

North Super and Pension

To be read in conjunction with
North Super and Pension Guarantee
North Investment Options



**North Personal Superannuation
and Personal Pension
Product Disclosure Statement – Part A**
Issue Number 3, 10 May 2010



redefining / superannuation

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References to:	To be read as:
AXA, AXA Australia, AXA APH, our, we or us	As the context requires, one or more of AXA Asia Pacific Holdings Limited and its Australian subsidiary companies including NMFAM, NMLA, NMMT and NM Super
Member or you	A member of North Personal Superannuation or North Personal Pension plans, including any person you authorise to act on your behalf
PDS Part A (this document)	North Personal Superannuation and Personal Pension Product Disclosure Statement – Part A
PDS Part B	North Guarantee Product Disclosure Statement – Part B
PDS Part C	North Investment Options
Insurance PDS	AXA's Elevate Insurance Solutions Product Disclosure Statement
North	North Personal Superannuation and/or Personal Pension plans
Fund	Wealth Personal Superannuation and Pension Fund
Trustee	N.M. Superannuation Proprietary Limited (NM Super)
Guarantee	A Protected Growth guarantee or a Protected Investment guarantee or a Protected Retirement guarantee as described in the North Guarantee PDS

This document is the Product Disclosure Statement (PDS) – Part A for North Personal Superannuation and Personal Pension. It should be considered in conjunction with the North Guarantee – PDS Part B and North Investment Options – PDS Part C.

Up-to-date information

Information in the PDS that is not materially adverse may change from time to time. This information will be updated on north.axa.com.au and a printed copy of any updated information will be provided to you free of charge by contacting the North Service Centre via email at north@axa.com.au or by calling 1800 667 841. If we make an increase to fees we will give you at least 30 days prior written notice. For any other material change we will inform you within three months of the change.

North Super and Pension



Read all relevant documents

North Super and Pension

North Personal Superannuation and Personal Pension – PDS Part A

General information. Sections highlighted throughout this document specifically relate to the Guarantees as described in PDS Part B



Additional
Information
document

North Super and Pension Guarantee

North Guarantee – PDS Part B

Specific information regarding North's Guarantee options

North Investment Options

North Investment Options – PDS Part C

Provides a menu of investment options available including the buy/sell and Investment costs



Also consider

AXA's Elevate Insurance Solutions

Product Disclosure Statement

- Life Insurance benefits
- Additional optional insurance benefits (including Total and Permanent Disability)
- Income Protection benefits



Do you have the Additional information document?

This PDS summarises the key features and benefits of North Personal Superannuation and Personal Pension. Throughout this PDS, whenever you see this symbol, **i**, further information on the topic is provided in the Additional information document, which can be found at north.axa.com.au/productinfo.

Alternatively, a printed copy can be obtained free of charge by contacting the North Service Centre on 1800 667 841.

North Personal Superannuation and Personal Pension

North is an offer from AXA that enables you to be fully invested in your choice of managed investments from a wholesale investment options menu.

This product provides access to a range of over 130 investment options and the ability to apply for optional insurance cover.

North provides an optional Protected Growth guarantee, Protected Investment guarantee or Protected Retirement guarantee.

The Protected Growth guarantee and Protected Investment guarantee work to return any contributions (net of upfront fees less any withdrawals, pension payments, adviser remuneration, insurance premiums or taxes paid) made into your account. These Guarantees also lock in growth as a result of positive investment performance either

- annually under a Protected Growth guarantee or
- every two years under the Protected Investment guarantee.

The guaranteed amount is known as your Protected Balance.

The Protected Retirement guarantee gives members a guaranteed income for the duration of their lives from the commencement of a North Allocated Pension. This income may increase annually as a result of positive investment performance.

The terms and conditions of the Protected Growth guarantee, Protected Investment guarantee and the Protected Retirement guarantee are detailed in PDS Part B.

North Online

Your North account is operated through North Online at **north.axa.com.au**. North Online allows you and your financial adviser to enquire, transact and report on your North account.

Transactions include:

- completing a North application
- switching investment options or rebalancing your portfolio
- maintaining your personal or account details
- making contributions using BPAY®, Electronic Funds Transfer (EFT) and direct debit.

There are certain situations where we are required to sight your original signature (eg withdrawals or making a binding death benefit nomination).

In addition to a wide range of transactions, you are able to log onto North Online at any time to see how your investments are performing.

All communications will be sent to you via North Online. They will be stored in your own online filing cabinet, or displayed on the 'News & Announcements' page within North Online, providing easy access to you at any time.

Communications will include:

- welcome letter
- transaction confirmations
- change of details confirmations
- annual statements
- Trustee's annual report.

North is an online product. An integral part of this product is the provision of information and services through the internet. **You will require internet access to use and maintain your account.**

Bringing your strategy to life

Together with your financial adviser, you will agree on a financial strategy to achieve your retirement goals. North Personal Superannuation and Personal Pension seeks to bring that strategy to life. North Personal Superannuation and Personal Pension provides a single access point for a range of investment options across major asset classes drawing on the specialist expertise of some of the world's leading investment managers. You also have access to a range of competitive insurance options.

Making an application for membership

Your financial adviser will complete an application for you online.

Generally there is no need for you to send any application forms to AXA. Once your application is accepted you will receive a welcome letter and password access to North Online – either by email or mail if you don't provide an email address. It is important that you check all your details are correct.

When applying for North you are required to meet certain identification requirements stipulated by legislation. Copies of your identification documents, such as a copy of your driver's licence or passport, will be retained by your financial adviser.

AXA is required to comply with the Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) Act. Refer to page 9 for information on how this may affect your application and investment instructions for Personal Pension. Refer to page 7 for information on how this may affect withdrawals from your Personal Superannuation account.

Transacting on your account

Financial adviser access

Transactions can be completed by your financial adviser using North Online. If you would like to complete a transaction such as a switch or change your details, there are two different methods of transacting. This provides you with a choice on how your account is managed and by whom. You and your financial adviser will need to discuss which option best suits your needs. The options available are:

1 Financial adviser initiated transactions with investor authorisation

Your financial adviser (or their representative) will initiate transactions online. They will obtain your signature on a hard copy of the transaction instructions. The signed documentation is retained by your financial adviser. Any transaction completed will be confirmed directly to you via North Online.

2 Financial adviser transaction authority

You can allow your financial adviser (or their representative) to transact on your account on your behalf. This is only available where your financial adviser is appropriately licensed and appropriately authorised by you. We will act upon any instruction (excluding withdrawals and change of bank account details) received from your financial adviser in relation to your account.

These include:

- changes to personal and account details
- switching investment options or rebalancing your portfolio, and
- making an investment.

It is important that you personally check North Online to ensure your transactions are correct.

Investor access

You are also able to transact on your account using North Online to initiate a range of transactions including:

- changing personal and account details – including changing your bank details
- switching investment options or rebalancing your portfolio, and
- making an investment.

North Online also provides an option for your adviser to change your access level to allow you to complete a broader range of transactions. You should discuss this with your financial adviser.

Keeping track of your investments

Annual member statement

On your account anniversary an annual statement will be made available electronically which will include:

- your current account balance
- a statement of transactions, and
- an account performance summary.

Trustee annual report

The Trustee annual report of the Fund with information as at 30 June each year will be made available to you through North Online.

At a glance

Transactions

	Personal Superannuation and Personal Pension	Personal Superannuation and Personal Pension with a Guarantee
Minimum initial contribution or rollover	\$20,000	No Change
Minimum additional ad hoc contribution or rollover ¹	\$100	No Change
Maximum investment	N/A	\$2 million ³
Minimum ad hoc withdrawal ¹	\$1,000	No Change
Minimum buy and/or sell of investment options	\$1,000	No Change
Minimum total portfolio balance ¹	\$2,000	No Change
Cash account balance	A flexible working cash account allows you to specify the minimum and maximum amount to be held.	No Change

Product features

	Personal Superannuation and Personal Pension	Personal Superannuation and Personal Pension with a Guarantee
Regular savings plan	For your Personal Superannuation account via direct debit from your bank/financial institution account monthly, quarterly, half-yearly or yearly – the minimum ongoing amount is \$100 per payment. You cannot have a regular savings plan on a Personal Pension account	No Change
Income distributions	Income distributions for each investment option will be credited to your cash account ² or paid via the cash account to your bank account for pension clients.	No Change
Investment switching	You can switch all or part of your portfolio between the full range of investment options available at any time. There is no limit on the number of switches you can make each year.	You can switch between the specified range of investment options in accordance with your selected Investment Strategy up to 6 times a year.
Investment instructions	You can arrange to have investment instructions for buying and selling investment options to and from your cash account.	Purchase investment instructions must be within the nominated Investment Strategy asset allocation. Investments will be sold in proportion to your account value.
How the benefit will be paid upon death	To assist with your estate planning you may nominate a beneficiary or beneficiaries through: <ul style="list-style-type: none"> ▪ binding death benefit nomination ▪ non-binding death benefit nomination ▪ reversionary pension (can only be selected at the commencement of a Personal Pension account). Your financial adviser can help you to choose the best method for your particular circumstances.	No Change
BPAY, EFT and ad hoc direct debit	Additional contributions can be made to your Personal Superannuation account using direct debit via North Online. You can also make additional contributions using an EFT or BPAY facility provided by your bank. You cannot make additional contributions to your Personal Pension account once commenced.	No Change

¹ Superannuation only

² Unless otherwise indicated in PDS Part C or underlying investment option PDS.

³ Amounts higher than this maximum will be considered. Your financial adviser can assist in requesting this approval.

Investment options

	Personal Superannuation and Personal Pension	Personal Superannuation and Personal Pension with a Guarantee
Investment options (refer to PDS Part C for full details)	An extensive list of over 130 multi-manager and single manager funds.	A subset of over 40 multi-manager and single manager funds.

Insurance offered by AXA

(refer to the Insurance PDS for full details)

AXA's Elevate Insurance Solutions	<ul style="list-style-type: none"> ▪ Life Insurance benefits ▪ Total and Permanent Disability ▪ Income Protection
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Fees⁴

	Personal Superannuation and Personal Pension	Personal Superannuation and Personal Pension with a Guarantee ⁵
Contribution fee	Up to 4.10% of each contribution or rollover as agreed on between you and your financial adviser. This fee is paid to your financial adviser.	No Change
Administration fee	0.50% to 1.46% of your account value – the actual rate will vary according to the value of your account and the level of trail commission agreed on between you and your financial adviser.	No Change
Investment costs	These costs apply to the underlying investments selected by you and your financial adviser and are listed in PDS Part C.	No Change
Adviser service fee	The fee for advice which you have agreed on with your financial adviser. This fee can be expressed as a percentage of your account value or as a dollar amount, up to a maximum of 2.00% pa.	May be restricted if you select a Guarantee. Refer to PDS Part B for more information on the Guarantee options.
Guarantee fee	N/A	0.80% – 2.95% pa of your account value applies if you elect to have a Guarantee attached to your account.
Additional Contribution Guarantee fee	N/A	Only applicable to Personal Superannuation for contributions in excess of the contribution threshold. This fee is up to a maximum of 7.00%.

Note: for details of all fees and charges refer to pages 15 to 19

Reporting

Online access	You can view your account information including portfolio valuation and transaction history at any time at North Online.
Annual member statement	<p>An annual statement will be made available electronically and will include:</p> <ul style="list-style-type: none"> ▪ a current account value ▪ a statement of transactions, and ▪ an account performance summary.
Trustee annual report	The Trustee annual report of the Fund, which includes information on the management and financial position of the Fund, will be made available each year.

⁴ All fees are inclusive of GST, less any reduced input tax credits where relevant.

⁵ Refer to the PDS Part B for more information on the Guarantee options.

North Personal Superannuation

Contributing to North Personal Superannuation

North Personal Superannuation will accept all contributions, rollovers and transfers allowed by legislation.

i For further information on what type of contributions can be made to a superannuation account, refer to section 1 of the Additional information document.

How to make a contribution or roll over funds

Contributions

You can make a contribution or rollover at any time on North Online by direct debit, EFT, BPAY or cheque. There are minimum amounts required to make a contribution or rollover:

- initial contribution and rollover – \$20,000
- additional contributions and rollovers – \$100.

If you do not use North Online to make a contribution, we provide specific banking facilities to ensure your contribution is processed as quickly and easily as possible.

Using your bank's online banking facilities you can make a contribution by:

- EFT or direct credit: BSB 033 806
- BPAY biller code 38778

plus

- Account number or BPAY reference number.

Contributions can also be made by cheque. All cheques should be attached to a deposit advice created on North Online and made payable to 'North'. Forward the cheque along with the deposit advice to:

North Service Centre
GPO Box 2915
MELBOURNE VIC 3001

Rollovers from other superannuation providers

You can rollover funds from other superannuation providers by sending the documents the provider requires directly to them. If you are making a rollover on the internet, the rollover request will be automatically completed so your financial adviser can forward the request to the current provider together with any other documents they may require.

Regular savings plan

A regular savings plan is an easy and convenient way to build your retirement savings while you are a member of North Personal Superannuation. You (or your employer) can establish a regular savings plan via direct debit from a nominated bank or financial institution account. You can select from a monthly, quarterly, half-yearly or yearly frequency. The minimum amount that must be contributed for all frequencies is \$100.

How to use EFT and BPAY through your banking facilities

EFT

- 1 Log onto your online banking facility
- 2 Enter account name – your first name and surname
- 3 Enter BSB number – 033 806
- 4 Enter bank account number – this is your 8 digit North account number (note: do not include the Y)

Plus

- 1 for member non-concessional
- 3 for spouse contributions
- 4 for Superannuation Guarantee (SG) contributions
- 5 for employer contributions
- 6 for salary sacrifice contributions

Example

An SG contribution for John Doe
Account name: John Doe
BSB: 033 806
Account number: 123456784

BPAY

- 1 Log onto your online banking facility
- 2 Enter BPAY biller code – 38778
- 3 Enter BPAY reference number – this is your 8 digit North account number (note: do not include the Y)

Plus

- 1 for member non-concessional
- 3 for spouse contributions
- 4 for Superannuation Guarantee (SG) contributions
- 5 for employer contributions
- 6 for salary sacrifice contributions

Example

An SG contribution for John Doe
Account name: John Doe
Biller code: 38778
BPAY reference: 123456784

Note: Any contributions processed via North Online will provide an account number or BPAY reference number with the final digit of 9.

You will need to nominate the date on which amounts are withdrawn from your nominated bank account to be a day between the 1st and 28th of the month or the last day of the month. Regular savings plan contributions will generally be receipted into your cash account on the day we receive the cash.

Regular savings plan contributions will continue until we receive any changes or a cancellation of the facility. You can make changes or cancel your regular savings plan at any time via North Online.

When making any changes to your regular savings plan you should obtain the most current PDS via North Online.

After you become a member, each time you make additional contributions it is important you have the most up-to-date PDS Part C and are aware of materially adverse changes or significant events relating to the investment options you have selected. You can access the most up-to-date PDS Part C for the investment options you have selected along with any news and announcements by accessing North Online.

Note: If a regular savings plan payment falls on a weekend or national public holiday, we will initiate the payment on the following business day.

If you have a Guarantee there is a contribution threshold that you need to be aware of. For further information refer to the PDS Part B.

Automatically increasing your regular savings plan

Over time, inflation reduces the real value of your investments.

To help you keep pace with inflation you can choose to have your regular savings plan amount automatically increased, or indexed, each year.

You can choose from two methods:

- fixed percentage (up to 7 per cent per annum) – applied on your account anniversary each year, or
- Consumer Price Index (CPI) – applied on your account anniversary each year using the most recently published CPI figure.

To index your regular savings plan, simply make this selection upon application. You may change or cancel this facility at any time via North Online.

You will be notified of any indexation in your annual member statement.

How can I access my super?

North is required to comply with the Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) Act. This means before you can make your first withdrawal you need to provide certain identification information and verification documentation. You will need to complete and attach any necessary supporting documentation to ensure the successful and timely processing of your withdrawal.

Withdrawals (partial and full) can be made at any time subject to the satisfaction of government conditions of release, relevant legislation (where applicable) and trust deed requirements. You can partially withdraw an amount of \$1,000 or more from your North Personal Superannuation account, provided you maintain an account value of at least \$2,000.

i For further information on when you can access your superannuation, refer to section 2 of the Additional information document.

Your benefits are generally paid as a lump sum. You may also transfer or rollover your benefits to another superannuation or retirement fund that complies with Federal Government regulations at any time.

You also have the option of converting all or part of your benefit (if it becomes payable) to North Personal Pension, where you will receive regular income payments in lieu of your lump-sum benefit. If you elect to convert to North Personal Pension your financial adviser will provide you with the current PDS.

You are no longer required to take your benefit from a superannuation fund once you reach 65 years of age and retire. Compulsory payment of benefits only applies in the event of your death.

Withdrawal payment options

Withdrawal payment options include:

- direct credit to your nominated bank or financial institution account held in your name, or
- transfer to another complying superannuation fund.

For partial withdrawals of up to 80 per cent of your account value, we will automatically advance the payment of your funds without awaiting sale proceeds from underlying investments. Your withdrawal will be made from your cash account balance. During this period your cash account balance may fall below zero unless there are sufficient funds for the withdrawal. Refer to page 10 for more information on negative cash account balances.

If you have a Guarantee there are conditions that you need to be aware of. For further information refer to the PDS Part B.

Temporary residents leaving Australia

The following does not apply to New Zealand residents and is limited to eligible visa holders.

If you have entered Australia on an eligible temporary resident visa you may claim your superannuation benefits once you have permanently departed Australia.

Under superannuation legislation if you do not claim your benefit within six months of departing Australia, your benefit may be paid as unclaimed superannuation to the Australian Taxation Office (ATO). You will not receive notification or an exit statement from your superannuation fund.

If this has occurred, you can claim your superannuation money from the ATO. For more information visit www.ato.gov.au.

Taxation information for superannuation accounts

There may be important tax consequences in investing in North Personal Superannuation.

We recommend you check with your financial adviser or tax professional as individual circumstances may differ and tax information may change in the future.

i For further information on taxation, refer to section 5 of the Additional information document.

North Personal Pension

A pension is designed to pay you a regular income stream to help you meet your financial needs in retirement. The North Personal Pension is an allocated pension, also known as an account based pension. Depending on your individual circumstances, pensions allow you to enjoy the many tax advantages of the superannuation environment.

You may also commence a pension with preserved superannuation benefits if you have reached your preservation age (refer to table below) and are still in the workforce. This type of allocated pension is known as a non-commutable allocated pension (NCAP). An NCAP provides a flexible and tax effective way for you to access your superannuation benefits from preservation age without having to choose between full-time employment and full-time retirement. If you choose an NCAP you are not 'locked in' to your choice should your circumstances change in the future.

You are not able to make additional investments into a pension, however you may commence additional pensions with eligible rollovers.

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

Pensions commencing with multiple rollovers

A pension can be commenced with more than one rollover, however each rollover must be received prior to the pension commencing. It is not possible to contribute a further rollover or any other amount to a pension that has already commenced.

If you are commencing your pension with more than one rollover, your financial adviser will indicate this when completing your application online. Each rollover received will be deposited in a North Personal Superannuation account and invested in accordance with your investment instructions. When all specified rollovers have been received, they will immediately be used to commence your pension, including any investment earnings received in the interim. Any contribution fee will apply only to the North Personal Superannuation account. The earnings credited to your North Personal Superannuation account before your pension commences will be subject to superannuation earnings tax of 15 per cent.

Please note that if any specified rollover is not received within 75 days of the submission of your application, the pension will automatically commence with the total receipted rollovers at that time. Any rollovers received after 75 days may be used to commence a new pension. If rollovers are received after 75 days, your financial adviser will be contacted to confirm your instructions.

Pension payments

Allocated pensions require payments of a minimum amount to be made at least annually. The minimum pension amount for the part-year up to 30 June is determined at the time your pension commences. The minimum is then recalculated at each subsequent 1 July using your account balance.

If the minimum limit has not been reached by the time of the last pension payment for the year, then an additional payment will be made to you prior to the end of the financial year to ensure that this minimum is met. Note that any relevant PAYG tax will be payable.

You can vary the pension payments at any time.

For an NCAP there is also a maximum pension amount of 10 per cent of your investment at the time your NCAP commences and calculated every 1 July using the account balance. In the first year of your NCAP you can choose to receive a pro rata pension amount or a non-pro rata pension amount.

Your financial adviser can help you calculate your starting minimum pension payment level.

i For further information on how pension payments are calculated, refer to section 3 of the Additional information document.

For North Personal Pension accounts with a Protected Growth guarantee, the withdrawal value will be the greater of either the Account Value or the Available Balance. For an NCAP, if you have selected the Protected Growth guarantee your payment will be calculated using your Available Balance. Refer to the PDS Part B for further information.

Automatically increasing your pension

Over time inflation reduces the purchasing power of your investments.

To help keep pace with inflation you can choose to increase your pension payment automatically each year.

You can choose from two methods:

- fixed percentage (up to 7 per cent per annum) – applied on 1 July, or
- CPI – applied on 1 July each year using the most recently published CPI figure.

To activate this facility, simply make this selection upon application. You may change or cancel this facility at any time.

For further information on withdrawals for accounts that have a Guarantee refer to the PDS Part B.

Withdrawals

Withdrawals (being those other than regular pension payments) of \$1,000 or more can be made at any time from your allocated pension. For pensioners aged 60 or over, lump-sum benefits and income stream payments are tax free.

For pensioners under age 60, withdrawals can be:

- ad hoc pension payments which may be taxed at marginal tax rates, or
- lump-sum withdrawals (called commutations), which are treated as superannuation lump-sum benefits and may be subject to lump-sum tax.

If you do not specify whether you would like your additional withdrawals as an ad hoc pension payment or a commutation, we will treat it as a commutation.

NCAP withdrawals

If your pension is an NCAP, withdrawals other than pension payments are only allowed in the following circumstances:

- to withdraw any unrestricted non-preserved benefit
- to pay a superannuation surcharge liability
- to effect a superannuation split under Family Law
- where a condition of release (eg retirement or reaching age 65) has been met after the allocated pension commenced
- to roll back to superannuation (eg if the income stream from the NCAP is no longer required)
- to roll over to another non-commutable income stream, or
- to pay for non-concessional contributions tax liability.

Withdrawal payment options

Withdrawal payment options include:

- direct credit to your nominated bank or financial institution account held in your name, or
- transfer to another complying superannuation fund.

When you withdraw we will ask you to supply copies of certain Proof of Identity documents, for example a copy of your driver's licence or passport.

For partial withdrawals of up to 80 per cent of your account value we will automatically process the withdrawal of your funds without awaiting sale proceeds from underlying investments. Your withdrawal will be made from your cash account balance. During this period your cash account balance may fall below zero unless there are sufficient funds for the withdrawal. Refer to page 10 for more information on negative cash account balances.

For further information on withdrawals for accounts that have a Guarantee refer to the PDS Part B.

Taxation information for pension accounts

There may be important tax consequences in investing in North Personal Pension.

We recommend you check with your financial adviser or tax professional as individual circumstances may differ and tax information may change in the future.

i For further information on taxation, refer to section 5 of the Additional information document.

Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) Act

AXA is required to comply with the Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) Act. This means before AXA can accept you as a member you need to provide certain identification information and verification documentation. We may also need additional customer identification information and verification from you as you undertake further transactions in relation to your pension.

We will need to identify and verify:

- you as a member prior to you receiving a pension payment. We cannot provide you with a pension payment until all relevant information has been received and your identity has been satisfactorily verified.
- your estate. If you die while you are receiving pension payments, we will need to identify and verify your reversionary/beneficiary arrangements prior to transferring the pension payments.
- anyone acting on your behalf. If you nominate a representative to act on your behalf, we will need to identify and verify the nominated representative prior to authorising them as an added signatory to your account.

The customer identification requirements form part of your application. You will need to ensure you provide any necessary supporting documentation to the application to your financial adviser. In some circumstances, in accordance with the AML/CTF legislation, we may need to re-verify information or require additional information from you.

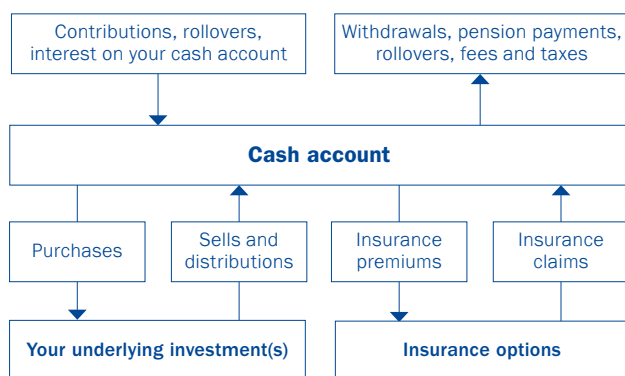
By applying for a pension product, you acknowledge that we may decide to delay or refuse any request or transaction at our discretion. This could include delaying the pension payments if we deem that the request or transaction may breach our obligations, or cause us to commit or participate in an offence under the AML/CTF legislation, and we will incur no liability to you if we do so.

What is the cash account?

Your cash account

The cash account is used for essential functions, some of which are illustrated below.

Each North Personal Superannuation and Personal Pension member will have a cash account. You have the flexibility to control the balance of your cash account. You are able to nominate the minimum and maximum amounts to be held in the cash account.



Any balance held in your cash account will accrue interest calculated daily. Interest accrued will be allocated to the cash account on the first business day following the end of each month or, if you close your account prior to the end of a month, prior to payment being made.

When the cash account exceeds your nominated maximum by \$1,000, the excess cash will be invested in accordance with your current investment instructions. Refer to 'Investing in North Personal Superannuation and Personal Pension' on page 11 for further information about investment instructions.

If the balance of your cash account falls below zero or your nominated minimum cash amount we will top up your cash account as per your investment instructions.

Total cash account funds are currently invested in a combination of:

- a registered managed investment scheme, known as AXA's Wholesale Cash Fund, APIR code NMF0005AU (Responsible Entity is NMFM), and
- a trading bank account (these funds are used to meet daily transactions, which include purchases, payments, etc).

We reserve the right to change or to alter the investment strategy of the cash account at any time without prior notice.

The cash account currently has an investment and management charge of up to 0.58 per cent per annum (plus bank fees). This is deducted prior to the distribution of earnings of the monthly cash account crediting rate. The charge reflects the management cost for AXA's Wholesale Cash Fund and NMMT for the management of the cash account.

Negative cash account balance

Should your cash account balance become negative at any time, interest will be charged on the negative amount at the same rate as the interest paid on positive cash account balances. Events that may cause your cash account balance to become negative include switching between investment options or partial withdrawals. For more information on switching between investment options see page 11.

When will your money be invested?

Your deposit will generally be credited to your cash account on the business day it is received. Any balance held in your cash account will accrue interest at the current cash account crediting rate on the daily balance from that date until your funds are invested according to your investment profile.

An instruction to invest is forwarded to the underlying fund manager on a daily basis. The effective date of your investment will be the date applied by each individual fund manager.

Investing in North Personal Superannuation and Personal Pension

Investment options

North offers a range of over 130 managed investment options. The investment options include both Australian and international investments across a variety of asset classes.

Refer to the PDS Part C for further detail regarding investment options available as part of your North account.

Investment instructions

When your financial adviser completes your application, you are required to provide up to three investment instructions:

- Investment profile – specifies how your funds are invested
- Rebalance profile – specifies the percentages applied when your account is rebalanced
- Sell profile – specifies how investment options are to be sold.

Other restrictions may apply to the investment options chosen. Refer to 'Adding or removing investment options' on page 12 for more information.

Investment profile

Contributions and rollovers will be invested according to your investment profile. Your investment profile is specified in percentages and allows units to be purchased across your selected investment option(s).

If any of your investment options are sold in full and you do not update your investment profile, that investment option will remain in your profile until a new investment profile is selected. This means that any new contributions will be partially or fully invested in that option.

Accounts without an investment profile will remain invested in the North cash account.

Rebalance profile

Your rebalance profile is used when your account is rebalanced by you or automatically using the auto-rebalance facility. Rebalance profiles are specified in percentages and allow you to manage your asset allocation on an ongoing basis.

If any of your investment options are sold in full and you do not update your rebalance profile, that investment option will remain until a new investment profile is selected. This means that any new funds will be invested in that option.

Sell profile

Your sell profile specifies the proportion in percentages used to sell investment options. Investment options may be sold to pay taxes, adviser service fees, insurance premiums, when making a withdrawal including pension payments or topping up your cash account.

As an alternative to specifying a sell profile in percentages you can:

- nominate an order by which investment options are sold, or
- nominate options to be sold proportionately according to your account value.

If there are insufficient funds in an investment option to sell using your sell profile then the required amount will be sold proportionally across your investment options. If the percentage amount for any investment option that is required to be sold is greater than 90 per cent, the full amount of the investment option will be sold.

If you have selected a Guarantee you will have access to a selected range of the managed investment options, consisting of a subset of over 40 investment options and as a part of your account you must also select from four different Investment Strategies. Refer to PDS Part B for further detail regarding the Guarantee Investment Strategies.

Switching between investment options

Switching involves the selling of an investment option and the purchase of another. Both the purchase and sale are conducted at the same time which may result in your cash account becoming negative for a short period of time. Importantly, you are still invested for the day(s) your cash account is negative.

The sale of investment options for a switch can be specified in either dollars (minimum of \$1,000) or as a full sell. If the percentage is greater than 90 per cent, the full amount of the investment option will be sold.

If you elect to have a Guarantee there are limitations in relation to investment switches that you need to be aware of. Refer to the PDS Part B for further information.

Adding or removing investment options

We maintain the right to add or remove investment options from the North investment menu. In the event that an investment option is removed we will endeavour to give you 30 days notice to switch to an alternative investment option. If you do not switch to another investment option within the notice period, or we are unable to provide notice, we will automatically switch the investment option into AXA's Wholesale Cash Management Trust (APIR code NML0018AU).

Events that may cause the removal of an investment option include but are not limited to:

- an investment manager closing the investment option
- an investment option closing to new business
- the Trustee deciding that the option is no longer suitable for the Fund

AXA may also direct that an investment option is to be removed in order to manage the risk of providing the Guarantee.

Investment options may be removed for Guarantee investments only, but may remain available if you do not have a Guarantee. Refer to the PDS Part B for further information.

Obtaining up-to-date information

The available investment options may change from time to time. Full details of the available investment options can be found in the PDS Part C which can be obtained from your financial adviser or from North Online.

Fund managers of the investment options notify us of any materially adverse changes or significant events that affect an investment option you have selected. We will notify you of these changes or events through North Online as soon as we can after we have been notified by the fund managers. Copies of these documents are available free of charge upon request by contacting the North Service Centre via email at north@axa.com.au or by calling 1800 667 841. We will not be responsible for any delays in notifying you of these changes or events, where the delay has been caused by a fund manager. If you wish, you may select a different investment option after you have read the up-to-date information, however normal fees and charges may apply. If you do not notify us that you wish to select a different investment option, contributions will continue to be invested in the existing investment option.

Auto-rebalancing

Over time the value of your underlying investments will fluctuate. If you invest in more than one underlying investment option, this variation is likely to cause your holdings to vary from your initial investment profile. The auto-rebalance facility rebalances your investment options back to your rebalance profile.

The auto-rebalancing feature gives you the option to rebalance quarterly, half-yearly or yearly on a selected date. The rebalancing will only occur on your nominated rebalance date if the total of the buy and sell transactions to rebalance back to your profile exceeds \$1000. In addition, any pending buy and sell transactions must be completed prior to the account being rebalanced.

For plans with a Guarantee there will be compulsory annual rebalancing on the Guarantee anniversary date, as well as the option to nominate to rebalance each quarter or half year on a selected date. For more information on compulsory rebalancing with a Guarantee refer to the PDS Part B.

Distributions

North investment options will generally earn income and may also generate capital gains. Investment earnings are paid in the form of distributions. Distributions will be paid directly into the cash account.* The options available to you for your distributions will depend upon the type of account you hold.

North Personal Superannuation accounts must have distributions paid into the cash account. Any distributions received will then be re-invested using your investment profile, subject to meeting the minimum amount required for an investment.

As an alternative to reinvesting distributions, North Personal Pension accounts also have the option to have income distributions paid via the cash account into a bank account as a pension payment or added as part of a nominated pension payment amount. PAYG tax will apply on a per payment basis.

Are labour standards, environmental, social or ethical considerations taken into account?

The Trustee and AXA Australia do not take labour standards, environmental, social or ethical considerations into account in the selection or retention of the Fund's investment options.

Does the Trustee invest in derivatives?

The Trustee does not invest directly in derivatives. However underlying investment managers may do so. Derivatives are securities that derive their value from other assets or indices. Examples of derivatives include futures and options.

* Unless otherwise indicated in PDS Part C or underlying investment option PDS.

What risks apply to investing?

Risks apply to investing in superannuation and pension

Investments in superannuation and pensions are subject to legislative requirements. Changes to legislation are made frequently and may affect who can invest, what tax is to be paid and when and how money can be withdrawn. Superannuation and pension funds are governed by a Trust Deed. The Trustee is able to amend the rules in the Fund's Trust Deed that affect how the Fund operates, although the Trustee is prevented by law and the Trust Deed from amending the Trust Deed in a manner that is adverse to members' entitlements without their consent. Other risks relate to increases in fees, a change in investment managers and the performance of investment managers. The Trustee uses adherence to the law and the Fund's Trust Deed and ongoing monitoring of the performance of investment managers to reduce these risks.

An investment in North Personal Superannuation and Personal Pension is subject to investment risk, including possible delays in repayment and loss of income and capital invested. This risk can include market risk, company risk, currency risk, interest rate risk and inflation risk.

Neither the Trustee, nor any other member of AXA or the investment managers, guarantee the payment of income or the performance of the investment options.

Diversification

Diversification is a basic strategy used to reduce some of the risks associated with investing. By spreading your investments across a number of assets, you are not reliant on the performance of, and are not exposed to the risks of, a single investment. Investing in only one or a few specific assets or direct securities can increase your risk. It is very important that you understand and are aware of the risks and mitigating strategies, such as diversification, that are available to you. For more information on what risks apply to investing, speak to your financial adviser.

Risk and return

Your investment strategy will be highly dependent on your attitude towards risk. All investments carry a risk component. Risk in an investment context refers to the possibility that the investment will not return its original capital or expected income and that the level of return will be volatile over any given time period. This risk can include market risk, company risk, currency risk, and interest rate and inflation risk. Investments with a low risk profile will usually provide lower, though more consistent, returns than those with a higher risk profile. For example, investing cash into bank accounts is considered low risk/low return, while the share market has historically provided higher returns over the longer term with higher volatility.

Liquidity risk

Liquidity risk is the risk that your investment cannot be bought, sold, cashed, transferred or rolled over as quickly as you might wish. Different investments have different transaction processing times and thus different levels of liquidity risk.

Investment transactions, withdrawals, rollovers and transfers from your superannuation account are normally processed within 30 days of us receiving all the necessary information. Some investments, referred to as illiquid assets, require a longer period to be redeemed. This longer redemption period is imposed by the underlying investment manager because some or all of the assets within the investment are illiquid.

Risks applicable to investing with a North Guarantee

Guarantees on the repayment of capital are subject to the conditions of the selected Guarantee.

The additional risks associated with a Guarantee and investing are described in PDS Part B.

Your profile, time horizon and age

After you have worked out your profile with your financial adviser, it is important to understand that the investment options on the investment authority and menu are investments in assets in Australian and global investment markets and can be categorised as short term, medium term and long term investments.

Generally, short term investments are relatively low risk such as cash and some categories of fixed interest, generally medium term investments are fixed interest and property. Assets generally considered long term are Australian and International shares.

Investment strategy asset classes

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

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

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

What risks apply to investing?

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

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

Fees and other costs

Consumer advisory warning

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) has a superannuation fee calculator to help you check out different fee options.

What fees apply?

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

A premium is payable where you select insurance. Information regarding premiums can be found in the Insurance PDS.

All fees are inclusive of GST, less any reduced input tax credits (RITC) where relevant.

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

For more information on taxation refer to page 19.

Fees and costs for the investment options are set out in PDS Part C.

Fees and costs for the Guarantee are set out in PDS Part B.

Fees and other costs

Type of fee or cost	Amount		How and when paid
	Personal Superannuation	Personal Pension	
Fees when your money moves into the Fund			
Contribution fee ¹ The fee on each amount contributed to your investment either by you or your employer	Up to 4.10% of each contribution or rollover.	Up to 4.10% of each rollover.	The contribution fee is paid to your financial adviser. This fee is applied at the time the contribution or rollover is made and is agreed on with your financial adviser.
Management costs			
The fees and costs for managing your investments			
Administration fee ¹	0.50 – 1.46% pa (subject to a minimum of \$15.83 per month).		Calculated monthly on your anniversary date, based on the opening account value on the day that the fee is applied and deducted monthly from your cash account. The actual rate payable by you varies according to your account value and the level of trail commission agreed on with your financial adviser.
Investment costs are the fees and costs for investing (excluding buy/sell costs) ² .	0.22 – 2.57% pa depending on the investment option(s) selected. The amount you pay for specific investment options is shown in the relevant investment option's PDS.		Calculated as a percentage of each amount you have invested in each investment option and included in the unit price (or crediting rate) of that option including the cash account
Performance fees are in addition to investment costs and are calculated as a percentage of the value by which an investment out performs a specified performance hurdle.	Refer to the relevant investment option's PDS on how the amount is calculated (if applicable).		Refer to the relevant investment option's PDS on how and when it is paid (if applicable).
Service fee			
Investment switching fee The fee for changing investment options.	No switching fee is currently applicable. This may change in the future. You may incur a buy/sell cost when switching between Investment options ² .		N/A
Adviser service fee ³ The fee for advice in relation to your North account.	0 – 2.00% pa		The adviser service fee can be paid as a once-off fee, over a number of specified instalments or on an ongoing basis. This fee can be a percentage of your account value or a dollar amount and can be agreed on with your financial adviser.
Guarantee fee	Up to 2% of each contribution or rollover plus 0.80 – 2.95% pa, depending upon the Guarantee, Term and investment strategy selected.		The initial 2% Guarantee fee is calculated on contributions made to the account (Protected Investment guarantee only) in the first 12 months and deducted from your cash account. The ongoing Guarantee fee is calculated monthly based on the opening account value on the day the fee is applied and deducted monthly from your cash account.
Additional Contribution Guarantee Fee	Up to 7.00% per contribution and calculated at the time of the additional investment on accounts with a Guarantee.	Not applicable as further contributions cannot be accepted once a pension commences.	Charged when contributions on accounts with a Guarantee exceed the annual contribution threshold. Refer to PDS Part B for additional information.

1 This fee may include an amount agreed on and payable to your financial adviser. Refer to 'Adviser remuneration' on page 17 for more information.

2 Refer to 'Buy/Sell costs' on page 17 for more information.

3 Adviser service fee may be restricted if you select a Guarantee. Refer to the PDS Part B for more information on the Guarantee options.

Additional explanation of fees and costs

Management costs

Administration fee

The administration fee covers the costs incurred in the administration of North, including any Trustee costs and expenses, distribution costs and other fees or expenses paid to related parties and service providers. The administration fee:

- will be calculated on the opening account value on the day of the fee deduction
- is deducted from your cash account monthly from the date that your account commenced, and
- includes any trail commission that has been agreed on between you and your financial adviser.

The administration fee is calculated according to the following table:

North administration fee

Total Account Value	No trail commission % pa	With full trail commission % pa
\$0 to \$149,999	0.95	1.46
\$150,000 to \$249,999	0.85	1.36
\$250,000 to \$399,999	0.65	1.16
\$400,000 to \$749,999	0.60	1.11
\$750,000 to \$999,999	0.55	1.06
\$1 million plus	0.50	1.01

Full trail commission is 0.55 per cent per annum and is agreed on with your financial adviser. After RITC the full trail commission charged to your account is a maximum of 0.51 per cent per annum.

Once your portfolio balance reaches the next range, the administration fee for the new range applies to your entire balance.

The administration fee is subject to a minimum charge of \$15.83 per month. This is based on an account value of \$20,000.

For example

Based on no trail commission, if your account value is \$145,000 the administration fee is 0.95 per cent (\$114.79 per month).

If your balance then increases to \$165,000, the administration fee applicable on the entire balance of your account is 0.85 per cent (\$116.88 per month).

Benefit from multiple accounts

The aggregation of accounts allows you to reduce the administration fee you pay. North offers the ability to aggregate balances if you have more than one North account, including superannuation, pension and IDPS.

Fee aggregation takes the total account values of all your North accounts and applies the appropriate fee based on the total balance of all accounts. A limit of six accounts applies to fee aggregation.

Investment costs

The fees and costs of any investment options you choose are in addition to the fees charged by us for North Personal Superannuation and Personal Pension. The range for these is currently between 0.22 and 2.57 per cent per annum, calculated as a percentage of the amount you have invested and included in the unit price of each investment option. The investment cost for each investment option selected by you and your financial adviser is set out in the relevant investment option's PDS.

In the case of the cash account, the fee is deducted monthly prior to the declaration of the monthly earning rate.

Managers of the investment options generally express their fees and expenses as a percentage per annum of the net asset value of the investment option (Investment Cost Ratio (ICR)). This is an estimate of the ongoing fees and expenses of investing in an investment option. It includes the management fees, custody and compliance fees and certain other expenses, but excludes buy/sell costs such as brokerage. An investment cost for the cash account is payable, refer to page 10 for further details.

Buy/Sell costs

Most of the investment options have buy/sell costs. This is the difference between the purchase unit price and the sell unit price and is the fund manager's estimates of the costs of buying and selling assets of the investment option. For example these costs may include brokerage fees and government taxes and charges. These costs will differ according to the types of assets held by the investment option and whether they are traded in Australia or overseas. Transaction costs vary based on relative costs of investing with a particular fund manager and/or a particular type of investment. The buy/sell costs currently range from 0 per cent to 2 per cent.

Buy/Sell costs are additional costs to the member which are reflected in the unit price and are not charged separately. These estimated costs are not paid to us, they are used by the underlying investment to meet the transaction costs.

For more information on the buy/sell costs refer to PDS Part C and the underlying investment option's PDS.

Adviser remuneration

Your financial adviser's remuneration, which is described below, is included in the charges shown on pages 16 to 18 (except any remuneration that your financial adviser charges you directly by agreement as a fee for any services provided).

Contribution fee

A contribution fee up to 4.10 per cent of each contribution or rollover made to North Personal Superannuation or North Personal Pension can be applied and is paid to your financial adviser as contribution commission. The actual rate payable by you is agreed on between you and your financial adviser.

The contribution fee charged to you is lower than the amount actually paid to your financial adviser due to RITC.

Contribution fee per contribution, rollover or transfer

Contribution fee paid to financial advisers (inclusive of GST)	Contribution fee deducted from your account (inclusive of GST, net of any RITC)
Up to 4.40%	Up to 4.10%

Fees and other costs

For example

For a contribution of \$10,000, a contribution fee of 4.10 per cent would be \$410 resulting in a net investment of \$9,590. Your financial adviser would receive \$440 as contribution commission.

Trail commission

Trail commission is calculated across your total account value and is included in the administration fee which is deducted monthly from your cash account. Refer to page 17 for further detail on the administration fee.

You may agree to the level of trail commission your financial adviser receives up to a maximum of 0.55 per cent per annum. The maximum charge to your account will be lower than the trail commission paid to your financial adviser due to the effect of RITC.

Trail commission pa

Commission paid to financial advisers (inclusive of GST)	Component of administration fee (inclusive of GST, net of any RITC)
Up to 0.55%	Up to 0.51%

For example

For an account value of \$100,000, trail commission of 0.55 per cent per annum payable to your financial adviser would be \$45.83 per month (\$550 per annum). The amount paid by you is \$42.50 per month (\$510 per annum) due to RITC.

Adviser service fee

You can agree with your financial adviser to have an adviser service fee for advice in relation to your North Personal Superannuation and Personal Pension investment. The fee can be expressed as a percentage of your account value or dollar amount. The adviser service fee can be paid once, over a number of specified instalments or on an ongoing basis. The maximum adviser service fee that currently can be charged is 2 per cent per annum of your total account value.

The adviser service fee charged to you is lower than the amount actually paid to your financial adviser due to RITC.

For example

For a total account balance of \$100,000, an adviser service fee of 2 per cent per annum paid on an ongoing basis would be \$2,000 per annum (\$166.66 per month) resulting in a payment to your financial adviser of \$2,146 per annum.

Guarantee fees

If you elect to have a Guarantee on your North Personal Superannuation or your North Personal Pension account there will be additional fees to those described in this PDS. The fees may include a Guarantee fee and an Additional Contribution Guarantee fee. Refer to the PDS Part B for further information.

Additional information

In addition to the fees and charges described we may, at our discretion, make agreements with some members to rebate a part or all of their fees.

From time to time we may decide to provide financial advisers with non-monetary benefits (such as training or entertainment). This is not an additional charge to you, rather an amount paid by us from our own resources. This is in addition to the remuneration that we may pay to financial advisers as detailed earlier in this section. When we do this, it does not represent a charge or cost to you. We maintain a register of the non-monetary benefits that we provide to financial advisers from time to time. If you would like a copy of this register, email north@axa.com.au or call the North Service Centre on 1800 667 841.

Increases or alterations in charges

We reserve the right to add or alter any of the charges and fees outlined in this PDS at the discretion of the Trustee. You will be informed of any increases to the fees at least 30 days before they occur. All fees are inclusive of GST, less any RITC, where relevant.

Limits apply in relation to any future increase in the fees and charges.

- Contribution fee: cannot exceed 5 per cent per contribution
- Administration fee: will not exceed the greater of \$500 per annum; and \$250 per annum plus 2.5 per cent per annum of the member's account balance
- Adviser service fee: cannot exceed 5 per cent per annum of the member's account balance
- Guarantee fee: will not exceed the greater of \$500 per annum; and \$250 per annum plus 7 per cent per annum of the member's account balance
- Additional Contribution Guarantee fee: cannot be increased above 10 per cent upfront per contribution.

The Trust Deed also permits the Trustee to charge the following fees and charges to the limits set out. The Trustee does not currently charge these fees and charges. These fees and charges may be calculated and charged by the Trustee in the manner notified to members from time to time.

- Service fee: cannot exceed 2.5 per cent per annum of the member's account balance
- Termination fee: cannot exceed 2.5 per cent per annum of the member's account balance
- Transaction fee: the greater of either \$50 per transaction; and \$250 per annum plus 2.5 per cent per annum of the member's account balance
- Switching fee: \$50 per switch
- Zero balance account fee: maximum of \$500 per annum
- Contribution splitting fee: maximum of \$100 per transaction
- Trustee charge: may be equal to 0.25 per cent per annum of the member's account balance or an amount equal to \$5,000 per annum
- Benefit payment fee: maximum of \$100 per payment
- Administration fee for the administration of the expenses reserve account: maximum of 2.5 per cent per annum of the member's account balance
- Other charges that the Trustee may, in its discretion, levy.

The Trustee can annually adjust the maximum dollar amount of any dollar based fee to reflect any increase in the CPI. You will be notified of any changes via the annual Trustee report.

Note that in addition to the fees and charges described, NMMT may, at its discretion, make agreements with some members to rebate a part or all of their fees.

Insurance premiums

Insurance premiums will be deducted from your cash account on a monthly basis, paid in advance.

Taxation

The benefit of any tax deduction on fees charged is passed onto members.

i For further information on taxation, refer to section 5 of the Additional information document.

Example of annual fees and costs

This table gives an example of how the fees and costs in the North Multi-manager Active Balanced option can affect your investment over a one-year period. You should use this table to compare this product with other superannuation and pension products.

Balance of \$50,000 with total contributions of \$5,000 during year

Contribution fees ¹	0 – 4.10%	For every \$5,000 you contribute you will be charged between \$0 and \$205
Plus Management costs	2.31% ² pa	And on a balance of \$50,000 you will be charged \$1,155 each year
Equals Cost of fund		If you put in \$5000 during a year and your balance was \$50,000, you would be charged fees between \$1,155 and \$1,360 ³ What it costs you will depend on your total account value, the underlying investments you choose and the fees you agree to with your financial adviser ⁴

1 Contribution fees may be applicable to contributions for Personal Superannuation members and to initial investments for Allocated Pension members.

2 Based on the maximum administration fee for a balance of \$50,000 (1.46% pa) where full trail commission applies and the investment cost of the North Multi-manager Active Balanced option (0.85% pa).

3 Additional contributions are not applicable for Personal Pension members

4 Additional fees may apply. If you agree to the adviser service fee it will apply as outlined on page 18.

Refer to the PDS Part B for an example of the annual fees and costs for a North Personal Superannuation and Personal Pension product that has a Guarantee.

What about insurance?

AXA insurance

For most people, insurance is an important part of any financial plan. Without insurance you and your family may not be able to continue the lifestyle you have worked hard to provide.

You are able to attach insurance to your North account through AXA. The cover available includes:

- Life
- Total and Permanent Disablement, and
- Income Protection

Life insurance is issued by The National Mutual Life Association of Australasia Limited with N.M. Super as the policy holder.

Any premiums will be deducted from your cash account.

In order to apply for any AXA insurance cover you will need to obtain AXA's Elevate Insurance Solutions PDS from your financial adviser. You should consider the PDS before deciding to acquire this product.

Any benefits that become payable from your insurance cover will be paid into your cash account prior to any benefit being paid by the Trustee subject to you satisfying a condition of release as specified by superannuation law.

For information on the insurance options and cover available refer to AXA's Elevate Insurance Solutions PDS at north.axa.com.au.

How will the benefit be paid upon death?

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

Binding death benefit nomination The Trustee is bound to pay your benefit to the person(s) you have nominated as long as your nomination is valid.

Non-binding death benefit nomination The Trustee will consider the nomination provided by you but has discretion to pay your benefit to one or more of your dependants and/or your legal personal representative in proportions it determines.

Reversionary pension (applicable only at commencement of North Personal Pension account). You can request that your pension continue after your death by nominating your spouse or your child as a reversionary pensioner.

Your financial adviser can assist you in assessing your estate planning options.

Regardless of the option chosen, the Trustee must generally ensure that the benefits are paid to your dependants as defined in the Fund's Trust Deed and applicable superannuation law and/or your legal personal representative.

i For further information on how the benefit will be paid upon death, refer to section 4 of the Additional information document.

Account balance switched to the Cash account

Upon receipt of a certified copy of the death certificate, AXA will switch all assets into the North Cash account (with the exception of the reversionary pension). This amount, any interest earned and any insurance benefits will be made available to the Trustee for distribution.

Anti-detriment payment

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

i For further information on the tax on death benefits, refer to section 5 of the Additional information document.

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

What about taxation?

Tax file number notification

Your tax file number (TFN) is confidential. Before you provide your TFN we are required to tell you the following:

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 vary in the future as a result of legislative change. The trustee of your superannuation fund may disclose your TFN to another superannuation provider, when your benefits are being transferred, unless you request the trustee of your superannuation fund in writing that your TFN not be disclosed to any other superannuation provider.

It is not an offence not to quote your TFN. However giving your TFN to your superannuation fund will have the following advantages (which may not otherwise apply):

- your superannuation fund will be able to accept all types of contributions to your account
- the tax on contributions to your superannuation account will not increase
- other than the tax that may ordinarily apply, no additional tax will be deducted when you start drawing down your superannuation benefits, and
- it will make it much easier to trace different superannuation accounts in your name so that you receive all your superannuation benefits when you retire.

If your superannuation fund does not have your TFN, you will not be able to make personal contributions to your superannuation account.

If you are a non-resident and you do not provide a TFN, the trustee must withhold the prescribed rate of tax when paying a lump sum benefit. A tax exemption code is not recognised as a valid TFN.

If you require further information, please contact the ATO Superannuation Helpline on 131 020.

i For further information regarding taxation on superannuation and pensions, refer to section 5 of the Additional information document.

What else do you need to know?

Cooling-off period

A 14-day 'cooling-off period' will apply to your initial investment in North Personal Superannuation and Personal Pension.

If, during the cooling-off period, you decide that the investment does not meet your needs, then simply advise us in writing.

The 14 days start when confirmation of your membership is received by you or 5 days after your application is accepted, whichever is earlier.

If you cancel your membership, we will refund your investment, reduced or increased for market movements in your chosen investment option(s). We will also deduct any tax or duty incurred and a reasonable amount for transaction and administration costs. As a result the amount returned to you may be less than your original investment.

Delays may be experienced if the investment option(s) selected have redemption restrictions imposed by the underlying investment manager.

Amounts rolled over or transferred from another superannuation fund, retirement savings account (RSA) or approved deposit fund (ADF) which are 'preserved' or 'restricted non-preserved' cannot be refunded directly to you if you take advantage of the 14-day cooling-off period. We will roll over or transfer these amounts to the superannuation fund, RSA or ADF you nominate.

Your privacy

The privacy of your personal information is important to you and also to us. The purpose of collecting your information is to assess your application for, and manage your membership of, North Personal Superannuation and Personal Pension.

If you are also applying for insurance cover, additional information about you and your immediate family background that is necessary for the purpose of assessing your application for insurance, or a claim you may make, and managing your insurance cover may be collected. This may include information about health, financial situation, occupation and lifestyle. If the information you give us is not complete or accurate in any way, we may not be able to provide you with the products and services for which you have applied.

In assessing your application for and managing your membership of the Fund, we may need to disclose your personal information to other parties, such as other providers of retirement and savings products, a financial adviser, the ATO, the Insurer and other AXA Australia companies. We will only use information about your nominated dependants in the event of your death.

The Trustee does not give your personal details to any external parties for their marketing purposes. In the future, the Trustee may contact you about new products or special offers. If at any time you do not want to receive this information, you can let us know by calling us on 1800 667 841 and quoting your member number.

You are entitled to request reasonable access to information we have about you.

Our policy on privacy is available from www.axa.com.au or by calling us on 1800 667 841. If you have any complaints or questions about the privacy of your personal information, please contact our Privacy Officer by writing to:

Group Privacy Officer
AXA Australia
PO Box 14330
MELBOURNE VIC 8001

If your complaint is not resolved by us to your satisfaction, you may write to the Privacy Commissioner at:

Office of the Privacy Commissioner
GPO Box 5128
SYDNEY NSW 2001

Complaints

If you have a complaint regarding the administration of your account, you should:

- call the North Service Centre on 1800 667 841
- email us at north@axa.com.au, or
- write to us at:
The Manager
North Service Centre
GPO Box 2915
MELBOURNE VIC 3001

Include in your letter the exact nature of your complaint, your name and your North Personal Superannuation or Personal Pension account number. We are required to address your complaint within 90 days of receipt of your complaint.

If you are not satisfied with our resolution or handling of your complaint, you may contact the Superannuation Complaints Tribunal. The Tribunal is an independent body set up by the Federal Government to help members or their dependants resolve superannuation complaints. The Tribunal may try to resolve the complaint by agreement between the parties or conduct a formal review of the decision.

The contact details for the Tribunal are as follows:

Superannuation Complaints Tribunal
Locked Bag 3060
GPO MELBOURNE VIC 3001

Telephone number: 1300 780 808
Facsimile number: (03) 8635 5588

Direct debit service agreement

This agreement outlines our responsibilities as operator and your responsibilities with regard to direct debit requests.

This agreement outlines our and your responsibilities to ensure the smooth and secure operation of our direct debit agreement.

Our responsibilities

- We will only deduct contributions from your chosen account. We will confirm the contribution amount and how often we have agreed to deduct it.
- We assure you that we will not disclose your bank details to anyone else, unless you have agreed in writing that we can or unless the law requires or allows us to do this.
- We will debit your account on your nominated day of the month. If the payment date is a weekend or national public holiday, we will debit your account on the next business day.
- We will give you at least 14 days notice when changes to the terms of this arrangement are made.

Your responsibilities

- Before sending us your account details, please check with your bank or financial institution that direct debit deductions are allowed on the account you have chosen.
- Please make sure that you have enough money in your account to cover payment of your instalments when due. Your bank or financial institution may charge a fee if the payment cannot be met.
- The financial institution may charge you a small fee for the direct debit arrangement. This will be reflected in your financial institution account statement.

Changing your payments details

You may cancel or change direct debit deductions at any time.

Can we help?

- If you have any queries about your direct debit agreement, please contact your financial adviser or call us on 1800 667 841.
- We undertake to respond to queries concerning disputed transactions within 10 working days of receipt of notification.

Payment of benefits to an Eligible Rollover Fund

An Eligible Rollover Fund (ERF) is a special type of superannuation fund that is able to accept benefits that are transferred from another superannuation fund without a member's consent. Typically an ERF has a conservative investment strategy and the administration fees charged by the fund cannot exceed the fund's earnings.

There are a number of circumstances in which your benefit in North Personal Superannuation might be transferred to an ERF. One situation where we may do so is if your account value falls below the minimum account value required in North Personal Superannuation. We will issue you with an exit statement, and the ERF will write advising you that it has received your benefit and outlining the options available to you.

We may also pay your benefit to an ERF if we lose contact with you and, after a reasonable time, we are unable to locate you.

The ERF used by North is the:

National Preservation Trust
NPT Administration
PO Box 6003
WOLLONGONG NSW 2500
Telephone: 1800 331 210

i For further information on the following, refer to section 6 of the Additional information document.

- [Family law and superannuation](#)
- [Supply of member information to the ATO](#)
- [The Trust Deed](#)
- [Relationship between the Trustee and some companies in which the Fund will invest](#)
- [Relationship between the Trustee and some service providers](#)

Important information

North Personal Superannuation and North Personal Pension are plans offered as a part of the Wealth Personal Superannuation and Pension Fund (the Fund). The Trustee of the Fund and issuer of this Product Disclosure Statement (PDS) is N.M. Superannuation Proprietary Limited, a member of AXA APH.

The Trustee is an RSE Licensee under the Superannuation Industry (Supervision) Act 1993 (SIS), which means that we have satisfied licensing conditions set by the Australian Prudential Regulation Authority (APRA). The Trustee is responsible for the monitoring and management of the Fund for the benefit of all members in accordance with the governing rules of the Fund and relevant legislation.

The Trustee invests in registered managed investment schemes. Each of the managed investment schemes corresponds to an investment option offered through North Personal Superannuation and Personal Pension. Collectively the managed investment schemes are referred to as the Investment Options. A reference to 'units' in this PDS means units in each of the investment options available through North Personal Superannuation and Personal Pension.

We have not taken your investment objectives, financial situation or particular needs into account when preparing this PDS. Before acting on the information in this PDS, you should consider the appropriateness of this information and we suggest that you seek financial advice from a licensed financial adviser before investing.

Investments offered through North Personal Superannuation and Personal Pension are subject to investment risk, including possible delays in repayment and loss of income and capital invested. Apart from a benefit arising out of a Guarantee issued by NMFm and supported by an undertaking from AXA APH, and the payment of the Benefit Gap component of the Protected Retirement guarantee by NMLA pursuant to the terms and conditions of the Life Policy, neither NM Super, nor any other member of the Global AXA Group or the investment managers, guarantee the repayment of capital, payment of income or the performance of the investment options.

Optional insurance cover is available to North Personal Superannuation and Personal Pension members through insurance arranged with The National Mutual Life Association of Australasia Limited (NMLA). Please refer to the Insurance PDS for more information on the types of cover available. Insurance cover is provided under insurance policies held by the Trustee.

If you have received this document electronically, we will provide a free hard copy upon your request. Interests through North Personal Superannuation and Personal Pension will not be issued on the basis of this document when it is no longer current. This document should not be construed as an offer to invest in North Personal Superannuation and Personal Pension in any jurisdiction other than Australia.

We reserve the right to change the terms and conditions in this PDS subject to regulatory requirements.

We may accept or refuse (without reason) any application.

Wealth Personal Superannuation and Pension Fund	Australian Business Number (ABN) 92 381 911 598
North Personal Superannuation Personal Pension	Super Product Identification Number (SPIN) NMS0001AU
N.M. Superannuation Proprietary Limited	ABN 31 008 428 322 Australian Financial Services (AFS) Licence No. 234654
The National Mutual Life Association of Australasia Limited (NMLA)	ABN 72 004 020 437 AFS Licence No. 234649
AXA Asia Pacific Holdings Limited	ABN 78 069 123 011
National Mutual Funds Management Limited (NMFm)	ABN 32 006 787 720 AFS Licence No. 234652
NMMT Limited (NMMT)	ABN 42 058 835 573 AFS Licence No. 234653
ipac asset management limited (ipac)	ABN 22 003 257 225 AFS Licence No. 234655

Directory

Trustee

N.M. Superannuation Proprietary Limited

Registered office

750 Collins Street
Melbourne VIC 3000

Postal address

North Service Centre
GPO Box 2915
Melbourne VIC 3001

Enquiries

Telephone: 1800 667 841 (1800 NORTH 1)

Email

north@axa.com.au

Website

north.axa.com.au

north.axa.com.au

07651-04-105

North Service Centre GPO Box 2915 Melbourne Victoria 3001
Telephone: 1800 667 841



redefining / superannuation

North Personal Superannuation and Personal Pension

This document provides additional information to the North Personal Superannuation and Personal Pension Product Disclosure Statement – Part A (PDS Part A) and should be read in conjunction with the current PDS Part A.

A printed copy of this document can be provided to you free of charge by contacting the North Service Centre on 1800 667 841.

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Important information

This publication has been prepared to provide you with general information only. It is not intended to take the place of professional advice and you should not take action on specific issues in reliance on this information. In preparing this information, we did not take into account the investment objectives, financial situation or particular needs of any particular person. Before making an investment decision, you need to consider (with or without the assistance of a financial adviser) whether this information is appropriate to your needs, objectives and circumstances. You should obtain a copy of the relevant Product Disclosure Statement (PDS) before making a decision to invest in any financial product. Copies of our PDSs can be obtained from your financial adviser or by calling the North Service Centre on 1800 667 841. Detailed information about the product is contained in the PDS. The National Mutual Life Association of Australasia Limited and its associates derive income from issuing interests in the products, full details of which are contained in the PDSs. This information is provided for persons in Australia only and is not provided for the use of any person who is in any other country.



redefining / superannuation

What type of contributions can be made?

Contributing to North Personal Superannuation

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

Your age	Types of contributions that can be made
Under 65	<ul style="list-style-type: none"> Mandated employer contributions (Superannuation Guarantee (SG) and award) Employer voluntary contributions Salary sacrifice Personal contributions Spouse contributions Government co-contributions Rollovers from a closed First Home Saver Account
Age 65 to 69	<ul style="list-style-type: none"> Mandated employer contributions (SG and award) Employer voluntary contributions once you have been gainfully employed (including self-employed) for at least 40 hours in a period of 30 consecutive days in the financial year Personal contributions including spouse contributions once you have been gainfully employed (including self-employed) for at least 40 hours in a period of 30 consecutive days in the financial year Government co-contributions Rollovers from a closed First Home Saver Account
Age 70 to 74	<ul style="list-style-type: none"> Mandated employer contributions (award only) Employer voluntary contributions once you have been gainfully employed (including self-employed) for at least 40 hours in a period of 30 consecutive days in the financial year Personal contributions excluding spouse contributions once you have been gainfully employed (including self-employed) for at least 40 hours in a period of 30 consecutive days in the financial year Government co-contributions (if aged under 71 at the end of the financial year for which the co-contribution applies)
Age 75+	<ul style="list-style-type: none"> Mandated employer contributions only (award only)

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

Rollovers

North Personal Superannuation can generally accept investments in the form of rollovers (including transfers) from other complying superannuation funds, income streams, retirement savings accounts and some employment termination payments. There are no age-based restrictions on rollovers.

Concessional contributions

Concessional contributions include the following:

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

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

For information on the maximum concessional amounts that can be contributed in any one year, refer to section 5.

Section 1 What type of contributions can be made?

Non-concessional contributions

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

Non-concessional contributions include the following:

Personal contributions	You can arrange with your employer to make regular contributions via a payroll deduction from your after tax salary. Alternatively, you can make contributions directly to the Fund. If you make personal contributions, you may qualify for the government's co-contribution scheme.
Spouse contributions	These are contributions paid by your spouse into your account. Your spouse does not need to be a member of the Fund to make spouse contributions.
Other contributions	These may include transfers made from foreign funds and rollovers from closed First Home Saver Accounts.

For information on the maximum concessional amounts that can be contributed in any one year refer to section 5.

Other contributions

Other contributions the Fund may accept include government co-contributions and personal injury payments.

When can I access my superannuation? /

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

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

All superannuation contributions and any investment earnings are preserved.

Preservation age

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

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

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

How are pension payments calculated?

Calculating your pension payment

Allocated pension

Allocated pensions require payments of a minimum amount to be made at least annually. There is no restriction on how much you can withdraw from your allocated pension above the minimum level other than your maximum account value. This may include cashing out the whole amount.

The minimum amount of income that must be paid in a year is calculated by multiplying the withdrawal value of the account by the applicable percentage factor prescribed by government legislation each 1 July. There is no maximum payment.

The table below sets out the minimum annual pension payments.

Minimum annual pension payments

Age at 1 July	Per cent of withdrawal value ¹
Less than 65	4
65-74	5
75-79	6
80-84	7
85-89	9
90-94	11
95 or more	14

¹ The Federal Government has announced that for the 2009/2010 financial year, these minimums have been halved.

Non-commutable allocated pension

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

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

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

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

Allocated pension minimum payments

Your pension payments must satisfy the following rules:

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

If you make a full lump-sum withdrawal from your North Personal Pension, we are legally required to first pay your minimum pension amount for the relevant portion of that financial year. If you have already received more than this amount, no additional pension payment is required. If you make a partial lump-sum withdrawal, there needs to be sufficient funds in the account to

meet minimum pension payments for the remaining portion of the financial year.

You can choose to receive the minimum pension or any amount above this. Additionally, you can choose to have income distributions paid as a pension or added to a specified amount.

How long will allocated pension payments continue?

We will continue to make pension payments from your account until the withdrawal value of your account is nil.

The length of time your pension payments continue depends on the size of your investment, the amount of pension you take each year, any lump-sum commutations, fees and the investment earnings generated from the investment option or options you choose. There is no guarantee that your pension payments will continue for life.

Changing your pension

On 1 July each year we are required to review and recalculate your minimum pension level based on your age and account withdrawal value. You are advised of your new minimum pension level shortly after the review is completed. If you do not ask us to alter your annual pension amount, then your payment will be the same as for the previous financial year, unless:

- you have asked us to automatically increase the amount each year, either by CPI or by a nominated percentage, or
- we have to adjust your payment to your minimum level applicable for that year.

Flexible payment options

Your North Personal Pension payment is flexible to suit your changing needs. You can choose to receive your pension:

- monthly
- quarterly
- half-yearly, or
- yearly.

Whichever frequency you choose, you can also nominate the date you wish to receive your pension and you may change the frequency and/or payment date at any time. You can select a day between the 1st and 28th of the month or the last day of the month.

If your regular payment date falls on a weekend or a National public holiday, we will pay your pension on the preceding business day.

How is your pension paid?

Your pension payments are paid into your nominated Australian bank/financial institution account. Note: your bank/financial institution may charge you a fee for this service.

How will the benefit be paid upon death? /

Payment of superannuation assets

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

- your superannuation benefit, and
- the proceeds of any insurance claim paid by the Insurer, if applicable.

The death benefit may also include an anti-detriment component that effectively represents a refund of tax paid on contributions. Refer to page 9 for more information.

Payments of death benefits in the form of a lump-sum are tax free when paid to a beneficiary who is a death benefit dependant (as defined in tax legislation) of the deceased.

A beneficiary who is not a death benefit dependant (as defined in tax legislation) of the deceased can only be paid a lump-sum death benefit, which may be subject to tax, and not an income stream.

Payment of pension assets

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

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

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

The taxable component of a lump sum paid to a non-dependant (including children 18 and over) is taxed as assessable income.

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

- under 18 years of age
- between 18 and less than 25 years of age and financially dependent on the member, or
- disabled as defined in disability services legislation.

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

Contact your financial adviser for further details.

Dependant

A dependant is defined as any of the following:

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

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

Spouse

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

A dependant beneficiary of your death benefit can ask to receive payment as a lump sum or pension or a combination of both.

A non-dependant beneficiary of your death benefit can only receive payment as a lump sum.

Binding death benefit nomination

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

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

- is valid
- has been made in the prescribed manner (ie the Binding nomination of beneficiaries form is completed and the original form sent to the North Service Centre)
- is received by the Trustee before your death
- has not expired, and
- the nominated person(s) is a dependant at the time of your death and/or your legal personal representative.

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

To be valid, a nomination must:

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

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

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

Section 4 How will the benefit be paid upon death?

If you wish to revoke a binding death benefit nomination, you must complete and sign the revocation in the presence of two witnesses who are 18 years of age or over and neither of whom were nominated on the form. Each witness must also sign and date the witness declaration section.

If you nominate your legal personal representative as your beneficiary, please make sure that you have a valid and current will. If you die without a will, the Trustee may have to pay the benefit to a court-appointed administrator who will pay the benefit in accordance with a statutory formula that varies from state to state. Payment to a legal personal representative may also take longer to effect as it is necessary for a Grant of Probate or Letters of Administration to be issued before the benefit can be paid.

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

Non-binding death benefit nomination

If you elect to nominate a non-binding beneficiary, the Trustee will consider the nomination provided by you but has the discretion to pay your benefit to one or more of your dependants and/or your legal personal representative in proportions it determines.

Reversionary pension

At the commencement of your North Personal Pension, you can request that your benefit continue after your death by nominating your spouse or your child as a reversionary pensioner. If you decide to change or remove the reversionary beneficiary details after your pension has commenced, your current pension will be commuted and set up again with the new details.

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

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

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

No nomination

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

No dependant or legal personal representative

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

What about taxation?

Taxation information for superannuation

Contributions tax

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

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

Tax will be deducted from your account quarterly.

Contribution limits

Concessional contributions caps

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

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

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

Non-concessional contributions caps

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

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

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

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

No TFN rule on concessional and non-concessional contributions

Concessional contributions

You do not commit an offence if you choose not to provide the trustee with your TFN, and you are not otherwise required by law to provide your TFN. However, if you do fail to do so, a no-TFN contributions tax rate of 31.5 per cent applies to your concessional contributions. It applies in addition to the excess contributions tax (as well as the standard contributions tax at 15 per cent) and there is no reduction to the taxable amount for insurance premiums that you might pay.

However, the Fund may be entitled to a tax offset for tax it has paid on no-TFN contributions income if the member quotes their TFN to the Trustee within four financial years of the tax on the no-TFN contributions income being payable.

Non-concessional contributions

The Trustee is required by law to refund any non-concessional contributions received if a TFN has not been provided within 30 days. The Trustee is entitled to deduct an administration fee and any transaction costs and premiums that have been paid in relation to insurance cover for a specific period.

Tax deductions

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

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

If you are self-employed or substantially self-employed, ie not receiving employer support (less than 10 per cent of your assessable income is from employment where an employer pays superannuation for you), you may be eligible to claim a tax deduction for contributions you make to superannuation. Limits apply on contributions made by you or on your behalf. For more information, contact your financial adviser or visit www.ato.gov.au.

Tax on investment earnings

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

Taxation information for pension accounts

Tax payable when starting a pension

If your non-concessional contributions from your superannuation account have exceeded the non-concessional cap, you may incur an excess non-concessional contributions tax liability. In this case you will be provided with a release authority from the ATO to withdraw an amount equal to your tax liability from your fund.

Tax on pension payments

Aged under 60

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

Section 5 What about taxation?

However, you may be entitled to a tax offset on your income payments relating to the taxable component from your Fund of up to 15 per cent of the taxable amount if you are under the age of 60 but have reached your preservation age, or if you are under 55 and are receiving a pension as the result of a permanent incapacity payment.

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

Aged 60 and over

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

Tax on investment earnings

Earnings on your North Personal Pension investment are currently exempt from tax if aged 60 and over.

General taxation information

Lump-sum benefits

The way any lump-sum benefit is taxed depends on your age and the make-up of your lump-sum benefit (ie as between tax free and taxable components).

For members under age 60, the taxable component is determined by factors such as the source of the contributions and whether a tax deduction has been claimed for the contribution. Usually, the taxable component consists of contributions made to the Fund by employers and by members (to the extent a deduction has been claimed for those contributions), together with any earnings on those contributions. If tax is payable on your benefit, the Trustee is required to withhold tax from your benefit. You will be provided with a PAYG payment summary – superannuation lump sum to include in your next tax return.

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

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

The following is a summary of the components and how they are taxed as the law currently stands.

Component	Taxation
Taxable component – taxed element	If you are under 55, all of this amount is subject to tax at 21.5% (including Medicare levy). If you are between 55 and 59, an amount up to a threshold will be tax free and any amount over this will be subject to tax at 16.5% (including Medicare levy). If you are aged 60 years or over, any superannuation benefits paid to you are tax free.
Taxable component – untaxed element	Any taxable component – untaxed element rolled over to this fund will be subject to contributions tax upon receipt and will then convert to a taxable component – taxed element. Other tax rates apply if a taxable component – untaxed element is paid to you in the form of a lump sum or a pension. As this Fund is a taxed fund, these tax rates will not be relevant to you when your superannuation benefits are paid to you or your dependants.
Tax free component	Untaxed

Withdrawals

The following is a summary of how withdrawals from superannuation are taxed depending on your age at the time of payment.

Age	Superannuation lump sum	Superannuation income stream
60 years and above	Tax free (not assessable, not exempt income)	Tax free (not assessable, not exempt income)
Preservation age to 59 years	0% up to low rate threshold (indexed) Any amount above low rate threshold is subject to 16.5% tax (including Medicare levy)	Marginal tax rates and 16.5% tax offset may apply (including Medicare levy)
Below preservation age	Taxable component is subject to 21.5% tax (including Medicare levy)	Marginal tax rates (no tax offset) ¹

1 A disability superannuation income stream also receives a 15% tax offset.

Tax on death benefits

In the event of your death, a pension or income stream paid to your dependants may also be entitled to tax concessions depending on a number of factors including their age and your age at the date of your death. For more information, speak to your financial adviser.

Anti-detriment payment

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

Tax refunds

Tax payments may be deducted from your account throughout the year. You may also be eligible for a tax refund. Tax refunds will only be reimbursed if you remain a member at the time of distribution.

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

What else do you need to know? /

Family law and superannuation

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

Supply of member information to the Australian Taxation Office (ATO)

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

The ATO will check the information supplied by us against its lost members register, SG and superannuation holding account reserve records in order to identify benefits belonging to Fund members. If funds are identified, we will notify you in writing. This service is provided free of charge and will assist you to better manage your superannuation for your retirement.

Where your account balance is less than \$200, this total amount may be withdrawn tax free.

The Trust Deed

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

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

A copy of the Trust Deed is available upon request by contacting the North Service Centre via email at north@axa.com.au or by calling 1800 667 841.

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

The Trustee invests in a wide range of managed investment schemes (investment funds). National Mutual Funds Management Limited (NMFN) ABN 32 006 787 720, AFS Licence No. 234652 and ipac asset management limited (ipac) ABN 22 003 257 225, AFS Licence No. 234655 are the responsible entities for a number of these investment funds and may receive a fee for services provided. NMFN and ipac are a part of AXA APH. For a full list of these investment funds, please refer to the North Investment Options.

AllianceBernstein Australia Limited (AllianceBernstein) is also a joint venture partner with AXA APH. AllianceBernstein may provide investment management services to the investment funds issued by NMFN, including management of the Wholesale Cash Fund and AXA's Wholesale Cash Management Trust.

NMFN will pay a fee to AllianceBernstein for this service according to a sub-delegation agreement.

The Trustee has appointed NMMT Ltd ABN 42 058 835 573 to provide services in relation to the Fund. This includes selecting the range of investment options made available and managing the cash account. The Trustee has appointed NMLA as the administrator of the Fund. Both NMMT and NMLA receives a fee for the services they provide.

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

Relationship between the Trustee and some service providers

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

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

north.axa.com.au

North Service Centre
GPO Box 2915 Melbourne VIC 3001 Tel: 1800 667 841
Wealth Personal Superannuation and Pension Fund
ABN 92 381 911 598
Trustee: N.M. Superannuation Proprietary Limited
ABN 31 008 428 322 AFS Licence No. 234654
Member of AXA APH



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