional and this means that you will need to apply for insurance to take effect. If you wish to take up optional insurance cover, please read carefully the section titled *Optional insurance cover* which starts at page 51.

## Automatic cover

You may be automatically insured for your death (and premiums will be automatically deducted from your account) when you become a member of the Fund if one of the following circumstances applies to you:

<b>Circumstance</b>	<b>More information about the automatic cover</b>
<p><b>Where the Fund is your employer’s chosen fund</b> If you have become a member of the Fund because you have decided not to exercise a choice and the Fund is your employer’s chosen fund for the payment of employee superannuation contributions (see the section titled <i>Superannuation choice</i> on page 31).</p>	<p>You should read the section titled <i>Automatic death cover where the Fund is your employer’s chosen fund</i> set out following this table. You should also read the section <i>Important insurance information</i> which starts on page 57.</p>
<p><b>Under an agreed employer plan</b> If your employer contributes to the Fund on your behalf and has made arrangements with the insurer and the trustee for an insurance benefit to be provided automatically on behalf of its employees.</p>	<p>Your employer should be able to tell you whether such an arrangement has been agreed with the trustee and the insurer and if so the automatic insurance arrangements that will apply. You should ask you employer for the terms and conditions that apply to the insurance. If you are unsure, please contact us. You should also read the section <i>Important insurance information</i> which starts on page 57.</p>

## Automatic death cover where the Fund is your employer's chosen fund

If you become a member of the Fund because you decide not to exercise a choice and the Fund is your employer's fund, you will receive death cover, **subject to the conditions set out below**. The amount of cover provided is set out at the end of this section.

Death cover is a lump sum benefit added to your superannuation investment to increase the amount payable to your beneficiaries.

The cost of the insurance cover (the premium) will be \$104 per year and this amount will be deducted from your account at the commencement of each financial year. If you leave the Fund or if your insurance is cancelled for any reason during a financial year, your account will receive a refund of any unused portion of the premium. Where you become a member part way through a financial year, the premium for that part of the financial year for which cover is provided will be deducted from your account in June of that financial year or upon leaving the Fund, whichever first occurs.

### Can I opt out of the insurance arrangements?

Yes. You can opt out of the insurance arrangements at any time by notifying us in writing through the post. Cancellation of the arrangements will take effect on receipt of your written notification and any unused portion of the premium will be refunded to your account. You should carefully consider any decision to cease death cover. **Take professional advice if you are unsure about the implications of any decision relating to insurance.**

### Can I increase the level of cover under the insurance arrangements or take out total and permanent disablement cover?

Yes. If you wish to apply for additional insurance cover or total and permanent disablement cover, please read the section titled *Optional insurance cover* starting on page 51 and contact the Customer Service Centre on 1300 134 337 for application forms. Please note that to receive additional cover you will need to complete a personal health statement and provide occupational details. Provision of additional cover is also subject to acceptance by the insurer and payment of additional premiums.

### Circumstances where cover is not provided

Cover will not be provided if:

- you are over the age of 65
- your employer engages in the practice of preferential employment of persons suffering medical conditions.

The following criteria must also be met for cover to apply:

- you must take insurance cover when first eligible
- you must be actively and competently performing all the essential duties of your usual occupation without restriction, or be on approved leave other than leave which is taken for reasons related to injury or sickness ('at work').

Where you are absent from work for any medical reason or are not medically fit to carry out all of the duties of your usual occupation at the time you become a member of the Fund, cover will not commence until you have returned to full-time active employment in your usual occupation and are fully recovered.

Should any of the above circumstances apply to you, you should contact the trustee or the Customer Service Centre on 1300 134 337 to obtain further information about insurance arrangements.

## Events not covered (exclusions)

Under death cover, no benefit will be paid if a claim is made due to:

- suicide occurring in the first 13 months after the date that the cover commences or is reinstated after having lapsed for any reason, or
- any deliberately self-inflicted injury which occurs at any time.

## Worldwide cover

Your cover for death is worldwide 24 hours per day.

## Cover while employed overseas

If you have cover within the Fund and intend to temporarily reside overseas, you may be covered for a period of up to three years subject to prior approval by the insurer.

## Cover will cease

Cover under the insurance arrangement will cease (earliest of):

- on your 70th birthday
- if there are insufficient funds in your account to meet the annual premium due on 1 July each year
- if you are paid an insured benefit
- when you notify the Fund that cover is no longer required
- upon leaving the Fund
- 30 days after the date your employer receives a notification from you electing to join another superannuation fund under choice of fund arrangements
- 30 days after the date you are accepted by another superannuation fund under choice of fund arrangements.

**It is very important that you consider your insurance cover when making a decision to notify your employer that you wish your superannuation contributions to go to a different superannuation fund. You could lose your cover even if you stay a member of the Fund. If unsure, you should seek professional advice.**

## Extension of death cover

Should you cease to be an insured person, death cover will continue for 30 days from the date insurance ceased.

## Amount of cover provided - death (unisex)

Age next birthday	Amount of death cover \$
16	216 667
17	192 593
18	176 271
19	170 492
20	167 742
21	167 742
22	173 333
23	179 310
24	189 091
25	200 000
26	212 245
27	221 277
28	236 364
29	253 659
30	260 000
31	266 667
32	273 684
33	281 081
34	273 684
35	266 667
36	260 000
37	241 860
38	221 277
39	203 922
40	189 091
41	170 492
42	155 224
43	142 466
44	128 395
45	118 182
46	107 216
47	99 048
48	90 435
49	83 200
50	77 037
51	70 748
52	65 409
53	60 819
54	56 216
55	52 525
56	48 826
57	45 415
58	42 449
59	39 544
60	36 879
61	34 323
62	31 902
63	29 714
64	27 586
65	25 616
66	22 270
67	19 367
68	16 856
69	14 648
70	12 745

The amounts provided assume a \$2.00 per week premium (inclusive of a 15% commission). The amounts provided are based on white collar risk, to be adjusted for occupational exposure by dividing the amount of cover shown by the occupation adjustment factors. Where a member's occupation is not known, the heavy blue collar (skilled) factor applies.

Occupation adjustment factors	
Professional	0.9
White collar	1
Light blue collar	1
Heavy blue collar (skilled)	1.25
Heavy blue collar (unskilled)	1.5

## Optional insurance cover

The Fund offers the following optional insurance covers:

- death cover
- death & total and permanent disablement cover
- income replacement cover.

Each form of cover is very important to members who have not yet accumulated enough benefits to retire in the very near future.

### Eligibility

Insurance cover will only be issued after you complete an Insurance Application and Personal Health Statement and this has been accepted by the insurer. In order to obtain this form please contact your adviser or the Customer Service Centre on 1300 134 337.

### Cancellation of cover

You may cancel cover at any time; however, if you do so, cover can only be reinstated by applying to the insurer in writing. Reacceptance of the cover will be subject to normal medical underwriting. As such, we strongly recommend that, if you are considering cancelling your cover, to only do so after you have sought the advice of a financial adviser who can assess your insurance needs in full.

## Details of cover – death; death & total and permanent disablement insurance

### Death cover

Death cover is a lump sum benefit added to your superannuation investments to increase the amount payable to your beneficiaries.

The maximum cover available under the Fund's insurance arrangements is \$2 million.

### Death & total and permanent disablement cover

Death & total and permanent disablement cover is a lump sum benefit to top up your superannuation account if you die or were to suffer an illness or injury that caused you to have to prematurely retire from any work to which you may be suited.

Maximum total and permanent disablement cover available is the lesser of either the relevant pension reasonable benefit limit or \$2 million.

### Definition of total and permanent disablement (TPD)

The definition that applies for total and permanent disablement will depend on how you were working (or not working) immediately before you first become disabled. The various rules and definitions are as follows:

#### *Employed and working 15 hours or more per week*

Total and permanent disablement means that TOWER is satisfied that, whilst insured, you have:

- suffered total and irrecoverable loss of the
  - use of two limbs, or
  - sight of both eyes, or
  - sight of one eye and the loss of the use of one whole hand, or whole foot, or

- you have been absent from employment due to illness or injury for a continuous period of six months and in the opinion of the insurer, you are so disabled that you will never be able to perform your own occupation or any other occupation for which you are reasonably suited by education, training or experience.

#### ***Employed and working less than 15 hours per week or unemployed***

Total and permanent disablement means that TOWER is satisfied that whilst insured, you have become so disabled by bodily injury or illness that you will never be able to perform at least two of the following activities of daily living:

- dressing – the ability to put on and take off clothing without assistance
- bathing – the ability to wash or shower without assistance
- toileting – the ability to use the toilet including getting on and off without assistance
- mobility – the ability to get in and out of bed and a chair without assistance
- feeding – the ability to get food from a plate into your mouth without assistance

where *assistance* means the assistance of another person.

#### ***Undertaking full-time duties as a home maker***

Where you are wholly engaged in full-time unpaid domestic duties in your own residence, the definition of total and permanent disablement shall be as follows:

As a result of injury or illness you are under the care of a medical practitioner and have been:

- unable to perform your normal domestic duties, and
- unable to leave home unaided, and
- not engaged in any gainful employment

for a continuous period of six months.

At the end of this six-month period, after consideration of the relevant evidence the insurer determines that you are so disabled as to never be likely to again be able to perform normal domestic duties, nor any other occupation.

#### ***Cover while unemployed***

Should you be unemployed for a continuous period of more than six months, cover will be provided under the activities of daily living definition. If you then return to work, cover will revert to the relevant definition based on hours worked per week, only after 30 continuous days of active gainful employment of more than 15 hours per week.

#### ***Determining working hours per week***

For the purposes of the above definitions, the number of hours worked per week will be based on your employment conditions where you are continuously employed and you would work an average of at least 15 hours per week in every consecutive 13-week period in a full year of employment. Continuously employed means employment where the contract of employment is for employment on an ongoing basis or for a contracted period of at least 12 months.

#### **Events not covered (exclusions)**

Under death and total and permanent disablement cover no benefit will be paid if a claim is made due to:

- suicide occurring in the first 13 months after the date that the cover commences or is reinstated after having lapsed for any reason, or
- any deliberately self-inflicted injury which occurs at any time, and
- any such exclusion the insurer may apply to you as a condition of acceptance of cover.

## Premium charges

The cost of insurance cover will be based on either a nominated dollar per week premium (example \$2.00 nominated weekly premium) or the indicative premium rates shown on page 58. These rates are adjusted based on your occupation or occupational industry as well as other matters such as your state of health or if you undertake some hazardous pastimes. For a premium quotation please consult your financial adviser or the Customer Service Centre on 1300 134 337.

## Additional charges

All the related fees and charges for your insurance are within the premium deducted from your member account. There are no additional fees or charges directly related to the insurance cover.

## Different amounts of death cover to total and permanent disablement cover

You can have death cover greater than your total and permanent disablement but you cannot have a total and permanent disablement benefit greater than the amount payable on death.

## When cover commences

Cover will be provided once the Insurance Application and Personal Health Statement has been accepted by TOWER.

## Accident benefits

From the time the insurer receives a completed Insurance Application and Personal Health Statement you will have up to 90 days of accident cover up to the amount of cover applied for or \$750 000 (whichever is the lesser).

## Worldwide cover

Your cover for death or death and total permanent disablement is worldwide 24 hours per day.

## Cover while employed overseas

If you have cover within the Fund and intend to temporarily reside overseas, you may be covered for a period of up to three years subject to prior approval by the insurer.

Should you suffer total and permanent disablement while temporarily residing or travelling outside Australia, our insurer may require you to return to Australia at your own expense for assessment of the claim.

## Cover will cease (earliest of)

- on your 65th birthday
- if there are insufficient funds in your account to meet the annual premium due on 1 July each year
- if you are paid an insured benefit
- when you notify the Fund that cover is no longer required
- upon leaving the Fund.

Cover may lapse if a breach of the disclosure requirements in the Insurance Application and Personal Health Statement occurs.

## Extension of death cover

Should you cease to be an insured person, death cover will continue for 30 days from the date insurance ceased.

## Details of cover – income protection insurance

### Income protection cover

Income protection cover is a monthly income benefit payable if you are temporarily unable to work due to injury or illness.

The maximum monthly benefit available is \$20 000.

### Definition of total disablement

To be eligible for a claim you must be totally disabled which means that due to an illness or injury you are unable to perform at least one important income-producing duty of your regular occupation. You may also be totally disabled if you are suffering an illness or injury and are unable to perform the important duties of any gainful occupation for which you are suited by education, training or experience. You must also not be undertaking any work usually performed for wage or profit, and be under the care of a medical practitioner.

### Events that are not covered (exclusions)

No benefits are payable if your injury or illness is a result of any of the following:

- intentional self-inflicted injury
- uncomplicated pregnancy or childbirth
- war or acts of war whether declared or not
- service in the armed forces of any national or international organisation
- any such exclusion the insurer may apply to you as a condition of acceptance of cover.

### Premium charges

The cost of insurance cover will be based on the indicative premium rates shown on page 59. These rates are adjusted based on your occupation or occupational industry as well as other matters such as your state of health or if you undertake some hazardous pastimes. For a premium quotation please consult your financial adviser or the Customer Service Centre on 1300 134 337.

### Additional charges

All the related fees and charges for your insurance are within the premium deducted from your member account. There are no additional fees or charges directly related to the insurance cover.

### Premium waiver

If your income protection premium becomes payable while a benefit is being paid, the premium due at that time will be waived.

### When cover commences

Cover will be provided once the Insurance Application and Personal Health Statement has been accepted by TOWER.

### Accident benefits

From the time the insurer receives a completed Insurance Application and Personal Health Statement you will have up to 90 days of accident cover for the amount of cover applied for or \$15 000 per month, whichever is the lower amount. The waiting period applies.

## Waiting period

Before you can receive benefits under income protection you have to be off work for a minimum length of time, referred to as the *waiting period*. This can be either 30 or 90 days, depending on the waiting period chosen in your initial application.

## Income benefit

The amount of benefit payable is based on the amount agreed by the insurer for your cover. In any case, the maximum benefit that is payable is an amount equal to 75% of your gross (before tax) income earned before you ceased work due to the injury or illness. Maximum benefit period is two years.

## How and when income benefits are paid

If you are entitled to a benefit, it will be paid by the insurer at the end of each month that you are on claim. This benefit is paid by the insurer to the Fund which then must deduct the pay-as-you-go withholding tax, and forward the net proceeds to you, the same as if it were normal wages or salary.

## When you return to work part time

If you have been totally disabled for 14 continuous days during the waiting period and you have returned to work but are still not earning your full income, at the end of the waiting period you may be eligible for a partial benefit to make up some of the shortfall in your earnings.

This ensures that you are not financially disadvantaged by returning to work, even at a reduced income.

## Death benefit while on claim

Should you die while receiving benefits, monthly payments will cease and a final lump sum equal to three monthly benefit payments will be paid.

## Receiving income from other sources

If you are on claim and are receiving benefits such as workers' compensation, sick leave payments, social security, other income insurance benefits or such similar payments, your benefits paid by the insurer will be reduced by the amount of these other income payments.

## Assistance with rehabilitation

If your return to work is likely to be accelerated by a program of rehabilitation (that is approved by your doctor and the insurer), the cost of the program may be met by the insurer.

## Should you return to work and then have a relapse

If you have been on claim and receiving benefits and then recover and return to work, should you then have a relapse within six months of going back to work the benefits will recommence without the waiting period being reapplied.

In these circumstances the payments are treated as a continuation of the same claim as if there was no break in benefit payments.

## Worldwide cover

Your cover for income protection is worldwide 24 hours per day. However, if you are totally or partially disabled whilst overseas you must return to Australia (or another country acceptable to TOWER) within six months or your benefits may cease to be paid until you do.

### Cover will cease (earliest of)

- when you cease to be eligible to be a member of the Fund
- when you are no longer working in your occupation for at least 15 hours per week
- when you notify the Fund that cover is no longer required
- on your 65th birthday
- when you die
- when you retire from the workforce
- at the end of the benefit period
- if there are insufficient funds in your account to meet the annual premium due on 1 July each year
- upon leaving the Fund.

### Extension of cover

Should you cease to be an insured person, income protection cover will continue for 30 days from the date insurance ceased, provided employment is maintained during this time.

## Employer related insurance

Employers intending to make contributions to the Fund on behalf of at least five employees may be able to agree an insurance plan with TOWER that will cover their employees in the Fund. In some circumstances employees within such a plan may be eligible for automatic acceptance of cover up to an automatic acceptance limit without providing medical evidence. Specific conditions apply. Interested employers should contact us for further information.

## Important insurance information

The insurance cover described above applies to the arrangements we currently have in place for the Fund at the time of publishing the Product Disclosure Statement. The terms and conditions as well as premiums may change in the future.

### Premium rates

The premium rates that apply to the Fund are guaranteed not to change until 1 July 2009. At the end of this period the rates are reviewed in line with the overall claims experience of the Fund and may be altered at this time. The trustee may also choose to have the rates changed, or change insurers at any time if they believe the change would be in the best interests of the overall membership of the Fund.

### Lodging a claim

If there is a need to lodge a claim, contact the Customer Service Centre on 1300 134 337 and they will arrange all the necessary forms to be issued to you. All claims are subject to the approval of TOWER.

### Trustee's responsibility

Although the trustee manages the group insurance arrangements, it does not guarantee the payment of an insured benefit or the performance of the insurer.

### Tax deductions

Because the premiums payable are deducted from your superannuation account and not paid by you as an individual, they are a tax deduction to the Fund. This deduction is credited to your superannuation account and not to you as an individual, thus you cannot claim personal tax deductions for this cost.

### Tax payable on benefits paid out

#### Death & total and permanent disablement benefits

Because the insurance cover is part of a superannuation plan, any benefits payable are treated as superannuation death or permanent disablement benefits and are taxed as such when paid out. For further information, refer to *What about taxation?* on page 44.

#### Income protection benefits

The benefits paid under the income protection insurance cover are paid as taxable income, the same as salary and wages. Any payments will be made after deducting pay-as-you-go withholding tax.

Please note the statements regarding taxation were correct at the time of developing this document however they may have changed since that time. As such we strongly recommend that you seek the advice of a qualified taxation adviser in relation to your own circumstances.

### Cooling off period

If you have insurance cover and decide within 28 days from the date of commencement of cover that it is not suitable to meet your needs, you may write to the trustee of the Fund and request that it be cancelled. If you do this, any premium already paid by the trustee to TOWER, that has not been used by TOWER, will be credited back to your superannuation account. Please note that if you cancel cover you can only reinstate it by applying to TOWER, including the provision of evidence of good health, and TOWER must decide whether to accept your application.

## Death only and death & total and permanent disablement rates

Premium rates are in dollars per year for each \$1000 of insurance cover*								
Age next birthday	Death cover				Death & total and permanent disablement cover			
	Male non-smoker	Male smoker	Female non-smoker	Female smoker	Male non-smoker	Male smoker	Female non-smoker	Female smoker
16	0.55	0.67	0.30	0.36	0.57	0.69	0.31	0.38
17	0.64	0.77	0.31	0.38	0.67	0.80	0.33	0.39
18	0.71	0.85	0.30	0.36	0.75	0.91	0.31	0.38
19	0.74	0.88	0.30	0.36	0.80	0.96	0.31	0.38
20	0.76	0.91	0.28	0.33	0.83	1.00	0.30	0.35
21	0.75	0.91	0.25	0.31	0.83	1.03	0.27	0.33
22	0.74	0.91	0.25	0.31	0.83	1.05	0.25	0.33
23	0.71	0.89	0.23	0.30	0.83	1.03	0.25	0.31
24	0.67	0.86	0.20	0.25	0.78	1.02	0.23	0.30
25	0.63	0.83	0.19	0.25	0.76	0.99	0.22	0.30
26	0.59	0.80	0.18	0.25	0.72	0.97	0.22	0.30
27	0.55	0.76	0.17	0.23	0.69	0.94	0.20	0.28
28	0.52	0.74	0.17	0.23	0.64	0.91	0.22	0.31
29	0.47	0.69	0.16	0.23	0.62	0.91	0.22	0.33
30	0.45	0.69	0.16	0.23	0.59	0.91	0.23	0.35
31	0.42	0.66	0.16	0.25	0.57	0.88	0.25	0.40
32	0.41	0.66	0.17	0.27	0.55	0.89	0.28	0.45
33	0.40	0.66	0.17	0.27	0.55	0.91	0.31	0.50
34	0.39	0.66	0.18	0.31	0.54	0.91	0.35	0.59
35	0.39	0.69	0.20	0.36	0.55	0.98	0.41	0.72
36	0.40	0.71	0.22	0.39	0.59	1.05	0.45	0.80
37	0.42	0.77	0.25	0.44	0.64	1.17	0.52	0.93
38	0.45	0.83	0.28	0.52	0.69	1.27	0.59	1.08
39	0.49	0.91	0.31	0.58	0.78	1.47	0.67	1.25
40	0.53	1.00	0.35	0.66	0.86	1.63	0.76	1.44
41	0.57	1.08	0.39	0.75	0.97	1.85	0.85	1.63
42	0.63	1.22	0.44	0.85	1.11	2.15	0.97	1.88
43	0.69	1.34	0.47	0.94	1.24	2.43	1.08	2.13
44	0.76	1.51	0.53	1.05	1.41	2.79	1.21	2.40
45	0.83	1.68	0.59	1.19	1.58	3.17	1.36	2.73
46	0.91	1.85	0.64	1.32	1.79	3.64	1.52	3.09
47	0.99	2.05	0.71	1.46	2.00	4.12	1.71	3.51
48	1.10	2.29	0.77	1.61	2.26	4.72	1.88	3.93
49	1.19	2.51	0.83	1.78	2.50	5.30	2.10	4.46
50	1.29	2.77	0.91	1.94	2.79	6.02	2.32	5.00
51	1.41	3.06	0.98	2.10	3.13	6.74	2.59	5.57
52	1.54	3.30	1.05	2.27	3.48	7.49	2.90	6.22
53	1.68	3.61	1.15	2.46	3.88	8.35	3.23	6.95
54	1.82	3.90	1.22	2.63	4.29	9.23	3.61	7.76
55	1.99	4.27	1.32	2.82	4.77	10.25	4.03	8.65
56	2.15	4.61	1.41	3.03	5.27	11.28	4.51	9.66
57	2.33	4.97	1.51	3.21	5.82	12.39	5.03	10.70
58	2.54	5.39	1.61	3.42	6.41	13.59	5.62	11.91
59	2.76	5.83	1.73	3.65	7.05	14.89	6.24	13.17
60	2.99	6.28	1.85	3.87	7.73	16.24	6.86	14.40
61	3.26	6.71	1.96	4.03	8.53	17.54	7.51	15.46
62	3.57	7.22	2.09	4.22	9.37	18.94	8.17	16.50
63	3.89	7.71	2.23	4.42	10.27	20.35	8.87	17.57
64	4.25	8.25	2.37	4.61	11.25	21.82	9.56	18.56
65	4.64	8.82	2.52	4.80	12.30	23.37	10.27	19.52

\*Rates include 15% commission.

Base rates are white collar and are to be adjusted for occupational exposure as per the following table:

Occupation adjustment factors	Death	Death and total and permanent disablement
Professional	0.9	0.9
White collar	1	1
Light manual	1	1.25
Heavy manual (skilled)	1.25	1.6
Heavy manual (unskilled)	1.5	2

## Income protection insurance rates

### Two year benefit period

Premium rates are in dollars per year for each \$1000 of insurance cover\*

Age next birthday	Male 30 day non-smoker	Female 30 day non-smoker	Male 30 day smoker	Female 30 day smoker	Male 90 day non-smoker	Female 90 day non-smoker	Male 90 day smoker	Female 90 day smoker
16	2.11	3.61	2.63	4.52	0.83	2.98	1.04	3.73
17	2.11	3.61	2.63	4.52	0.83	2.98	1.04	3.73
18	2.11	3.61	2.63	4.52	0.83	2.98	1.04	3.73
19	2.11	3.61	2.63	4.52	0.83	2.98	1.04	3.73
20	2.11	3.61	2.63	4.52	0.83	2.98	1.04	3.73
21	2.11	3.61	2.63	4.52	0.83	2.98	1.04	3.73
22	2.21	3.63	2.76	4.54	0.82	2.80	1.02	3.51
23	2.47	3.95	3.08	4.94	0.85	2.87	1.06	3.59
24	2.72	4.29	3.41	5.36	0.88	2.94	1.10	3.66
25	3.00	4.62	3.74	5.78	0.91	3.01	1.14	3.76
26	3.27	4.97	4.09	6.21	0.96	3.08	1.20	3.86
27	3.55	5.32	4.44	6.65	0.99	3.16	1.24	3.94
28	3.81	5.69	4.76	7.10	1.04	3.20	1.29	4.01
29	4.03	6.05	5.04	7.56	1.07	3.24	1.34	4.05
30	4.23	6.42	5.28	8.02	1.11	3.25	1.39	4.07
31	4.39	6.79	5.49	8.49	1.15	3.25	1.43	4.07
32	4.54	7.18	5.67	8.97	1.19	3.24	1.49	4.05
33	4.66	7.58	5.83	9.47	1.21	3.24	1.52	4.05
34	4.78	8.00	5.98	9.99	1.26	3.23	1.56	4.03
35	4.90	8.44	6.12	10.54	1.29	3.22	1.62	4.02
36	5.00	8.89	6.25	11.11	1.34	3.23	1.68	4.03
37	5.12	9.36	6.39	11.71	1.40	3.24	1.74	4.05
38	5.23	9.85	6.54	12.31	1.46	3.28	1.83	4.10
39	5.37	10.38	6.71	12.98	1.52	3.35	1.91	4.18
40	5.54	10.95	6.93	13.69	1.63	3.44	2.03	4.30
41	5.73	11.55	7.17	14.43	1.74	3.58	2.18	4.47
42	5.97	12.18	7.46	15.22	1.89	3.76	2.36	4.70
43	6.25	12.87	7.81	16.07	2.06	3.98	2.57	4.97
44	6.57	13.59	8.22	16.98	2.28	4.27	2.84	5.34
45	6.97	14.36	8.72	17.96	2.54	4.62	3.18	5.78
46	7.43	15.19	9.28	18.98	2.87	5.05	3.59	6.31
47	7.97	16.09	9.96	20.12	3.24	5.56	4.05	6.96
48	8.60	17.05	10.75	21.31	3.71	6.16	4.63	7.70
49	9.32	18.08	11.65	22.60	4.24	6.86	5.31	8.57
50	10.15	19.20	12.69	24.00	4.88	7.67	6.10	9.59
51	11.09	20.42	13.87	25.52	5.64	8.59	7.06	10.73
52	12.18	21.73	15.22	27.15	6.51	9.65	8.14	12.06
53	13.39	23.16	16.74	28.94	7.51	10.85	9.40	13.56
54	14.77	24.71	18.47	30.88	8.69	12.19	10.86	15.24
55	16.32	26.40	20.41	32.99	10.04	13.70	12.54	17.13
56	18.08	28.26	22.60	35.32	11.56	15.38	14.45	19.23
57	20.05	30.31	25.06	37.89	13.31	17.25	16.63	21.57
58	22.26	32.55	27.83	40.70	15.27	19.34	19.10	24.17
59	24.76	35.05	30.95	43.81	17.52	21.63	21.91	27.04
60	27.57	37.82	34.47	47.27	20.05	24.15	25.06	30.19
61	30.75	40.90	38.43	51.12	22.89	26.93	28.61	33.66
62	34.36	44.35	42.96	55.44	26.08	29.96	32.59	37.45
63	38.46	48.22	48.07	60.28	29.65	33.29	37.06	41.61
64	40.44	50.68	50.54	63.35	31.07	35.01	38.84	43.77
65	22.94	28.39	28.67	35.48	15.95	17.97	19.93	22.47

\*Rates include 15% commission and stamp duty.

Base rates are white collar and are to be adjusted for occupational exposure as per the following table:

Occupation adjustment factors	
Professional	0.8
White collar	1
Light manual	1.5
Heavy manual (skilled)	1.75
Heavy manual (unskilled)	2.5

# Other information

## Trust deed

The Fund is governed by a trust deed and operated according to its terms by Australian Ethical Superannuation as trustee.

The trustee has a general power to amend the deed. Where the amendment may adversely affect your rights, the laws governing superannuation funds may require your prior written consent.

The trust deed, together with superannuation law and the general law of trusts, sets out the rules under which the Fund operates, including such matters as the remuneration of the trustee, maintenance of the Fund's accounts and other duties, as well as protecting your rights and interests. The trust deed also excuses the trustee from liability to investors except where it acts dishonestly or with a reckless or intentional disregard for the proper degree of diligence and care. In certain circumstances, Australian Ethical Superannuation Pty Ltd may be permitted or required to retire and the Fund may in some situations be wound up. Members (of all strategies) would participate in any wind-up in proportion to their interest in the Fund.

The trust deed provides that the liabilities of members will not exceed their interest in the Fund. However, the law in this area is uncertain and no absolute assurance can be given.

The trust deed is available from the trustee on request, or via the Australian Ethical website.

## Lost members

Under Australian Government regulations we record members as lost if at least two written communications sent by the Fund to a member's last known address are returned unclaimed. If this occurs then your benefit **may** be transferred to the eligible rollover fund.

## Eligible rollover fund

An eligible rollover fund is a fund established under superannuation law which accepts benefits of members who are lost. Benefits in the Australian Ethical Retail Superannuation Fund may be transferred to the eligible rollover fund if members become lost.

The trustee has determined that lost members with account balances of \$1000 or less will be transferred to the eligible rollover fund. Lost members with account balances of more than \$1000 will be transferred to the eligible rollover fund if they remain lost members for a period of five years – this may need to change if we remove minimum contribution levels.

Being transferred to an eligible rollover fund may effect your benefits because:

- you will cease to be a member of the Fund
- you will become a member of the Australian Eligible Rollover Fund and be subject to its governing rules
- the Australian Eligible Rollover Fund will apply a different fee structure
- if you hold insurance through the Fund, your insurance cover will cease when you are transferred to the Australian Eligible Rollover Fund.

A copy of the Australian Eligible Rollover Fund's product disclosure statement and more information about its fees and costs are available from:

### **Australian Eligible Rollover Fund**

Locked Bag 5429  
PARRAMATTA NSW 2124  
phone: 1800 677 424

## Superannuation and family law

Under the Family Law Act, superannuation entitlements can form property of a marriage. This means that, in the event of marriage breakdown, a member's superannuation account can be split and the spouse or former spouse of a member can receive:

- a new superannuation account in the fund, or
- an eligible termination payment that may be cashed (subject to meeting a condition of release) or rolled over.

Superannuation entitlements can be split either by a court order or an agreement (the agreement must meet legislative requirements). Also, a member, a member's spouse or someone who intends to enter into a superannuation agreement (for example, a pre-nuptial superannuation agreement) can request information from the super fund and the trustee must comply with the request. If a non-member requests the information and the request complies with legislative requirements, the trustee must not disclose to the member that the request has been made.

As the legislation is complex, we recommend that you seek professional advice from your legal adviser or the Family Court as to the consequences of separation and divorce on your superannuation interests. Please note that fees will apply to the administration of family law related entitlements – see Table 2 *Important additional disclosure items* on page 40.

## Anti-money laundering/counter-terrorist financing

The Australian Government has enacted anti-money laundering and counter terrorist financing legislation that applies to us. You should be aware that as part of our compliance with these laws:

- we will need to verify your identity
- transactions may be refused or delayed
- we may from time to time require additional information from you to enable a transaction to proceed.

You should also be aware that under the legislation we are required to disclose information about suspicious transactions to regulatory and/or law enforcement agencies.

You must not initiate, engage in or effect a transaction that may be in breach of Australian law, or the law of any other country.

## The auditor

We are required to appoint an auditor to the Fund. The auditor must be a registered auditor. The current auditor of the trustee is Thomas Davis & Co and the auditor of the Fund is PL Whiteman.

## Interests of the directors of the trustee

Currently, four of the five Australian Ethical Superannuation directors are also directors of the parent company, Australian Ethical Investment.

Directors of Australian Ethical Superannuation and/or Australian Ethical Investment:

- may have interests in the Fund
- may become directors of companies in whose shares or investment products the Australian Ethical investment trusts invest
- may own shares in companies in whom the Australian Ethical trusts may have share investments
- may have unitholdings in the Australian Ethical trusts
- may have, or may be associated with, companies who have shares and/or share options in Australian Ethical Investment Ltd

- may be associated with companies who provide services to Australian Ethical Investment and receive remuneration in that capacity. For example, James Thier and Howard Pender are also directors of the Centre for Australian Ethical Research, a non-profit entity which receives a service fee for providing ethical research
- may be employed by Australian Ethical Investment
- may provide consultancy services to Australian Ethical Superannuation or Australian Ethical Investment.

## Conflicts of interest

Australian Ethical Superannuation maintains a conflicts of interest policy and a conflicts of interest register to assist it to manage conflicts of interest.

One conflict recorded on the register is the relationship between Australian Ethical Superannuation (which as trustee is required to act in the best interest of members) and its parent company Australian Ethical Investment, which owes duties to its shareholders. Australian Ethical Investment provides services to Australian Ethical Superannuation and receives payment for those services. Two of the current Australian Ethical Superannuation directors hold shares in Australian Ethical Investment.

The trustee of the Fund manages this conflict in the following ways:

- Responsible Officers of the trustee are made aware through induction and training of the statutory and fiduciary obligations of the trustee to superannuation members under SIS and the trust deed
- the Australian Ethical Superannuation board acts as follows:
  - to ensure its solvency
  - in accordance with SIS covenants, the trust deed and the law; *and then*
  - in the interests of the Australian Ethical ‘group’ as a whole
- the Australian Ethical Superannuation board consists of an independent chair (who is not a director of Australian Ethical Investment) and has a majority of independent directors (who have no material personal interest in the financial performance of the parent company)
- the Australian Ethical board and its chief executive officer are required to ensure that advice to the trustee board is balanced and canvasses carefully pros and cons of alternative courses of actions, particularly where that advice may impact of the relationship between Australian Ethical Superannuation and Australian Ethical Investment
- trustee directors (and in particular the chair) are cognisant of the trustee’s power to seek external, independent professional advice under the trust deed (clause 8.3(d)) in situations where they are concerned about potential conflicts of interest with the parent company, where such conflicts could operate to the detriment of superannuation members
- disclosures about the parent/subsidiary relationship are to be included in the Product Disclosure Statement.

## Consents

The Centre for Australian Ethical Research Pty Ltd has given written consent to be named in this Product Disclosure Statement in the form and context in which it is included and such consent has not been withdrawn before this document was issued.

The Centre for Australian Ethical Research Pty Limited has given written consent to the inclusion of investment profiles based on information provided by the Centre for Australian Ethical Research Pty Ltd in the form and context in which the statements are included and has not withdrawn this consent before the issue of this statement.

The Centre for Australian Ethical Research takes no responsibility for any other part of this Product Disclosure Statement nor has it authorised or caused the issue of this Product Disclosure Statement.

Thomas Davis & Co as auditor of the trustee, and PL Whiteman as auditor of the Fund, have given written consent to be named in this Product Disclosure Statement in the context in which they are included and have not withdrawn such consent before this document was issued.

The re-insurer for the Fund, TOWER, has given written consent to the inclusion of statements made in this Product Disclosure Statement in the form and context in which the statements are included and has not withdrawn this consent before the issue of this statement. TOWER takes no responsibility for any other part of this Product Disclosure Statement nor has it authorised or caused the issue of this Product Disclosure Statement.

Australian Ethical Investment Ltd has given written consent to the inclusion of statements made in this Product Disclosure Statement in the form and context in which the statements are included and has not withdrawn this consent before the issue of this statement. Australian Ethical Investment Ltd takes no responsibility for any other part of this Product Disclosure Statement nor has it authorised or caused the issue of this Product Disclosure Statement.

Neither Thomas Davis & Co, PL Whiteman, TOWER Life Limited or Australian Ethical Investment make any statement in this Product Disclosure Statement nor does any statement in this Product Disclosure Statement purport to be based on a statement by them. They take no responsibility for any part of this Product Disclosure Statement nor have they authorised or caused the issue of this Product Disclosure Statement.

# How to invest or roll over

When you apply to join, indicate on the application form which investment strategy or strategies you would like to invest in. You may change these instructions at any time. Investment instruction/switch forms are contained in this Product Disclosure Statement and are available on the Australian Ethical website. When your monies are invested, reinvested or switched, the trustee may deduct the new member and contribution fees and buy-sell spread (if applicable) and taxes described in the *Fees and other costs* section. Similarly, when meeting your withdrawal request, the trustee may deduct the withdrawal fees described in the *Fees and other costs* section.

**If you do not nominate your selection of investment strategies on the application form, your funds will be invested in the Australian Ethical Balanced Strategy.**

Should you decide to invest with us, you should keep this Product Disclosure Statement, together with any information we send to you - for example, any member investment information or statements, future brochures, and any other statements or notices you receive from us - for future reference when making any transactions or switching between strategies.

**Note that for a limited period of time you have cooling off rights if you change your mind after investing with us – please refer to page 34 of this Product Disclosure Statement for full details.**

## Application forms

Please note that we accept only original application forms (Forms A and B) torn from the Product Disclosure Statement or those printed from electronic statements supplied by us. Only original forms posted to us will be accepted. If you require more copies of this Product Disclosure Statement please contact us.

## Joining the Fund – accumulation and rollover

You should:

- 1 Read this Product Disclosure Statement. If you have any queries speak to your adviser or contact us.
- 2 Complete and sign the Accumulation and Rollover Application for Membership (Form A).
- 3 If you have superannuation benefits held by other funds that you wish to transfer to Australian Ethical Superannuation, please complete Form D or contact us for more information.
- 4 Attach a cheque (or Direct Debit Request – Form E). If you are sending a cheque and this is a spouse contribution or you are self-employed, complete and sign the Personal Contribution Remittance Advice form (Form G).
- 5 Forward the application and all other items to your adviser or to Australian Ethical Superannuation at the address indicated on the inside back cover.

Once you have been accepted into the Fund, you will receive notification in writing of your member number, followed shortly by confirmation of your initial investment.

## Account based income stream applicants

If you wish to commence an account based income stream you should:

- 1 Read this Product Disclosure Statement. If you have any queries speak to your adviser or contact us.
- 2 If the money to start your account based income stream is not coming from an existing superannuation fund then complete both Forms A and B and include a cheque to establish the account.
- 3 If you are starting your income stream with money from another superannuation fund, complete Form B only and then either arrange for the other fund to send a cheque to us or complete the whole balance transfer authority (Form D).
- 4 If you would like your income stream to be paid directly to your bank account, complete the payment instructions on the application form.
- 5 Obtain and complete a tax file number declaration application, available from your adviser or any post office, and include it with your application.
- 6 Forward the application and all other items to your adviser or to Australian Ethical Superannuation at the address indicated on the form

If you are not an existing member of the Fund, you will receive notification in writing of your member number. Applicants will also receive confirmation of their investment followed shortly thereafter by your income stream details for the first year. Please note that income streams commenced during the year will be paid on a pro rata basis to the next 30 June.

## Rolling over money from another superannuation fund

If you are not a member of our Fund, complete the Accumulation and rollover application for membership (Form A) and the whole balance transfer authority (Form D).

If you are an existing member complete the Transfer Authority (Form D).

Forward completed forms to Australian Ethical Superannuation at the address indicated on the inside back cover.

## Employer contributors

You can pay superannuation contributions to the Fund for one or more of your employees.

If this is the case you should:

- 1 Ensure that the employees for whom you will contribute have a copy of this Product Disclosure Statement.
- 2 Complete and sign the Employer Contribution Application form (Form C).
- 3 Ensure that each employee for whom you are contributing signs an Accumulation and Rollover Application for Membership (Form A). If the Fund does not receive an Accumulation and Rollover Application for Membership (Form A) for your employee within 30 days of receiving a contribution, we will not accept any further contributions for that employee and will need to return any contributions received for that employee to the employer.
- 4 Complete and send the Employer Contributions Remittance Advice (Form F).
- 5 Attach a cheque (or Direct Debit Request – Form E) for investment.
- 6 Forward the application and all other items to your adviser or to Australian Ethical Superannuation at the address indicated on the inside back cover.

We will notify you in writing of your employer sponsor code. Employees will receive notice of employer contributions as part of their half-yearly reports.

## Cheques

Cheques should be made payable to Australian Ethical Superannuation Fund (for [insert your name here]) and crossed *Not negotiable*.

## Switching from one strategy to another

If you wish to switch your existing superannuation account (or part of it) to a different investment strategy and/or change the investment strategy for some or all future contributions, please complete Form H and send it to Australian Ethical Superannuation at the address indicated on the form or fax to 02 6201 1959.

## Changing your details

If your personal details change, you should notify us in writing, including a copy of any relevant documents, so we can update our records. Form I can be used to make changes to some account details. To protect the security of your investment, we will not accept notice of these changes by phone or email. They must be in writing, accompanied by your signature, and sent to Australian Ethical Superannuation, see inside back cover or fax to 02 6201 1959. Please quote your member number on all correspondence.

## Privacy

We use personal information about you to administer your investment and also to conduct research.

Information may pass between Australian Ethical Superannuation Pty Ltd and its parent company, Australian Ethical Investment Ltd. Information will also be provided to our service providers as necessary to administer your account. Otherwise we will not tell anyone any information that we have about you unless:

- your member number is quoted (see *Keeping your investment secure*, page 36)
- the law requires it
- your authorised adviser needs the information or
- we, or someone from our group, needs it to send promotional material to you. If you do not want this, contact us at any time.

You can always access the personal information we hold about you – simply contact us. We collect, store and use the information that members provide on their application form and in other communications they may have with us. The information that members give us is used for a variety of purposes. We use information primarily to administer member accounts. However, it may also be used for other purposes, including general correspondence with members, their advisers or other authorised representatives, as well as for administrative or market analysis and product development.

Please visit the Australian Ethical website or contact us if you would like a copy of our privacy policy.

# Application form declaration

## *Eligibility to contribute*

- 1 I have read this Product Disclosure Statement and confirm that I have understood the accumulation and rollover rules and am eligible to contribute to the Fund.
- 2 If I am making contributions on behalf of my spouse, I confirm that my spouse is a person who is eligible to receive contributions.

## *This is an informed decision*

- 3 I have read the Product Disclosure Statement to which this application applies and agree to the offer contained in it and to be bound by the provisions of the trust deed governing the Fund.
- 4 If I have received the Product Disclosure Statement from the internet or by other electronic means, I declare that I have received it personally, or a print-out of it, accompanied by or attached to the application form before making this declaration.
- 5 I understand the nature of risk attached to the investments I am applying for and acknowledge that neither the trustee, custodian, administrator nor any of the managers of the funds underlying the investment strategies nor the trust deed of the Fund guarantee a return of capital or the performance of my investment.
- 6 I acknowledge that no representation has been made to me by or on behalf of the trustee other than those contained in the Product Disclosure Statement to which this application is attached.

## *Use of my information*

- 7 The details of my investments including any information I provide can be provided to the dealer group or adviser I have indicated on the application form.
- 8 I consent to my information being used and/or disclosed as stated on page 66 of this Product Disclosure Statement.

## *Payments to my adviser*

- 9 I hereby authorise the adviser remuneration or commission indicated in my application until I give you further notice.
- 10 If this application is made through a financial adviser and I have authorised the adviser to receive payment by way of an ongoing adviser service fee, I understand this fee may be paid from the deduction of monies from my investment.

## *My instructions to the trustee*

- 11 If this application is signed by me under a power of attorney, I declare that I have not received notice of revocation of that power and I hereby supply a certified copy of the power of attorney.
- 12 Future investments are to be made into the most recent investment strategy/strategies I have selected unless I instruct you otherwise.
- 13 Where I nominate a beneficiary, I understand that the terms of the trust deed governing the Fund allow the benefit in the event of my death to be paid to any one or more of my dependants (including spouse, bona fide de facto spouse, any child including an adopted child, stepchild or an ex-nuptial child) or my personal legal representative as the trustee shall in its absolute discretion determine. I would like the trustee to know that, when exercising its discretion, if it were my decision I would distribute the benefit to the person or between the people in the proportions I have set out on the application form.
- 14 I undertake to advise the trustee promptly of any changes to the information I have provided in this application, including changes to **my address** and **my employment status**.
- 15 All the details in my application are true and correct.
- 16 I received and accepted this offer in Australia.
- 17 I acknowledge that the trustee has the right to reject any applications, contribution or rollovers.

## Key words explained

Key words used in this Product Disclosure Statement are explained below.

**account based income stream** A flexible post-retirement (or, in some circumstances, pre-retirement) arrangement which allows you to draw on your superannuation benefits in regular payments that you choose based on a percentage of your account balance and a factor applying to your age.

**accumulation fund** A superannuation fund where the benefit a member receives is the total of contributions to the fund plus earnings on those contributions, minus fees, charges, expenses and tax.

**administrator** The company which administers member records and processes applications. Full details of the current administrator of the Fund are on the Australian Ethical website.

**Australian Ethical Investment** Australian Ethical Investment Ltd.

**Australian Ethical Superannuation** Australian Ethical Superannuation Pty Ltd.

**Australian Prudential Regulation Authority (APRA)** The controlling regulatory authority for superannuation funds in Australia.

**Australian Securities and Investments Commission (ASIC)** The regulatory authority for financial services in Australia.

**average weekly ordinary time earnings (AWOTE)** A measure of wage and salary levels of employees in Australia.

**benefit** The amount of money in the superannuation fund to which the member is entitled.

**buy-sell spread** The difference between the price at which you can buy an asset and the price at which you can sell it. A measure of transaction costs.

**custodian** An entity which holds assets on behalf of the trustee of a superannuation fund. Full details of the current custodian for the Fund are on the Australian Ethical website.

**derivatives** Investment products whose value is derived from other assets. For example, futures, options, swaps and warrants.

**direct investment** An investment made directly to the Fund, not through an adviser.

**the Fund** Australian Ethical Retail Superannuation Fund.

**indexed to inflation** Adjusted according to the consumer price index, applying from 1 July each year.

**lump sum** A benefit taken as a single payment, rather than as an income stream.

**market capitalisation** A measure of the size of a company. It is the product of multiplying its share price by the total number of shares on issue.

**member** An individual with an account in the Fund.

**post-June 1983 component** That part of an eligible termination payment which relates to eligible service after 30 June 1983.

**Product Disclosure Statement** A legally required document describing a financial product. Formerly known as a prospectus.

**rollover** the transfer of funds between one superannuation fund to another.

**strategy** A strategy is an investment option. Australian Ethical Superannuation offers five strategies for both accumulation/rollover and income stream accounts, each with a different risk and return characteristic. When you join the Fund you will select the strategy or strategies which best suit your investment needs and objectives.

**substantially self-employed** An individual who receives some income from one or more employers but where the total income from that employment is less than 10% of their assessable income.

**superannuation guarantee** Legislation which requires employers to provide a minimum level of superannuation for most employees.

***Superannuation Industry (Supervision) Act 1993 and Regulations*** The main body of legislation governing the operation of superannuation funds.

**trust deed** The legal document governing the operation of the Fund. A copy is available for inspection by members at the trustee's office or from the Australian Ethical website.

**trustee** The trustee of the Fund is Australian Ethical Superannuation Pty Ltd.

**unit trust** A form of pooled savings. Much of the money invested in this Fund will be invested in public unit trusts managed by Australian Ethical Superannuation's parent company, Australian Ethical Investment Ltd.

**unlisted company** A company whose shares are not listed for trade on a stock exchange or securities market. Usually a small company or a company with a relatively small number of shareholders.

# Helpful contacts

## Ethical Investment Association

web: [www.eia.org.au](http://www.eia.org.au)

## Australian Securities and Investments Commission (ASIC)

phone: 1300 300 630

web: [www.asic.gov.au](http://www.asic.gov.au)

Visit this website to confirm accreditation of financial advisers or for general information regarding advice and complaints about advisers, government policy and procedures.

## Australian Taxation Office

superannuation infoline: 13 10 20

web: [www.ato.gov.au](http://www.ato.gov.au)

The tax office has general information regarding superannuation and taxation. It also has a service for locating lost superannuation.

## [www.findmysuper.com.au](http://www.findmysuper.com.au)

You can also use this commercial website to find missing superannuation.

## Australian Prudential Regulation Authority (APRA)

phone: 1300 131 060

web: [www.apra.gov.au](http://www.apra.gov.au)

Call the authority if you have any questions regarding the regulations of banks, insurance companies and superannuation funds, credit unions, building societies and friendly societies.

## Association of Superannuation Funds of Australia (ASFA)

web: [www.asfa.asn.au](http://www.asfa.asn.au)

This is the peak industry body established for Australia's superannuation funds, their trustees and their members. They have helpful information about contributions in the *ASFA Super Guru* section of their website.

# Accumulation and rollover

## Application for membership

### Personal details

Title Surname

First name(s)

Postal address

City/ suburb State Postcode

Phone (business hours) Mobile Fax

Email

Sex Date of birth

Occupation Employer's phone number

Employer name (If employer is contributing)

Please tick if the Australian Ethical Superannuation Fund is nominated as the default fund for employer contributions.

### Initial payment details (tick box)

Personal contribution  Rollover payment  Spouse contribution   
(Also complete form G.)

Employer contribution  Self-employed contribution   
(Also complete form G.)

### Nominated dependants/ beneficiaries

Note: Dependant in relation to a person, includes the spouse and any child of the person. If you wish to elect otherwise please seek legal advice.

Name <input type="text"/>	Relationship <input type="text"/>	% <input type="text"/>
Name <input type="text"/>	Relationship <input type="text"/>	% <input type="text"/>
Name <input type="text"/>	Relationship <input type="text"/>	% <input type="text"/>
		Total % <input type="text"/>

### Insurance

Yes, I do wish to apply for insurance cover, please provide me with further details.  
 Note: Insurance cover is optional.

# Accumulation and rollover

## Application for membership (continued)

### Tax file number (TFN) or exemption

Tax file number

It is not compulsory to quote your Tax File Number. However, if you do not do so and do not tell us you are exempt from quoting it, we will be required to deduct tax at the highest marginal rate plus the Medicare Levy from any withdrawals.

Tax file number exemption details

Exemptions: Government Pensioner - write name of pension  
 Non-resident - write down your country of residence  
 Other - write 'other' and type of exemption.

(For further information on tax file numbers, see Section 10 of this document.)

### Investments

Please indicate your selection of an investment strategy or spread of strategies. This section will apply to all funds invested until we are notified otherwise. If no nomination is made, your funds will be invested in the Australian Ethical Balanced Strategy. If unsure consult your financial adviser.

Strategy	Percentage %
Australian Ethical Balanced Strategy	<input type="text"/> <input type="text"/> <input type="text"/>
Australian Ethical Equities Strategy	<input type="text"/> <input type="text"/> <input type="text"/>
Australian Ethical Large Companies Share Strategy	<input type="text"/> <input type="text"/> <input type="text"/>
Australian Ethical World Strategy	<input type="text"/> <input type="text"/> <input type="text"/>
Australian Ethical Income Strategy	<input type="text"/> <input type="text"/> <input type="text"/>

### Declaration

I have read the declarations and conditions on page 67 and I hereby confirm that I understand and accept them.

**Signature**  **Date** / /

Cheques should be made payable to Australian Ethical Superannuation Fund (for [insert your name here]), crossed 'not negotiable' and forwarded to Australian Ethical Superannuation Fund PO Box 1916 WOLLONGONG NSW 2500.

### Adviser information (to be completed by the investment adviser, if applicable)

#### Adviser use only

Adviser's name

Date / /  Adviser's signature

Dealer stamp

#### Commission details

Contribution fee commission (contributions)	Contribution fee commission (transfer in)	Please tick	Trailing % pa (please circle option)
<input type="text"/> . <input type="text"/> <input type="text"/> %	<input type="text"/> . <input type="text"/> <input type="text"/> %	<input type="checkbox"/> Default	<input type="text"/> nil% <input type="text"/> 0.2% <input type="text"/> 0.4% <input type="text"/> 0.6% <input type="text"/> 0.8% <input type="text"/> 1.0%
<input type="text"/> . <input type="text"/> <input type="text"/> %	<input type="text"/> . <input type="text"/> <input type="text"/> %	<input type="checkbox"/> Other	Note: Default fee is nil%

For GST information please refer to page 41 in this short form PDS.

**Pension**

**Application for membership**

**Personal details**

Title  Surname

First name(s)  Convert current account? Y/N

Postal address

City/ suburb  State  Postcode

Phone (business hours)  Mobile  Fax

Email

Sex  Date of birth  Please provide the date you were last employed  AES member number

**Pension payments**

**Frequency:** I wish to be paid my pension:  Monthly  Quarterly  Half yearly  Annually

**Pension amount:**  Minimum  Other \$

**Payment Instructions:** Please pay my pension to the following account, commencing on  1  5 /  /

Name of bank

Branch address  Branch suburb

State  Postcode  Account name

Branch (BSB) number  Account number

I have reached my preservation age and I am applying for a pre-retirement pension (please tick).

**Initial contribution details or rollover details**

Spouse contribution \$  Personal contribution \$

If you wish to rollover funds from another account(s), please fill in the following details. If you do not know the amount of your rollover(s), please provide an estimate.

Rollover institution name  Expected amount \$

Rollover institution name  Expected amount \$

Rollover institution name  Expected amount \$

**Please note:** Your licensed financial adviser may elect to charge a fee on the transfer of your existing account.

**Pension**

**Application for membership (continued)**

NOTE: You need to also complete a tax file number declaration and include it with this application.

**Beneficiary details**

If you wish, you can elect for a beneficiary to receive the funds in your account in the event of your death. Any person you select must be your spouse, a child or other dependant of yours. You can also elect that the beneficiary be a reversionary beneficiary.

Title	Surname	First name(s)
<input type="text"/>	<input type="text"/>	<input type="text"/>
Sex	Date of birth	Relationship to the investor
<input type="text"/>	<input type="text"/>	<input type="text"/>
		I wish the beneficiary to be a reversionary beneficiary. <input type="checkbox"/>

If you wish the beneficiary to be reversionary, this election must be done at the commencement of your pension and cannot be changed. If you are not selecting a reversionary beneficiary, you can select more than one beneficiary. If you wish to do this, please attach further details of these additional beneficiaries (including details of the percentage interest you want each beneficiary to receive).

**Tax file number (TFN) or exemption**

Tax file number

Tax file number exemption details

It is not compulsory to quote your Tax File Number. However, if you do not do so and do not tell us you are exempt from quoting it, we will be required to deduct tax at the highest marginal rate plus the Medicare Levy from any withdrawals.

Exemptions: Government Pensioner - write name of pension  
 Non-resident - write down your country of residence  
 Other - write 'other' and type of exemption.

(For further information on tax file numbers, see Section 10 of this document.)

**Investments**

Please indicate your selection of an investment strategy or spread of strategies. If no nomination is made, your funds will be invested in the Australian Ethical Balanced Strategy. If unsure consult your financial adviser.

Strategy	Percentage %	Strategy	Percentage %
Australian Ethical Balanced Strategy	<input type="text"/> <input type="text"/> <input type="text"/>	Australian Ethical Large Companies Share Strategy	<input type="text"/> <input type="text"/> <input type="text"/>
Australian Ethical Equities Strategy	<input type="text"/> <input type="text"/> <input type="text"/>	Australian Ethical World Strategy	<input type="text"/> <input type="text"/> <input type="text"/>
		Australian Ethical Income Strategy	<input type="text"/> <input type="text"/> <input type="text"/>

**Declaration**

I have read the declarations and conditions on page 67 and I hereby confirm that I understand and accept them.

<b>Signature</b>	<b>Date</b>	Cheques should be made payable to Australian Ethical Superannuation Fund (for [insert your name here]), crossed 'not negotiable' and forwarded to Australian Ethical Superannuation Fund PO Box 1916 WOLLONGONG NSW 2500.
<input type="text"/>	<input type="text"/>	

**Adviser information (to be completed by the investment adviser, if applicable)**

**Adviser use only**

Adviser's name

Date   /   /

Adviser's signature

Dealer stamp

**Commission details**

Contribution fee commission (contributions)	Contribution fee commission (transfer in)	Please tick	Trailing % pa (please circle option)
<input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> %	<input type="checkbox"/> Default	<input type="text"/> nil% <input type="text"/> 0.2% <input type="text"/> 0.4% <input type="text"/> 0.6% <input type="text"/> 0.8% <input type="text"/> 1.0%
<input type="text"/> <input type="text"/> <input type="text"/> %	<input type="text"/> <input type="text"/> <input type="text"/> %	<input type="checkbox"/> Other	Note: Default fee is nil%

For GST information please refer to page 41 in this Short Form PDS.

## Employer application

## Employer details

Employer name

Business address

Business suburb

State

Postcode



Postal address

City/ suburb

State

Postcode



Phone (business hours)

Fax

Email

## Contact person

Title

Surname

First Name(s)

 Please tick if the Australian Ethical Superannuation Fund is nominated as the default fund for employer contributions.

## Declaration

I have read the declarations and conditions on page 67 and I hereby confirm that I understand and accept them.

Signature

Date



## Adviser information (to be completed by the licensed financial adviser, if applicable)

## Adviser use only

Adviser's name

Date

Adviser's signature




## Commission details

Contribution fee  
commission  
(contributions)Contribution fee  
commission  
(transfer in)

Please tick

Trailing % pa (please circle option)

 .   %

 .   %

 Default

 nil%    0.2%    0.4%    0.6%    0.8%    1.0%

 .   %

 .   %

 Other

Note: Default fee is Nil%

For GST information please refer to page 41 in the PDS.

Cheques should be made payable to Australian Ethical Superannuation Fund, crossed 'not negotiable' and forwarded to Australian Ethical Superannuation Fund PO Box 1916 WOLLONGONG NSW 2500.

# Whole balance transfer authority

## Form completion information

By completing this form, you will request the transfer of the WHOLE balance of your superannuation benefits between funds.

This form can NOT be used to transfer part of the balance of your superannuation benefits.

This form will NOT change the fund to which your employer pays your contributions. The Standard Choice Form must be used by you to change funds.

### Before completing this form

- Read the important information below.
- Check that Australian Ethical Superannuation can accept this transfer.

### When completing this form

- Refer to these instructions where a question shows a message like this: **△**
- Print clearly in BLOCK LETTERS.

### After completing this form

- Sign the authorisation.
- Attach the appropriately certified proof of identity documents.
- Send the request form to your fund.

### Important information

This transfer may close your account (you will need to check this with your FROM fund).

### This form can NOT be used to:

- transfer part of the balance of your superannuation benefits
- transfer benefits if you don't know where your superannuation is
- transfer benefits from multiple funds on this one form – a separate form must be completed for each fund you wish to transfer superannuation from
- change the fund to which your employer pays contributions on your behalf
- open a superannuation account, or
- transfer benefits under certain conditions or circumstances, for example if there is a superannuation agreement under the *Family Law Act 1975* in place.

### What happens to my future employer contributions?

Using this form to transfer your benefits will not change the fund to which your employer pays your contributions and may close the account you are transferring your benefits FROM.

If you wish to change the fund into which your contributions are being paid, you will need to speak to your employer about Choice. For the appropriate forms and information about whether you are eligible to choose the fund to which your employer contributions are made, visit [www.superchoice.gov.au](http://www.superchoice.gov.au) or call the Tax Office on **13 10 20**.

### Things you need to consider when transferring your superannuation

When you transfer your superannuation, your entitlements under that fund may cease. You need to consider all relevant information before you make a decision to transfer your superannuation. If you ask for information, your superannuation provider must give it to you. Some of the points you may consider are:

- **fees** – your FROM fund must give you information about any exit or withdrawal fees. If you are not aware of the fees that may apply, you should contact your fund for further information before completing this form. The fees could include administration fees as well as exit or withdrawal fees. Please refer to *Fees and other costs* in this Short Form PDS for details on Australian Ethical's fees.
- **death and disability benefits** – your FROM fund may insure you against death, illness or an accident which leaves you unable to return to work. If you choose to leave your current fund, you may lose any insurance entitlements you have. Please see *Insurance Options* in this Short Form PDS for details on Australian Ethical's insurance benefits.

If you require additional information about superannuation, you may wish to visit the Australian Securities and Investments Commission website [www.fido.asic.gov.au](http://www.fido.asic.gov.au).

### **△** What happens if I do not quote my tax file number (TFN)?

You are not obligated to provide your TFN to your superannuation fund. However, if you do not provide your TFN, you will be taxed at the highest marginal tax rate plus the Medicare levy, compared to the concessional tax rate of 15%.

If your superannuation fund does not have your TFN, you will not be able to make personal contributions to your superannuation account. Choosing to quote your TFN will also make it easier to keep track of your superannuation in the future.

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

### **△** Completing proof of identity

You will need to provide documentation with this transfer request to prove you are the person to whom the superannuation entitlements belong.

### Acceptable documents

The following documents may be used.

EITHER

#### One of the following documents only:

- driver's licence issued under State or Territory law
- passport

OR

#### One of the following documents:

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

AND

#### One of the following documents:

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

### Have you changed your name or are you signing on behalf of another person?

If you have changed your name or are signing on behalf of the applicant, you will need to provide a linking document. A linking document is a document that proves a relationship exists between two (or more) names.

The following table contains information about suitable linking documents.

Purpose	Suitable linking documents
Change of name	Marriage certificate, deed poll or change of name certificate from the Birth, Deaths and Marriages Registration Office.
Signed on behalf of the applicant	Guardianship papers or Power of Attorney.

### Certification of personal documents

All copied pages of ORIGINAL proof of identification documents (including any linking documents) need to be certified as true copies by any individual approved to do so (see below).

The person who is authorised to certify documents must sight the original and the copy and make sure both documents are identical, then make sure all pages have been certified as true copies by writing or stamping 'certified true copy' followed by their signature, printed name, qualification (eg Justice of the Peace, Australia Post employee, etc) and date.

The following can certify copies of the originals as **true and correct** copies:

- a permanent employee of Australia Post with five or more years of continuous service
- a finance company officer with five or more years of continuous service (with one or more finance companies)
- an officer with, or authorised representative of, a holder of an Australian Financial Services Licence (AFSL), having five or more years continuous service with one or more licensees
- a notary public officer
- a police officer
- a registrar or deputy registrar of a court
- a Justice of the Peace
- a person enrolled on the roll of a State or Territory Supreme Court or the High Court of Australia, as a legal practitioner
- an Australian consular officer or an Australian diplomatic officer
- a judge of a court
- a magistrate, or
- a chief executive officer of a commonwealth court.

### **△** What to do now?

Send this form to either fund. If you need help completing this form, please contact the Tax Office on **13 10 20**.

**Whole balance transfer authority**  
**Request to transfer all benefits between funds**

If you wish to transfer benefits from another super or rollover fund to the Australian Ethical Superannuation Fund (SFN 4794/449/82 SPIN AET0100AU), please complete this form and return it to **Australian Ethical Superannuation Fund**, PO Box 1916 WOLLONGONG NSW 2500.

To help you complete this form, read the information on page 64, and refer to these instructions where indicated by a  $\Delta$ .

**Personal details**

Title	Surname	Member number
<input type="text"/>	<input type="text"/>	<input type="text"/>

First name(s)

Other/ previous names

Tax file number	Sex
<input type="text"/>	<input type="text"/>

**NB:** Under the *Superannuation Industry (Supervision) Act 1993*, you are not obliged to disclose your tax file number, but there may be tax consequences.  $\Delta$  See 'What happens if I do not quote my tax file number?'

Date of birth	Phone (business hours)	Mobile
<input type="text"/>	<input type="text"/>	<input type="text"/>

Residential address

City/ suburb	State	Postcode
<input type="text"/>	<input type="text"/>	<input type="text"/>

$\Delta$  If you know that the address held by your FROM fund is different to your current residential address please give details below.

Previous address

City/ suburb	State	Postcode
<input type="text"/>	<input type="text"/>	<input type="text"/>

**Details of fund to be transferred**

Name of superannuation fund transferring FROM

Fund phone	Membership or account number	Superannuation Product Identification Number (SPIN)
<input type="text"/>	<input type="text"/>	<input type="text"/>

If you have multiple account numbers with this fund, you must complete a separate form for each account you wish to transfer.

Name of superannuation fund transferring TO

Fund telephone	Membership or account number	Superannuation Product Identification Number (SPIN)
1300 134 337	<input type="text"/>	AET0100AU

You must check with Australian Ethical to ensure we can accept this transfer.

**Whole balance transfer authority****Request to transfer all benefits between funds (continued)****Proof of identity**[△ See 'Completing proof of identity'](#) I have attached a certified copy of my driver's license or passport**OR**

I have attached certified copies of both:

 birth/ citizenship certificate or Centrelink pension card**AND** Centrelink payment letter or government notice (<1 year old) with my name and address.**Instruction to the trustee of the transferring fund**

I/ we hereby request that you transfer the total value of the FROM superannuation fund to the **Australian Ethical Superannuation Fund**, a fund which satisfies the requirements of the *Superannuation Industry (Supervision) Act 1993* and for which the regulator has not issued a direction under *Section 63* to cease accepting contributions.

Please provide all relevant information to the trustee, Australian Ethical Superannuation Pty Ltd (ABN 43 079 259 733) and forward your cheque payable to:

**Australian Ethical Superannuation Fund** – (Name of member)

Please send the cheque and transfer information to:

**Australian Ethical Superannuation Fund**  
PO Box 1916  
WOLLONGONG NSW 2500

**Authorisation**

By signing this request form I am making the following statements:

- I declare I have fully read this form and the information completed is true and correct.
- I am aware I may ask my superannuation provider for information on the effect this transfer may have on my benefits, and do not require any further information.
- I discharge the superannuation provider of my **FROM** fund of all further liability in respect of the benefits paid and transferred to my **TO** fund.

I request and consent to the transfer of superannuation as described above and authorise the superannuation provider of each fund to give effect to this transfer.

**Signature**

I consent to the collection and use of the above information by the Trustee for the purposes specified.

Signature

Date

**IN-CONFIDENCE – when completed****You must post this form. Do not fax.**

**Direct debit form**

**Direct debit request**

**Member/ company details**

Surname or company name

[Grid of 30 boxes for Surname or company name]

First names or ABN

[Grid of 30 boxes for First names or ABN]

Contribution type

Member number

[Grid of 30 boxes for Contribution type] [Grid of 10 boxes for Member number]

Request and authorise **Australian Ethical Superannuation Pty Ltd & User ID: 365161** to arrange, through its own financial institution, a debt to your nominated account any amount Australian Ethical Superannuation Pty Ltd has deemed payable by you.

This debit or charge will be made through the Bulk Electronic Clearing System (BECS) from your account held at the financial institution you have nominated below and will be subject to the terms and conditions of the Direct Debit Request Service Agreement.

**Direct debit account**

Account name

[Grid of 30 boxes for Account name]

Account number

Bank BSB

Bank

Branch

[Grid of 10 boxes for Account number] [Grid of 3 boxes for Bank BSB] [Grid of 6 boxes for Bank] [Grid of 11 boxes for Branch]

**Payment details**

The amount to be debited at any one time is \$ [Grid of 4 boxes]  New request  Amended request

Amount in words [Grid of 30 boxes]

The first debit may be made on the 15th day of [Grid of 6 boxes] and at monthly intervals after that

or

The first debit may be made on  15th Mar  15th June  15th Sep  15th Dec and at quarterly intervals after that (please circle).

**Acknowledgement**

By signing and/ or providing us with a valid instruction in respect to your Direct Debit Request, you have understood and agreed to the terms and conditions governing the debit arrangements between you and Australian Ethical Superannuation Pty Ltd as set out in this Request and in your Direct Debit Request Service Agreement.

**Signature**

If signing for a company, sign and print full name and capacity for signing, for example 'director'.

Signature

Date

[Signature line]

[Date line: / / ]

Address

[Grid of 30 boxes for Address line 1]

[Grid of 30 boxes for Address line 2]

For employer contributions please complete Form F. If you have any queries regarding this form please call Australian Ethical Superannuation Pty Ltd on 1300 134 337. When completed, return to: Australian Ethical Superannuation, PO Box 1916 Wollongong NSW 2500.

# Direct debit request Service agreement

The following is your direct debit service agreement with **Australian Ethical Superannuation Pty Ltd – ABN: 43 079 259 733**. The agreement is designed to explain what your obligations are when undertaking a direct debit arrangement with us. It also details what our obligations are to you as your direct debit provider.

We recommend you keep this agreement in a safe place for future reference. It forms part of the terms and conditions of your direct debit request (DDR) and should be read in conjunction with your DDR form.

## Definitions

*account* means the account held at *your financial institution* from which we are authorised to arrange for funds to be debited.

*agreement* means this direct debit request service agreement between you and us.

*banking day* means a day other than a Saturday or a Sunday or a public holiday listed throughout Australia.

*debit day* means the day that payment by you to us is due.

*debit payment* means a particular transaction where a debit is made.

*direct debit request* means the direct debit request between us and you.

*us or we* means **Australian Ethical Superannuation Pty Ltd**, (the debit user) you have authorised by requesting a *direct debit request*.

*you* means the customer who has signed or authorised by other means the *direct debit request*.

*your financial institution* means the financial institution nominated by you on the DDR at which the *account* is maintained.

## 1. Debiting your account

1.1 By signing a *direct debit request* or by providing us with a valid instruction, you have authorised us to arrange for funds to be debited from your *account*. You should refer to the *direct debit request* and this agreement for the terms of the arrangement between us and you.

1.2 We will only arrange for funds to be debited from your *account* as authorised in the *direct debit request*.

or

We will only arrange for funds to be debited from your *account* if we have sent to the address nominated by you in the *direct debit request*, a billing advice which specifies the amount payable by you to us and when it is due.

1.3 If the *debit day* falls on a day that is not a *banking day*, we may direct your *financial institution* to debit your *account* on the following *banking day*. If you are unsure about which day your *account* has or will be debited you should ask your *financial institution*.

## 2. Changes by us

2.1 We may vary any details of this *agreement* or a *direct debit request* at any time by giving you at least fourteen (14) days written notice.

## 3. Changes by you

3.1 You may change, stop or defer a debit payment, or terminate this agreement by providing us with at least fourteen (14) days notification by writing to:

**Australian Ethical Superannuation Pty Ltd**  
**PO Box 1916**  
**Wollongong NSW 2500.**

or

by telephoning us on 1300 134 337 during business hours;

or

arranging it through your own financial institution.

## 4. Your obligations

4.1 It is your responsibility to ensure that there are sufficient clear funds available in your *account* to allow a *debit payment* to be made in accordance with the *direct debit request*.

4.2 If there are insufficient clear funds in your *account* to meet a *debit payment*:

- (a) you may be charged a fee and/or interest by your *financial institution*
- (b) you may also incur fees or charges imposed or incurred by us and

(c) you must arrange for the *debit payment* to be made by another method or arrange for sufficient clear funds to be in your *account* by an agreed time so that we can process the *debit payment*.

4.3 You should check your *account* statement to verify that the amounts debited from your *account* are correct.

4.4 If **Australian Ethical Superannuation Pty Ltd** is liable to pay goods and services tax ('GST') on a supply made in connection with this *agreement*, then you agree to pay **Australian Ethical Superannuation Pty Ltd** on demand an amount equal to the consideration payable for the supply multiplied by the prevailing GST rate.

## 5. Dispute

5.1 If you believe that there has been an error in debiting your *account*, you should notify us directly on 1300 134 337 and confirm that notice in writing with us as soon as possible so that we can resolve your query more quickly. Alternatively you can take it up with your financial institution direct.

5.2 If we conclude as a result of our investigations that your *account* has been incorrectly debited we will respond to your query by arranging for your *financial institution* to adjust your *account* (including interest and charges) accordingly. We will also notify you in writing of the amount by which your *account* has been adjusted.

5.3 If we conclude as a result of our investigations that your *account* has not been incorrectly debited we will respond to your query by providing you with reasons and any evidence for this finding in writing.

## 6. Accounts

You should check:

- (a) with your *financial institution* whether direct debiting is available from your *account* as direct debiting is not available on all accounts offered by financial institutions
- (b) your *account* details which you have provided to us are correct by checking them against a recent *account* statement and
- (c) with your *financial institution* before completing the *direct debit request* if you have any queries about how to complete the *direct debit request*.

## 7. Confidentiality

7.1 We will keep any information (including your *account* details) in your *direct debit request* confidential. We will make reasonable efforts to keep any such information that we have about you secure and to ensure that any of our employees or agents who have access to information about you do not make any unauthorised use, modification, reproduction or disclosure of that information.

7.2 We will only disclose information that we have about you:

- (a) to the extent specifically required by law; or
- (b) for the purposes of this *agreement* (including disclosing information in connection with any query or claim).

## 8. Notice

If you wish to notify us in writing about anything relating to this *agreement*, you should write to

**Australian Ethical Superannuation Pty Ltd**  
**PO Box 1916**  
**Wollongong NSW 2500.**

8.2 We will notify you by sending a notice in the ordinary post to the address you have given us in the *direct debit request*.

8.3 Any notice will be deemed to have been received on the third *banking day* after posting.

# Employer contributions

## Remittance advice

Contact name/ payroll office

Employer

Employer sponsor code (if applicable)

Postal address



State

Postcode

Phone (business hours)

Fax

Period to which contributions relate

from / /  to / /  inclusive

### Member names

Surname

Member number

First name(s)

Compulsory (SGC)	Additional employer contributions	Salary sacrifice	Employee/ personal contribution	TOTAL
\$ <input type="text"/> . <input type="text"/>	\$ <input type="text"/> . <input type="text"/>	\$ <input type="text"/> . <input type="text"/>	\$ <input type="text"/> . <input type="text"/>	\$ <input type="text"/> . <input type="text"/>

Surname

Member number

First name(s)

Compulsory (SGC)	Additional employer contributions	Salary sacrifice	Employee/ personal contribution	TOTAL
\$ <input type="text"/> . <input type="text"/>	\$ <input type="text"/> . <input type="text"/>	\$ <input type="text"/> . <input type="text"/>	\$ <input type="text"/> . <input type="text"/>	\$ <input type="text"/> . <input type="text"/>

### Totals

\$ <input type="text"/> . <input type="text"/>	\$ <input type="text"/> . <input type="text"/>	\$ <input type="text"/> . <input type="text"/>	\$ <input type="text"/> . <input type="text"/>	\$ <input type="text"/> . <input type="text"/>
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Signature

Date

**Total amount of this cheque** \$ .

There are more spaces for extra employees contributions continued on page 82.

Cheques should be made payable to Australian Ethical Superannuation Fund, crossed 'not negotiable' and forwarded to Australian Ethical Superannuation Fund PO Box 1916 WOLLONGONG NSW 2500.

# Employer contributions

## Remittance advice (continued)

### Member Names

Surname	Member number
<input type="text"/>	<input type="text"/>

First name(s)
<input type="text"/>

Compulsory (SGC)	Additional employer contributions	Salary sacrifice	Employee/ personal contribution	<b>TOTAL</b>
\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>

Surname	Member number
<input type="text"/>	<input type="text"/>

First name(s)
<input type="text"/>

Compulsory (SGC)	Additional employer contributions	Salary sacrifice	Employee/ personal contribution	<b>TOTAL</b>
\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>

Surname	Member number
<input type="text"/>	<input type="text"/>

First name(s)
<input type="text"/>

Compulsory (SGC)	Additional employer contributions	Salary sacrifice	Employee/ personal contribution	<b>TOTAL</b>
\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>

Surname	Member number
<input type="text"/>	<input type="text"/>

First name(s)
<input type="text"/>

Compulsory (SGC)	Additional employer contributions	Salary sacrifice	Employee/ personal contribution	<b>TOTAL</b>
\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>

### Totals

\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>
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Signature	Date	<b>Total amount of this cheque</b>
<input type="text"/>	<input type="text"/>	\$ <input type="text"/>

Cheques should be made payable to Australian Ethical Superannuation Fund, crossed 'not negotiable' and forwarded to Australian Ethical Superannuation Fund PO Box 1916 WOLLONGONG NSW 2500.

# Personal contribution

## Remittance advice

Employers please use *Employer contributions remittance advice (Form F)*.

### Member details

Member number	Date of birth	Phone (business hours)
<input type="text"/>	<input type="text"/>	<input type="text"/>
Title	Surname	
<input type="text"/>	<input type="text"/>	
First name(s)	<input type="text"/>	
<input type="text"/>		
Email	<input type="text"/>	
<input type="text"/>		

This contribution is:  An individual contribution (including self-employed)  
 A spouse contribution (please fill out the spouse contribution section below)

Contribution amount \$  .

### Spouse contribution

If this contribution is a spouse contribution, your spouse must complete and sign the following section. At the date of each contribution the contributor must be the applicant's spouse in terms of section 159TC of the Tax Act.

Please include name of receiving spouse and his/ her AES member code above.

Name of contributing spouse

Address

State

Postcode

In making this contribution on behalf of my spouse I acknowledge that: the contribution has been made from my after tax income and I will not be claiming a tax deduction under section 82AAT of the Tax Act for the payment.

Signature of contributing spouse

Date

### Signature

Signature

Date

Cheques should be made payable to Australian Ethical Superannuation Fund (for [insert your name here]), crossed 'not negotiable' and forwarded to Australian Ethical Superannuation Fund PO Box 1916 WOLLONGONG NSW 2500.

You may photocopy this form



# Membership variation

## Membership variation advice

### Membership details

Member number

Surname

First name(s)

Previous surname

### Change of address

Street address

City/ suburb

State

Postcode



Phone (business hours)

Phone (after hours)

Fax

Email

### Regular contributions details

If you are making regular contributions via a Direct Debit Request and your bank account details have changed, please complete a new Direct Debit Request form. If you are simply changing your regular contribution amount a new Direct Debit form is not required.

Please change my existing contributions to

**Frequency:**  Monthly  Quarterly  Half yearly  Annually

**Amount:** Member \$ , , .  Employer (Award/SG) \$ , , .

Employer (Voluntary) \$ , , .  Employer/ salary sacrifice \$ , , .

Total \$ , , .

### Pension payment

Any change of pension details will take effect from the 15th of the month following receipt of this form.

Please change my pension payment to: \$ , , .  per annum

**Frequency:**  Monthly  Quarterly  Half yearly  Annually

### Member signature

I authorise the above changes to be made to my membership details.

Signature

Previous signature (where name has changed)

Date

**AUSTRALIAN ETHICAL RETAIL SUPERANNUATION FUND**

ABN 49 633 667 743

SFN 4794/449/82

SPIN AET0100AU

RSE License Number L0001441

Registration Number R1004731

**CERTIFICATE OF COMPLIANCE**

Pursuant to Section 25 of the Superannuation Guarantee (Administration) Act 1992

This Certificate is to confirm that the above fund:

- is a regulated fund within the meaning of Section 19 of the Superannuation Industry (Supervision) Act 1993;
- will be conducted as a complying superannuation fund, within the meaning of Section 42(1) of the Superannuation Industry (Supervision) Act 1993, and the Trustee intends that the Fund continues to be maintained as a complying superannuation fund;
- is not subject to a direction by the Australian Prudential Regulation Authority not to accept contributions under Section 63 of the Superannuation Industry (Supervision) Act 1993.

This certificate has been issued by Australian Ethical Superannuation Pty Ltd in its capacity as Trustee of the Australian Ethical Retail Superannuation fund.

DATED the 25th day of May 2006.

Signed on behalf of

**AUSTRALIAN ETHICAL SUPERANNUATION PTY LTD**



Director

## Reference numbers

Superannuation Fund Number (SFN): 4794/449/82

Australian Business Number (ABN): 49 633 667 743

SPIN: AET0100AU

Registered superannuation entity licence number: L0001441

Fund registration number: R1004731

## Management services directory

Please post all applications and correspondence to:

Australian Ethical Superannuation

PO Box 1916

WOLLONGONG NSW 2500

## Trustee

Australian Ethical Superannuation Pty Ltd ABN 43 079 259 733

GPO Box 2435

CANBERRA ACT 2601

phone: 1300 134 337, fax: 02 6201 1959

email: [aes@austethical.com.au](mailto:aes@austethical.com.au)

web: [www.austethical.com.au](http://www.austethical.com.au)

## Auditor of the trustee

Thomas Davis and Co. ABN 72 607 310 376

20th Floor, 68 Pitt Street

SYDNEY NSW 2000

## Auditor of the Fund

Mr PL Whiteman, Partner

Thomas Davis and Co. ABN 72 607 310 376

20th Floor, 68 Pitt Street

SYDNEY NSW 2000

## Insurer

TOWER Australia Limited ABN 70 050 109 450 AFSL 237848

GPO Box 5380 Sydney NSW 2001

80 Alfred Street Milsons Point NSW 2061

phone: 02 9448 9000, fax: 02 8244 9630

Customer Service 03 6215 5889

web: [www.toweraustralia.com.au](http://www.toweraustralia.com.au)

email: [groupriskadmin@toweraustralia.com.au](mailto:groupriskadmin@toweraustralia.com.au)

## Australian financial services licensee

Australian Ethical Investment Ltd ABN 47 003 188 930

GPO Box 2435

CANBERRA ACT 2601

## Superannuation Complaints Tribunal

Level 15, 31 Queen Street

Melbourne Vic 3000

phone: 1300 780 808