Thank you for requesting this Product Disclosure Statement from Funds Focus.

Fee Reduction

As highlighted within our offers page, whilst most managed funds typically pay an entry fee of up to 5%. Applications lodged through Wealth Focus will receive a rebate of up to 5% directly into your fund, providing you with more money in your fund.

How to Apply

Please have a read through the PDS and if you would like to invest the application pages can generally be found towards the back of the document. You will only need to send the application section back with a cheque payable direct to the investment company (not ourselves). You should take note of any minimum investment amounts that may apply.

Then mail the completed application directly to us.

We will then check to ensure your form is completed correctly before forwarding your document on to the investment provider on your behalf.

Wealth Focus Pty Ltd
Reply Paid 760
Manly
NSW 1655

Please note that we are unable to track applications mailed directly to the product provider and therefore cannot guarantee that your discounts have been applied in these instances.

Should you wish to take advantage of our free annual valuation and tax report for all your investments you should complete our broker nomination form for The Wealth Focus Investment Service.

Regards

Sulieman Ravell
Managing Director

Skandia

INVESTMENTS
SUPERANNUATION

skandia one retirement solutions

A Member of the OLD MUTUAL Group

First Supplementary Product Disclosure Statement
12 December 2007

Skandia One Retirement Solutions

Date: 12 December 2007
First Supplementary Product Disclosure Statement

This is the First Supplementary Product Disclosure Statement ('First Supplementary'), for the Skandia One Retirement Solutions Product Disclosure Statement ('PDS'), which has been provided in two parts:

- Part 1 - Skandia One Retirement Solutions Features, Fees and Costs Book, dated 31 July 2007 (with application forms inserted); and
- Part 2 - Skandia One Solutions Investment Book, dated 31 July 2007;

as amended from time to time, issued by Australian Skandia Limited ABN 54 093 415 251 ('Skandia'), Australian Financial Services Licence ('AFSL') Number 234432, RSE L0001991, RSE R1055641.

This First Supplementary should be read together with the PDS. This First Supplementary is provided in two sections:

- Section 1 – Update to Part 1 of the PDS - Features, Fees and Costs Book; and
- Section 2 – Update to Part 2 of the PDS - Investment Book.

The investment managers of the underlying funds of the investment options named in this First Supplementary have given their written consent and, as at the date of this First Supplementary, have not withdrawn such consent to being named, and having statements based on information provided by them, in this First Supplementary, in the form and context in which they are included.

The information in this First Supplementary is of a general nature only and does not take into account your own personal objectives, financial situation or needs. You should read this First Supplementary in its entirety carefully and assess whether the product is appropriate for you and discuss this with your financial adviser before you make an investment decision.

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section 1 - update to PDS
features, fees & costs book

Page references under sub-headings are to pages of Part 1 of the PDS, the Features, Fees and Costs Book dated 31 July 2007

1.1 inside front cover (Refer to front cover)

- In the second column, delete the fourth and fifth paragraphs and replace with the following:
  "Applications on the basis of this document (electronic or otherwise) are to be made by Australian members only. That is, an investment must be made by persons while physically within Australia and funded from an Australian bank account."

1.2 key features (Refer to page 4)

- **On page 5,** delete the text in the box at the bottom of the page and replace with the following:

> Once a valid application form and payment has been received from you and processed, we will send you a welcome pack containing your investment confirmation and Skandia Service Online details. Refer to page 58 for details of the cooling-off period which applies to your investment.

1.3 about superannuation (Refer to page 6)

- **On page 9**, under the heading "Transfers to the Eligible Rollover Fund", delete the second paragraph and replace with the following:
  "You are a 'lost' member under superannuation law if:
  - Our written communications to you are returned unclaimed (and we do not know your current address); or
  - Where an account has been set up for the purpose of employer contributions, we have not received a contribution or rollover for a period of five years and you have not advised us that you wish to remain a member of the Fund."

1.4 about pensions (Refer to page 14)

- **On page 17,** under the heading "Part year pensions", delete the fourth paragraph and replace with the following:
  "If you nominate an amount over the minimum (and under the maximum, for non-commutable pensions) payment limit for your age, and you start your pension part way through the financial year, we will pay the selected regular payment amount you wish to receive on each payment date provided the amount is between the pro-rated minimum amount, and maximum amount for non-commutable pensions. For non-commutable pensions the applicable maximum amount is not pro-rated, but is based on 10% of your account balance on commencement day of the pension, or 1 July in the payment year.

  If the total amount paid in the part year falls below the minimum annual limit required to be paid, we will increase your payment accordingly to meet the minimum amount."

- **On page 18,** under the heading "example 2: calculation of part year pension", delete the text in the box and replace with the following:

Example 2: calculation of part year pension
Following on from the example above, if you are 60 years of age, and you commence your pension on 15 September with $100,000, your payments will be pro-rated for the financial year as follows:
Your minimum payment will be: (289^ ÷ 365) x $4,000 = $3,170*
Your maximum payment (for non-commutable pensions only) will be: $10,000.

^ 289 being the number of remaining days in the financial year (from 15 September to 1 July).
* Rounded to the nearest $10.

1.5 managing your account (Refer to page 22)

- **On page 23,** under "how do I set up dollar cost averaging for my investment?", in the 'further information' column after the third bullet point insert the following paragraph:
  "Where you allocate part or all of your initial investment to a cash Option, the cash Option must be either the Skandia UBS Cash Option or the Skandia UBS Credit Enhanced Cash Option. Please refer to the 'investment choice' section of the application form. This facility is not currently available for the Skandia Cash Option or the Skandia Cash Enhanced Option."

- **On page 26,** under the heading "drawdown order options", delete the note at the end of the section and replace with the following:

Please Note:

- *If you specify a drawdown order, auto rebalancing will not apply to your investment. Refer to page 23 for details about auto rebalancing. Additionally, if you switch Options or invest in new Options, your drawdown order will need to be updated for your new Options. Where you do not supply new drawdown order instructions, your existing instructions will apply. Once your drawdown order is completed, any pension payments, insurance premiums and fees will be deducted proportionally from any remaining Options.*

- **On page 27,** under the heading "dollar cost averaging - how it works", delete the first sentence of the second paragraph and replace with the following:
  "To use the dollar cost averaging service, you must make all or part of your initial investment into either the Skandia UBS Cash Option or the Skandia UBS Credit Enhanced Cash Option."

1.6 about insurance (Refer to page 30)

- **On page 37,** under the heading "Death only and D&TPD premiums", delete the first paragraph and replace with the following:
  "The following table sets out the premiums payable for Death only and D&TPD cover for white collar workers. The amounts shown are the standard annual premiums per $1,000 of insured benefit. The standard adviser insurance fee is 22%. All rates shown in the table include this fee, Skandia's administration fee of 11% plus any GST or stamp duty. If you do not have a financial adviser Skandia will retain the amount of the adviser insurance fee. For more details about the adviser insurance fee refer to page 52."

- **On page 38,** under the heading "Death only and D&TPD premiums", delete the text above the table and replace with the following:
  "Standard Death only and D&TPD annual premiums based on $1,000 of cover for white collar workers. Rates include a standard 22% adviser insurance fee and an 11% Skandia administration fee inclusive of GST and any stamp duty."
  The premium rates in the table remain unchanged.

- **On page 39,** under the heading "SCI premiums", delete the text above the table and replace with the following:
  "The following table sets out the premiums payable for SCI cover. The amounts shown are the standard annual premiums per $1,000 of insured benefit per annum based on a non-smoker, white collar worker. The standard adviser insurance fee is 22%. All rates shown in the table include this fee, Skandia's administration fee of 11% and any GST or stamp duty. If you do not have a financial adviser Skandia will retain the amount of adviser insurance fee.

  The premiums have to be multiplied by the occupational loading applicable to you (see page 37). For smokers, the rates are increased by 30%."
  The premium rates in the table remain unchanged.

- **On page 40,** under the heading "insurance fees and remuneration", delete the first paragraph and replace with the following:
  "The insurance premium rates quoted on pages 38 and 39 include a standard 22% adviser insurance fee and an 11% Skandia administration fee (both inclusive of GST and any stamp duty). These rates will apply unless otherwise indicated on the application form. If you do not have an adviser, Skandia will retain the adviser insurance fee."

1.7 fees and costs (Refer to page 44)

- **On page 45,** under the heading "fees and costs table", delete the table, text and associated footnotes and replace with the following:

Fees and costs table

Type of fee or cost	Amount (including GST)	How and when paid
Fees when your money moves in or out of the Fund		
Establishment Fee The fee to open up your investment.	Nil	Not applicable
Contribution Fee[1] The fee on each amount you contribute to your investment.	4% of the amount contributed, unless you negotiate an adviser upfront service fee (which may be more than 4%).	Deducted from new (initial and, where applicable, subsequent) investments when they are made. This fee is deducted from your investment by a sale of units.
Withdrawal Fee The fee on each amount you take out of your investment.	Nil	Not applicable
Termination Fee The fee to close your investment.	Nil	Not applicable
Management costs		
These are the fees for managing your investments and include: • management fees; and • expense reimbursables (excluding abnormal operating expenses). An estimate of the total amount you pay for specific Options is shown on pages 55 to 57. Performance fees may also apply to some Options.	Between 1.66% and 3.40% of your Option balance depending on the Option you invest in.	Management fees and expense reimbursables are charged daily and paid monthly in arrears. These fees are reflected in the unit price of the Option and not charged separately to your account. Performance fees may be charged by the underlying fund managers of some Options, are normally reflected in the unit price for those Options and may be paid monthly, quarterly or annually depending on the underlying fund manager.
Service Fees[2]		
Switching Fee The fee for changing Options.	Nil	Not applicable

Example of annual fees and costs

The table gives an example of how the fees and costs in a balanced investment Option for this product can affect your investment over a one-year period. You should use this table to compare this product with other superannuation products.

Example - Skandia Balanced Option		Balance of $50,000 with total contribution of $5,000 during year
Contribution fees	**4%**	For every $5,000 you put in, you will be charged $200.
Plus - estimated management costs (excluding performance fees)	**2.05%**	**And,** for every $50,000 you have in the Fund you will be charged $1,025 each year.
Equals - Cost of Fund		If you put in $5,000 during a year and your balance was $50,000, then for that year you will be charged fees of $1,225. **What it costs you will depend on the investment option you choose and the fees you negotiate with your fund and financial adviser**.

For further information about fees and costs, refer to the 'additional explanation of fees and costs' section on pages 46 to 57.

1. This fee may include an amount payable to an adviser. See 'adviser service fees' under the heading 'additional explanation of fees and costs'.
2. Refer to 'adviser service fees' under the heading 'additional explanation of fees and costs' for details about adviser service fees.

1.8 additional explanation of fees and costs

(Refer to page 46)

- **On page 48,** under the heading "table of performance fees – self-select Options", insert the following in appropriate alphabetical order:

Option	Performance fees (including GST and RITCs) and hurdles	% Performance fee incurred per 1% outperformance	Payment frequency
Skandia ABN AMRO Concentrated Australian Equity	Estimated at 0.16% based on 15% of the underlying fund's performance above the S&P/ASX 200 Accumulation Index plus 3% (performance hurdle). The performance fee is calculated each business day and accrues daily. It is reflected in the unit price and paid annually as at 30 June. Any underperformance of the underlying fund in relation to the benchmark will have the effect of reducing any performance fee accrued in that performance fee period. Any underperformance against the performance hurdle at the end of a performance fee period will not be carried forward to the next performance fee period.	0.1500	Accrued daily and paid annually
Skandia All Star IAM Australian Share	A performance fee may be payable to the investment manager of the underlying fund. This fee is only payable where the underlying fund outperforms the investment benchmark which is the S&P/ASX 200 Accumulation Index. The fee is calculated on the total asset value of the underlying fund less the fee of the investment manager. The performance fee is accrued daily and payable quarterly. The responsible entity of the underlying fund may charge a maximum performance fee of 25% pa, but for the duration of the life of their relevant PDS, has waived its right to the full amount and will charge the lower performance fee of 20.5% pa, inclusive of the net effect of GST. If there is a period of underperformance to the benchmark for the underlying fund, the performance fee accrued is frozen at its current level and further performance fees may not commence to be accrued again until the full amount of underperformance is recouped. Accrued performance fees are reflected in the unit price.	0.2050	Accrued daily and paid quarterly
Skandia Australian Unity Platypus Australian Equities	The performance fee is 15% of any outperformance of the baseline performance defined as the underlying fund performance over the S&P/ASX 300 Accumulation Index plus 1%. For a performance fee to be deducted from the underlying fund, a performance hurdle must be met which comprises three parts; the percentage performance of the underlying fund over the performance fee period (before deducting management costs) must exceed the baseline performance, must also exceed 0% and the end unit price must exceed the high watermark. The high watermark is the mid unit price at which a performance fee was last deducted from the underlying fund. As at the first day of each 3 year period, the high watermark is reset to equal the unit price of the last day of the previous 3 year period.	0.1500	Accrued daily and paid semi-annually
Skandia Hunter Hall Global Ethical	15% of the outperformance over the underlying trust's benchmark, the MSCI World Total Return Index (Net Dividends Reinvested in $A). Where the performance fee accrued for a period is negative, no performance fee will be charged. The negative balance is carried forward and must be recouped before any further performance fees can be charged.	0.1500	Accrued daily and paid semi-annually
Skandia Investors Mutual Australian ex-50	The performance fee is 15.375% of any outperformance of the S&P/ASX 300 (ex- S&P/ASX 50 excluding Property Trusts). The percentage outperformance (or underperformance) multiplied by the net asset value of the underlying fund prior to taking the performance fee, constitutes the dollar value of the performance fee. The performance fee will be calculated and accrued daily and will be reflected in the unit price. The performance fee will be paid if the accrued performance fees are positive at the end of a half year period (30 June or 31 December). However if the performance fee accruals are positive and the 'actual performance' is negative then the performance fee will not be paid that period (actual performance refers to the percentage change in the redemption price). The performance fee accruals will be carried forward until a half yearly period is reached where the actual performance and the performance fee accruals are positive.	0.1538	Accrued daily and paid semi-annually
Skandia TAAM Asia	10.25% of outperformance over the underlying fund's benchmark, the MSCI All Countries Asia ex-Japan Index ($A). Where the performance fee accrued is negative, no performance fee will be charged. The negative balance is carried forward and must be recouped before any further performance fees can be charged. If the underlying fund's actual return for the accrual period is negative but the underlying fund has outperformed the benchmark, any positive performance fee will be carried forward but the performance fee will not be paid until the end of an accrual period for which the performance fee accrued and the underlying fund return is positive.	0.1025	Accrued daily and paid semi-annually

- **On page 48,** under the heading "table of performance fees – self-select Options", delete the text for the Skandia MIR Absolute Return Option and replace with the following:

Option	Performance fees (including GST and RITCs) and hurdles	% Performance fee incurred per 1% outperformance	Payment frequency
Skandia MIR Absolute Return	The daily performance fee is 20.5% of the difference between the Net Asset Value (NAV) of the underlying fund (before the performance fee and adjusted for applications and redemptions) as at the current valuation day and the NAV of the underlying fund (adjusted for applications and redemptions) as at the previous valuation day. The performance fee is accrued as an expense of the underlying fund daily (so long as the total accrued daily performance fee is not less than zero). The total performance fee for any performance period will be the total of the daily performance fee (including negative amounts) for the relevant performance period. The performance fee, if payable, is deducted from the underlying fund at the end of each performance period. No amount is payable either by or to the underlying fund if the performance fee is a negative amount. All previous negative performance must be offset by positive performance before any performance fee will be payable. If the cumulative performance fee is negative when a redemption is processed, that amount of the cumulative performance fee will be adjusted to reflect the redemption. This Option is in all Skandia Global Access Portfolios.	0.2050	Accrued daily and paid semi-annually

- **On page 49,** under the heading "table of performance fees – self-select Options", delete the text for the Skandia PM CAPITAL Absolute Performance Option and replace with the following:

Option	Performance fees (including GST and RITCs) and hurdles	% Performance fee incurred per 1% outperformance	Payment frequency
Skandia PM CAPITAL Absolute Performance	20% of the outperformance of the underlying fund's net asset value of a unit (any positive performance) in excess of the underlying fund's high watermark. For a performance fee to be payable, the 'Gross Asset Value' (GAV) of a unit must exceed its 'High Water Mark' (HWM) where: the GAV of a unit includes total net income, realised and unrealised gains/losses and all expenses of the underlying fund (including management fees, but excluding the performance fee which is the subject of the calculation) on a per unit basis. The HWM of each unit is equal to the greater of, the issue price of a unit which is the price at which the holder originally acquired their units (adjusted for all subsequent income distributions), or the highest net asset value of a unit at the end of a period where a performance fee was last paid (adjusted for all subsequent income distributions). Subsequent income distributions are subtracted from the HWM issue price of a unit and do not include distribution accrued but not yet paid.	0.2000	Accrued daily and paid monthly

- **On page 50,** under the heading "table of performance fees – ready-made portfolios", delete the text for the following funds:
  - Barclays Global Ascent Fund;
  - Barclays Multi Opportunity Fund;
  - GMO Australian Market Neutral Trust;
  - INVESCO Global Tactical Asset Allocation Fund;
  - Mellon Global Alpha Trust.

  These funds have each been removed as an underlying fund in the Skandia Defensive, Skandia Conservative, Skandia Balanced, Skandia Growth with Income, Skandia Growth and Skandia Absolute Return Options.

- **On page 50,** under the heading "table of performance fees – ready-made portfolios", insert the following in appropriate alphabetical order:

Underlying fund	Performance fees (including GST and RITCs) and hurdles	% Performance fee incurred per 1% outperformance	Payment frequency
AXA Rosenberg Global Market Neutral Fund	20% of the performance of the fund (after management fees) above EURIBOR*. The annual performance fee will be subject to achieving a performance 'high watermark', where underperformance from any previous performance period which a performance fee was payable must be 'caught up' before the performance fee recommences accruing. This fund is in the Skandia Absolute Return Option. *Euribor® (Euro Interbank OfferedRate) is the rate at which euro interbank term deposits within the eurozone are offered by one prime bank to another prime bank.	0.2000	Accrued daily and paid annually
Intech Alpha Strategies Trust	10.25% of the performance of the trust (net of management fee) above the benchmark, the UBS Australian Bank Bill Index. If the trust underperforms the benchmark, the negative amount is carried forward to the next period and must be made up before any performance fee becomes payable. This trust is in all the Skandia Global Access Portfolios.	0.1025	Calculated daily and paid monthly
Intech Global Trading Strategies Trust II	10.25% of the performance of the trust (net of management fee) above the benchmark, the UBS Australian Bank Bill Index. If the trust underperforms the benchmark, the negative amount is carried forward to the next period and must be made up before any performance fee becomes payable. This trust is in all the Skandia Global Access Portfolios.	0.1025	Calculated daily and paid monthly
Orbis/SM Australia Equity Fund	20.50% of the performance of the fund above the S&P/ASX 300 Accumulation Index. The performance fee is subject to achieving a performance 'high watermark', where any underperformance from the previous period(s) must be 'caught-up' before the performance fee recommences accruing. This fund is in all the Skandia Global Access Portfolios and the Skandia Australian Shares High Alpha Option.	0.2050	Calculated and accrued daily and paid weekly

- **On page 56,** in the table, delete the heading "Australian property securities" and replace with the following:
  "Australian property".

- **On page 56,** in the table, delete the heading "Global property securities" and replace with the following:
  "Global property".

- **On pages 55 to 57,** in the "estimated management costs and buy/sell spreads" table for the Options listed below, insert the following in appropriate alphabetical order:

Underlying Option	Management fee component (% pa)[1]	Estimated management cost (% pa)	Buy/sell spread (%)	Performance fee may apply
Australian shares				
Skandia ABN AMRO Australian Equity	2.00	2.20	0.30/0.30	
Skandia ABN AMRO Concentrated Australian Equity	2.30	2.50	0.30/0.30	Yes
Skandia All Star IAM Australian Share	2.30	2.50	0.25/0.25	Yes
Skandia Australian Unity Platypus Australian Equities	2.10	2.30	0.25/0.25	Yes
Skandia Investors Mutual Australian ex-50	2.20	2.40	0.25/0.25	Yes
Skandia Perpetual Ethical SRI	2.40	2.60	0.20/0.20	
Global shares				
Skandia DWS Global Equity Thematic	2.15	2.35	0.20/0.20	
Skandia EQT Intrinsic Value International Sharemarkets	2.60	2.80	0.15/0.15	
Skandia Hunter Hall Global Ethical	2.80	3.00	0.30/0.30	Yes
Skandia T Rowe Price Global Equities	2.40	2.60	0.30/0.30	
Regional shares - Asia				
Skandia TAAM Asia	2.20	2.40	0.35/0.35	Yes
Australian property				
Skandia Principal Property Securities	1.95	2.15	0.25/0.25	
Global property				
Skandia AMP Capital Core Property	2.20	2.40	0.17/0.17	
Australian fixed interest				
Skandia Australian Unity Vianova Strategic Fixed Interest	1.85	2.05	0.00/0.00	
Skandia global fixed interest				
Skandia Credit Suisse Syndicated Loan	2.05	2.25	0.425/0.425	
Skandia ING Diversified Fixed Income	1.75	1.95	0.00/0.00	
Skandia Schroder Fixed Income	1.70	1.90	0.03/0.03	
Cash				
Skandia Cash	1.46	1.66	0.00/0.00	
Skandia Cash Enhanced	1.51	1.71	0.03/0.03	

- **On pages 55 to 57,** in the "estimated management costs and buy/sell spread" table for the Options listed below, replace the buy/sell spread with the following:

Option name	Buy/sell spread
Skandia Blended Sector Portfolios	
Skandia International Property Securities (Hedged)	0.30/0.30
Australian shares	
Skandia Prime Value Growth	0.38/0.38
Global shares	
Skandia BT Wholesale International Share	0.40/0.00
Skandia Walter Scott Global Equity	0.30/0.25
Australian property	
Skandia Perpetual Property Securities	0.20/0.20
Global fixed interest	
Skandia Credit Suisse Global Hybrid Income	0.275/0.275

- **On page 57,** in the table, under the heading "Global fixed interest" delete the information for the Skandia Barclays Overseas Bond Index and replace with the following:

Option name	Management fee component (% pa)[1]	Estimated management cost (% pa)	Buy/sell spread (%)	Performance fee may apply
Skandia Barclays Overseas Bond Index	1.58	1.78	0.15/0.00	

- **On page 57,** in the table under the heading "Alternative investments", delete the name "Skandia PIMCO Global CommodityRealReturn" and replace with "Skandia PIMCO Global Commodities".

1.9 other information (Refer to page 58)

- **On page 64,** after the "Financial information" section, insert the following:

"Anti-Money Laundering and Counter-Terrorism financing requirements

Under the Commonwealth **Anti-Money Laundering and Counter-Terrorism Financing Act 2006** we are required to obtain additional information from new members as to their identity, source of funds and similar matters, and to verify that information through sighting appropriate documentation. At a later date, those requirements may also apply in relation to existing members.

We will let members know when the forms relating to this additional information will be available. If you have your own financial adviser, they will be able to assist you with the Anti-Money Laundering (AML) forms and sight your documentation. For example, individuals will be required to produce a current photographic identification document such as a current passport or driver's licence, or to provide us with a certified copy of the document. Details of who is allowed to certify the copy of the original document will also be provided.

We will contact you if we require additional information from you and let you know full details. If you have an overseas residential address, or are a high net worth individual, it is likely that we will need additional information from you.

We reserve the right to request such information as is necessary to verify the identity of any member and to assess the likelihood of the member or their authorised nominee or Power of Attorney being involved in anti-money laundering or counter-terrorism financing (risk assessment).

We will keep records of the information that you provide us and of your risk assessment. We may be obliged by Australian law or by investment managers resident in other countries who are subject to similar legislation in their own countries to disclose that information, including to the Australian Transaction Reports and Analysis Centre (AUSTRAC). Otherwise we will keep the information confidential to the extent permitted by law. If you do not provide us with this information, we may not be able to process your transactions, may not be able to issue your units within the time periods outlined in this PDS or may not make redemption payments until we have received the information that we request and all anti-money laundering checks have been completed.

By applying for units through this PDS, you agree to the above terms, and you also agree that in the event of your delay or failure to produce information which we have requested for AML purposes we may in our absolute discretion take such action as

we see fit. In particular, we may refuse to accept the application and determine not to issue units to you, may refuse to transfer units you wish to sell or purchase, may cancel or redeem any units which have been issued to you if we believe such action to be necessary or desirable in the light of our obligations under the Commonwealth **Anti-Money Laundering and Counter-Terrorism Financing Act 2006** or any related legislation."

Skandia Service Centre:

Investor Service:
1300 300 088

Email:
auinvestorservice@skandia.com

Facsimile Number:
1300 851 115

Website:
www.australianskandia.com.au

Postal Address:
GPO Box 5442
SYDNEY NSW 2001

Head Office:
Level 18
1 Castlereagh Street
SYDNEY NSW 2000

Victorian Office:
Level 9
303 Collins Street
MELBOURNE VIC 3000

Queensland Office:
Christie Centre
320 Adelaide Street
BRISBANE QLD 4000

Western Australian Office:
45 Ventnor Avenue
WEST PERTH WA 6005

South Australian Office:
Level 1, Suite 5
213 Greenhill Road
EASTWOOD SA 5063

EMAS

At Skandia we value our natural environment. To help meet our environmental responsibilities this document (text and cover pages) has been printed on Emaster Silk paper stock. Emaster is an EMAS certified stock, EMAS stands for Eco Management Audit Scheme. This assures that environmentally accredited facilities are used in the paper manufacturing process, that fibre is sourced from sustainable forests and that all processes involved in its manufacture are of the highest environmental standards.

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Skandia

INVESTMENTS
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UPDATED FOR THE SUPPLEMENTARY PRODUCT DISCLOSURE STATEMENT DATED 12 DECEMBER 2007

skandia one retirement solutions

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product disclosure statement part 1
features, fees and costs book — 31 July 2007

Important notes

This Product Disclosure Statement (PDS) is provided in two parts:

Part 1: Skandia One Retirement Solutions Features, Fees and Costs Book (this document), with application forms inserted; and

Part 2: Skandia One Investment Solutions, Skandia One Retirement Solutions and Skandia One Corporate Solutions Investment Book.

You should read all parts before making a decision to invest. If you have not received all parts, please contact your financial adviser or the Skandia Service Centre on 1300 300 088.

Skandia One Retirement Solutions (Skandia One Super Solutions, Superannuation Product Identification Number (SPIN) ASK0226AU and Skandia One Pension Solutions, SPIN ASK0225AU); Superannuation Fund Number (SFN) 510/010/21; is part of Skandia Global Retirement Solutions, a complying superannuation fund constituted by a Trust Deed dated 22 May 2002, as amended. Australian Skandia Limited is the Trustee and Administrator of the Skandia Global Retirement Solutions superannuation fund.

Throughout this PDS, references to:

- **'Fund' refers to Skandia One Retirement Solutions;**
- **'us', 'we', 'our', 'Skandia' and 'Trustee' refer to Australian Skandia Limited ABN 54 093 415 251, AFSL 234432;**
- **'Part 1' refers to the Features, Fees and Costs Book (with application forms inserted);**
- **'Part 2' refers to the Investment Book;**
- **'account' refers to a member's account within Skandia One Retirement Solutions;**
- **'Option' refers to the Fund's Investment Options you may choose to invest in as detailed in Part 2 of this PDS;**
- **'underlying fund' refers to the underlying investment vehicle Skandia invests into, for each of the Options;**
- **'the Insurer' refers to TOWER Australia Limited;**
- **'member' refers to a person who has an account within Skandia One Retirement Solutions;**
- **'spouse' refers to a person who is legally married to you, or although not legally married to you, lives with you on a genuine domestic basis as your husband or wife ('de facto spouse'). A spouse does not include a person who lives apart permanently from you, or a partner in a same-sex relationship.**

Further information about the Options is available on our website www.australianskandia.com.au or on request by contacting the Skandia Service Centre on 1300 300 088. The provision of the requested information may be subject to a charge.

Where permitted by law, we may update this PDS for changes which are not materially adverse without issuing a supplementary PDS. We will issue this updated information in a Product Information Update that can be obtained from our website www.australianskandia.com.au or by calling the Skandia Service Centre. We will provide copies of this information free of charge. Where the change in information is materially adverse or as otherwise required by law, we will replace this PDS or issue a supplementary PDS and give members notice as required or permitted by law.

Investments in the Options are subject to investment risk and may result in the loss of principal or income invested, or delays in repayment. If you leave the Fund within a few years of joining, you may get back less than the amount of investment paid in because of the level of investment earnings by the Option and the Fund charges. Skandia will provide all information that we believe a person would reasonably need to make an informed assessment of the management and financial condition of the Options and their investment performance. You can find updated investment performance information on our website.

The information in this PDS is of a general nature only and does not take into account your own personal objectives, financial situation or needs. You should read this PDS in its entirety carefully and assess whether the product is appropriate for you and discuss this with your financial adviser before you make an investment decision.

Interests in the Options offered in this PDS will only be issued after a completed application form (issued with this PDS) has been received by Skandia.

Applications on the basis of this document are to be made by Australian members only.

Investments in the Fund, on the basis of the electronic PDS, are only available to persons receiving the electronic PDS within Australia.

If you are printing an electronic copy of this PDS, you must print all the pages including Part 2. If you make this PDS available to another person, you must provide them with the entire electronic file or printout. You may request a paper copy of this PDS free of charge by calling the Skandia Service Centre.

The insurance provider is TOWER Australia Limited, ABN 70 050 109 450, AFSL 237848, 80 Alfred Street, Milsons Point NSW 2061. The insurance cover is provided under a policy issued to the Trustee (the Policy Owner) by the Insurer. The policy has been in effect since 10 February 2003. This policy is issued under the Insurer's No.1 Statutory Fund and is a non-participating policy. This means it does not participate in any surplus arising within the Statutory Fund. All benefits and guarantees relating to the insured benefits are provided by the Insurer and not the Trustee.

The following have given their written consent and, as at the date of this PDS, not withdrawn such consent, to any statements made by them, or statements said in this PDS to be based on statements made by them, being included in this PDS in the form and context in which they are included:

- The investment managers of the underlying funds; and
- TOWER Australia Limited.

The Investment managers are acting as investment managers only and are not guaranteeing, issuing, selling or underwriting this product. Neither Skandia nor any member of the Skandia or Old Mutual Groups guarantees the performance of the Options, the value of investments, or any repayment of capital.

All monetary amounts referred to in this PDS are, unless specifically identified, references to Australian dollars.

Keep your PDS

You should retain a copy of the current PDS and any other supplementary material for future reference. You should consider all current information when making an initial investment or ongoing investment in Skandia One Retirement Solutions. New information to keep you up to date is available in Product Information Updates found on our website www.australianskandia.com.au

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investment information part 2 of PDS
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application forms and checklist — included with this PDS
Includes all forms required by you to make an investment.

investing with skandia

Skandia provides innovative investment and superannuation solutions as well as administration services.

We are one of Australia's largest multi-managers with an established administrative platform and are able to capitalise on product design and innovative investment opportunities for the benefit of our advisers and investors.

In Australia we have over $15 billion in funds under management (March 2007).

Skandia is a wholly-owned subsidiary of Old Mutual plc, a global financial services company headquartered in London. The combined group has a market capitalisation of over AUD$23 billion and combined funds under management of approximately AUD$600 billion (31 March 2007), with operations in over 40 countries across the United Kingdom, Europe, North and South America and Asia-Pacific.

our business approach is identifying and focusing on those areas we do best

Specialist in co-operation

Our approach is to build relationships with leading specialists in financial services – such as fund managers and financial advisers – to deliver world-class, long-term savings solutions. At Skandia, our core abilities are the selection of investments and fund managers, portfolio construction, product development and marketing support to licensed financial advisers.

An innovative business strategy

By offering access to a wide range of fund managers and investments, Skandia offers you the freedom to create portfolios individually tailored to your changing investment needs.

In keeping with our desire to provide you with the very best service available, Skandia has established links with many of the leading fund managers in the market. This pioneering approach gives you a wide choice of investment solutions, coupled with funds management expertise from some of the best in the business.

Tailored solutions

By concentrating exclusively on serving the needs of financial advisers and their clients, Skandia has created one of the most original and flexible product ranges available today.

Service excellence

All good products need first-class administration and back-up in order to become successful and to sustain a level of excellence. The outstanding success of Skandia can be attributed to a total commitment in bringing competitive products to financial advisers and their clients while consistently maintaining a high level of service.

whether you are saving for your future retirement, or are looking for your investments to produce an income for your retirement now, Skandia One Retirement Solutions offers you a simple and complete retirement investment solution

Skandia One Retirement Solutions offers you:

- Skandia One Super Solutions – for those saving for retirement; and
- Skandia One Pension Solutions – for those ready to commence receiving their retirement income.

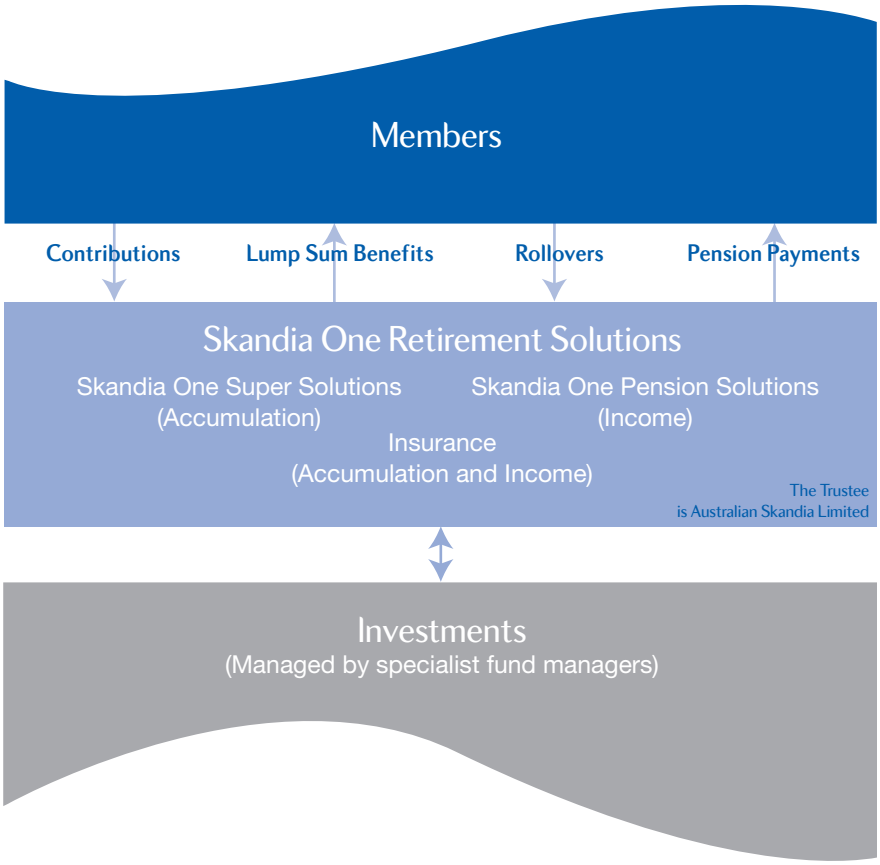
Saving for your retirement

Retirement savings (including superannuation and pensions) are generally designed to be long-term investments to help you save for your retirement. The money you invest is put aside for you in a tax-effective environment with the aim of eventually assisting in providing you with an income stream or lump sum when you retire.

Who should invest?

Skandia One Retirement Solutions is a retirement savings vehicle for those people who:

- Want to make their own regular contributions towards their retirement and may also choose to have their employer superannuation contributions paid into their account;
- Want to make contributions on behalf of their spouse;
- Want to consolidate their superannuation accounts; and
- Are over the age of 60 and want a tax-free income stream or lump sum in their retirement.



key features

For a list of defined terms referred to in this PDS, see the inside front cover of this document.

Transacting For more details refer to pages 22 to 27	Super Solutions Minimum amount	Pension Solutions Minimum amount
Initial investment[1]	$3,000	$30,000
Additional investments (Super Solutions only)	$100 per contribution	Not applicable
Ongoing account balance	$3,000	$10,000
Regular contribution plan (Super Solutions only)	$3,000 minimum initial investment and $100 per contribution	Not applicable
Withdrawal[2]	$1,000	$1,000 provided certain conditions are met[3].
Switch	All or part (up to 90%) of your investment from one Option to another.	
Dollar cost averaging (Super Solutions only)	$250 per Option per month	Not applicable
Auto rebalancing	You can have your investments automatically realigned to your chosen investment strategy on a half-yearly or annual basis.	
Skandia Service Online	Online access to information about your investment.	
Insurance	**For more details refer to pages 30 to 43**	
Death	Available to all members, subject to eligibility requirements.	
Total and Permanent Disablement (TPD)	Available to Skandia One Super Solutions members who work at least 15 hours per week when they apply, subject to eligibility requirements.	
Salary Continuance Insurance (SCI)	Available to Skandia One Super Solutions members who work at least 15 hours per week when they apply, subject to eligibility requirements.	
Your investment choices	**For more details refer to Part 2 of this PDS**	
Ready-made portfolios	**Skandia Global Access Portfolios** are diversified across the major asset classes, fund managers and local, regional and global markets. **Skandia Blended Sector Portfolios** invest in a single asset class and diversify across investment fund managers and local, regional or global markets.	
Self-select Options	A wide choice of Options from an extensive range of investment fund managers are available for members to choose from.	

1. *Skandia reserves the right to vary the minimum initial investment amount, from time to time, at its discretion.*
2. *Subject to meeting a condition of release (refer to page 8 for details) and the minimum account balance requirement. Your withdrawal amount may be up to the value of 90% of any Option or the full balance of an Option.*
3. *Minimum withdrawals for Pension Solutions accounts vary depending on factors such as the minimum payment limits set by the government and type of pension you have. Conditions may also apply. See page 16 for more details.*

Fees and costs	For more details refer to pages 44 to 57
Contribution fee	4% unless you negotiate an adviser upfront service fee.
Management costs	Skandia offers a range of Options with competitive management costs.
Withdrawal fee	Nil, however a buy/sell spread may apply.

Contact details	
Internet	www.australianskandia.com.au
Phone	1300 300 088
Mail	Skandia, GPO Box 5442, SYDNEY NSW 2001
Email	auinvestorservice@skandia.com

How to invest

Investing is simple, just follow these steps:

1. Ensure you read the whole PDS

Please ensure that you have read this whole PDS (Parts 1 and 2) and any supplementary documents. If you have any questions about the information in this PDS, please contact your financial adviser or the Skandia Service Centre on 1300 300 088.

2. Review the available Options

Discuss your financial objectives and create an investment strategy with your financial adviser. Review the Options in the Investment Book (Part 2) with your financial adviser, choose the appropriate Options to invest in and select them on the application form.

3. Complete the application form

Complete the relevant application form for the product you wish to invest in (Skandia One Super Solutions or Skandia One Pension Solutions), included with this PDS, ensuring that you invest the minimum amounts required and sign and date the application form.

Please also complete the following forms and attach them to your application form:

- Rollover authority form – if you wish to transfer your balances from other superannuation funds to Skandia One Retirement Solutions;
- Death benefit nomination form – to nominate beneficiaries for your investment; and
- TFN declaration form – if you are investing in Skandia One Pension Solutions;
- Member's risk personal statement – if you wish to have insurance with your investment.

4. Mail your forms to us

For your records, please keep a copy of your completed application form, this PDS and any other forms you send us. If you are making your initial investment by cheque, please make your cheque payable to **"Skandia – SORS (member name)"** and attach your cheque to your application form.

Mail your form(s) to us at:

Skandia
Reply Paid 5442
SYDNEY NSW 2001

5. Sending us your initial investment via BPAY® or EFT

If you do not wish to make your initial investment via cheque, you can pay by BPAY® or Electronic Funds Transfer (EFT). Contact the Skandia Service Centre on 1300 300 088 and we will give you your Customer Reference Number (CRN) and instructions on how to make the payment.

BPAY® biller code: 464180

EFT details:

- Please make the transfer payable to: **SORS (member name)**
- Account number: **348534**
- BSB: **032 024** Bank: **Westpac, 60 Martin Place, Sydney NSW 2000**
- BIC: **WPACAU2S** (SWIFT code).

® Registered to BPAY Pty Ltd ABN 69 079 137 518

Once your application form and payment have been received and processed, we will send you a welcome pack containing your investment confirmation and Skandia Service Online details. Refer to page 58 for details of the cooling-off period which applies to your investment.

about superannuation

The rules governing superannuation are complex. Generally, if you are under age 65, you can contribute to Skandia One Super Solutions, and in some instances you may contribute up to age 75. Your financial adviser will help you determine the most effective way for you to contribute to your superannuation account. You can also elect to add insurance to your account. Please refer to page 30 for more information on your insurance options.

can I contribute to superannuation?

Depending on your age and circumstances you may be able to contribute to superannuation through:

- Your employer making contributions for you;
- Making your own personal contributions to superannuation; or
- Contributions from your spouse or other person on your behalf.

The table below sets out the contribution options and eligibility requirements.

Your age (years)	Circumstances in which contributions may be accepted
65 or younger	• You make a personal contribution; or • Your employer contributes for you; or • Your spouse or other person makes a contribution for you.
65 - 69	• Your employer is required to contribute for you; **OR** • You make a personal contribution; or • Your spouse or other person makes a contribution for you; or • Your employer makes a voluntary contribution for you; and • You are gainfully employed on a part-time basis for at least 40 hours in a period of not more than 30 consecutive days in that financial year. For example, if you have worked 40 hours in a fortnight, you will be able to make contributions to your superannuation account for the rest of the financial year.
70 – 74	• Your employer is required to contribute for you; **OR** • You make a personal contribution; or • Your employer makes a voluntary contribution for you; and • You are gainfully employed on a part-time basis for at least 40 hours in a period of not more than 30 consecutive days in that financial year. For example, if you have worked 40 hours in a fortnight, you will be able to make contributions to your superannuation account for the rest of the financial year.
75 or older	• Your employer is required to contribute for you.

Please note, certain contributions cannot be accepted if a member's Tax File Number has not been provided (see page 60).

Personal contributions

If you are eligible to make personal contributions to superannuation, you can contribute to Skandia One Super Solutions by:

- Making regular salary sacrifice (before tax) contributions.
  Please contact your employer to confirm that you are able to do this.
- Making regular contributions from your after tax income.
  Refer to page 22 for details on how to set up a regular contribution plan.
- Making one-off contributions from your after tax income or another income source such as a personal injury settlement (subject to certain conditions).
  Refer to page 22 for details on how to make a top-up to your superannuation account.
- Transferring (rolling over):
  - Any account balances you may have from another superannuation fund.
    Refer to page 24 for details on how to make a rollover request;
  - Certain employment termination payments that were specified in existing employment contracts as at 9 May 2006, before 1 July 2012; or
  - Proceeds from the disposal (sale) of assets that qualify for either the small business capital gains tax retirement exemption (to a maximum of $500,000), or have been held for 15 years (to a maximum of $1,000,000). Both of these rollovers are subject to a single lifetime $1,000,000 indexed cap.

Employer contributions

Your employer can make Superannuation Guarantee (SG) contributions into your Skandia One Super Solutions account on your behalf. The SG scheme requires employers to provide a prescribed level of superannuation contributions for their employees. The current level is 9% of employees' salary or wages, which is based on an earnings base prescribed under superannuation law.

Please contact your employer if you would like to arrange this. Refer to the information about contribution limits below for details on restrictions that apply.

Contribution limits

Limits apply to the amount of employer and personal contributions that can be made to your superannuation, as set out in the table below.

Contribution type	Description	Limit
Concessional contributions	Contributions made before income tax has been deducted, previously known as deductible contributions. Includes any SG contributions made by your employer, salary sacrifice contributions arranged with your employer and contributions made by a self-employed person. You may be considered to be self-employed if you derive no more than 10% of your assessable income, plus exempt income and Reportable Fringe Benefits, from employment from which employer superannuation is paid. Self-employed contributions are fully tax deductible until age 75. If you wish to claim a tax deduction for self-employed contributions, you must advise us by the time you lodge your income tax return or by the end of the following financial year to 30 June, whichever is earlier. Refer to page 11 for more details.	$50,000 each financial year to 30 June for persons under 50 years of age. However, from the financial year of 2007/2008 to the financial year of 2011/2012, if you are aged 50 or older within that period a limit of $100,000 per financial year will apply.
Non-concessional contributions	Contributions made after income tax has been deducted, previously known as undeducted contributions. Includes personal contributions for which a tax deduction is not claimed.	• $150,000 each financial year to 30 June (if you are aged between 65 and 75 you must satisfy the work test to contribute); or • If less than 65 years old, $450,000 total averaged over three financial years.

If you make contributions in excess of the stated limits, you will be charged excessive contributions tax (top marginal tax rate plus Medicare Levy) by the Australian Taxation Office (ATO) for the amount contributed above the applicable limit(s). Refer to page 10 for more information about tax on superannuation.

Some of these limits may be indexed each financial year from 1 July 2008. **If the limits change, we will notify you through a Product Information Update on our website.**

how can I access my superannuation

Superannuation is designed as a long-term investment in order to help you save for your retirement. The Government has placed certain restrictions on when you can access your superannuation. These are known as the preservation rules. Generally, your superannuation is preserved until you meet your preservation age (as detailed in the following table) and retire.

Date of birth	Preservation age (years)
Before 1 July 1960	55
1 July 1960 to 30 June 1961	56
1 July 1961 to 30 June 1962	57
1 July 1962 to 30 June 1963	58
1 July 1963 to 30 June 1964	59
After 30 June 1964	60

Your superannuation may contain up to three preservation components:

- **Preserved benefits –** These benefits can only be accessed if you meet a condition of release as specified in superannuation law. From 1 July 1999, all new contributions to your superannuation and investment earnings accruing from that date are preserved benefits.
- **Restricted non-preserved benefits –** This is the portion of your superannuation typically comprising personal non-concessional contributions and certain voluntary employer contributions, which cannot be withdrawn until you meet a condition of release, or leave the employment of the employer who made the contributions to your fund. All such contributions must have been made before 1 July 1999.
- **Unrestricted non-preserved benefits –** Typically, these are benefits that you are already entitled to withdraw, but have voluntarily decided to keep in the superannuation system. You will have accumulated these benefits prior to 1 July 1999 and you are entitled, under superannuation law, to withdraw at any time.

To withdraw preserved benefits from your superannuation account you must satisfy one of the following conditions of release:

- Reach age 65;
- Terminate your employment after age 60;
- Reach your preservation age (outlined in the preceding table) and permanently retire;
- Are permanently incapacitated (conditions apply) or suffer temporary incapacity and commence a non-commutable income stream;
- Qualify on the grounds of severe financial hardship;
- Qualify under compassionate grounds specified under superannuation law;
- Be a temporary resident holding a specified class of visa and have permanently departed Australia (citizens of Australia and New Zealand will not meet the eligibility criteria for release on these grounds);
- Are still working, have reached your preservation age and commence a non-commutable income stream (conditions apply); or

For further information on accessing your superannuation, please speak to your financial adviser or contact the Skandia Service Centre on 1300 300 088.

- You are a 'lost member' and the value of your benefit is less than $200.

How long can I leave my money in superannuation?
Members are able to keep their superannuation invested in Skandia One Retirement Solutions indefinitely.

As the rules regarding superannuation are complex, we suggest you discuss your options with your financial adviser for more information.

other important information about superannuation

Spouse contribution tax offset
If your spouse makes a contribution on your behalf, they may be entitled to a tax offset of 18% of the contribution they make for you up to a maximum tax offset of $540. Generally your spouse will be able to claim the full amount of the tax offset if your assessable income (including reportable fringe benefits) is less than $10,800 p.a. The tax offset is reduced to nil when your income reaches $13,800 p.a.

There is no limit to the amount your spouse can contribute for you, just a limit to the tax offset they can claim.

Please note, spouse contributions are non-concessional contributions and are subject to the non-concessional contribution limits (see page 7).

How does superannuation affect my eligibility for Social Security?
Your superannuation account balance may affect your entitlement to the Government age pension and any other social security payments. In particular, when you reach the age where you become entitled to the age pension:
- Your superannuation account balance is counted for the assets test; and
- You are deemed to be earning an income from it for the purposes of the income test.

You should discuss your eligibility for social security benefits with your financial adviser.

Member protection
There is a legislative limit on the administration fees that can be charged to superannuation accounts with balances of less than $1,000. This is known as member protection. Skandia will apply the member protection rules to your account if the balance is less than $1,500 (before the deduction of fees as stated below).

If your account balance is less than $1,500 at the end of a reporting period (or at other times determined by us as prescribed or permitted by superannuation laws), we will not apply any adviser upfront or adviser additional ongoing service fee to your account. Refer to pages 46 to 57 for more details about the fees and costs.

Transfers to the Eligible Rollover Fund
Skandia may transfer account balances to an Eligible Rollover Fund (ERF) where:
- Your account balance is less than $1,500; or
- You are a 'lost' member.

You are a 'lost' member under superannuation law if:
- Our written communications to you are returned unclaimed (and we do not know your current address); or
- We have not received a contribution or rollover for a period of two years and

Government co-contribution
In order to encourage people to save for their retirement, the Government will match each $1 contribution made by eligible people (including eligible self-employed people) to their superannuation, with a contribution of up to $1.50. The maximum amount of co-contribution you may receive is $1,500 for a $1,000 personal contribution if your income is less than $28,980 p.a. for the 2007/2008 financial year. A reduced co-contribution is available if your annual income is between $28,980 and $58,980, that is, the maximum co-contribution amount decreases by 5 cents for every dollar over $28,980.

you have not advised us that you wish to remain a member of the Fund. If your account balance is below $1,500 and you wish to stay with Skandia, you will need to top your account up with additional contributions or investment to increase the account balance to over $1,500 and maintain at least $1,500 in your account.

Skandia's nominated ERF is AUSfund. Skandia will not charge a fee if your benefit is transferred to AUSfund, however, a buy/sell spread may apply on exiting your particular Options.
Upon transferring your benefit to AUSfund the following will apply:

- You will cease to be a member of Skandia One Retirement Solutions;
- You will become a member of AUSfund and be subject to its rules;
- AUSfund has a different fee structure from Skandia One Retirement Solutions; and
- Any insurance you hold with Skandia One Retirement Solutions will be cancelled – it will not transfer to AUSfund.

If your benefit is transferred to AUSfund, we recommend you evaluate whether AUSfund's investment strategy is appropriate to your specific circumstances and whether you should take out appropriate insurance cover, and consult your financial adviser.

The trustee of AUSfund is Industry Funds Investments Limited (ABN 17 006 883 227, AFSL 229881). You can call AUSfund on phone: 1300 361 798 to ask for a copy of its PDS.

taxation of superannuation

The Fund pays tax at a rate of 15% on concessional contributions which include:

- Contributions made by your employer;
- Salary sacrifice contributions arranged with your employer; and
- Concessional personal contributions (refer to page 7).

For members who exceed the concessional contributions cap (being $50,000 for 2007/2008 for persons aged up to 50 years or $100,000 for persons aged 50 or more –refer to page 7, an additional tax of 31.5% is payable on the excess amount of contributions. Where this occurs, the ATO will issue an assessment to you advising of your additional tax liability. You must pay this personally unless you provide a 'release authority' to the Trustee within 21 days of receiving the assessment. In this case, the tax will be deducted from your superannuation account. If you receive such an assessment we recommend that you contact your financial or tax adviser.

We note that excess concessional contributions are also measured against your non-concessional contributions cap.

Generally, no tax is paid by the Fund on non-concessional contributions you make, unless you exceed the non-concessional contributions cap - refer to page 7. In such a case, additional tax of 46.5% is payable on the excess contributions. Where this occurs, the ATO will issue an assessment to you advising of your additional tax liability. You must give this to the Fund for payment together with the relevant release authority. Refer to page 7 for more details about contribution limits.

It is important to note that each of the above contribution caps apply to your aggregate contributions made in relation to you during a financial year to all superannuation funds including certain defined benefit accruals and allocations of reserves/surpluses. You should pay particular attention to the total of your contributions made when you have more than one contributing employer or more

> You do not have to provide us with your TFN. However, if you do not provide your TFN, you may incur more tax or we may be unable to accept certain contributions from you. Refer to page 60 for more details.

than one fund accepting contributions on your behalf. The ATO will monitor all of your contributions and compare the aggregate to the applicable caps.

During the accumulation phase the Fund pays tax at a maximum rate of 15% on:

- Investment earnings; and
- Capital gains realised on the sale of certain assets (after allowing for a one third discount on gains arising from assets held for more than 12 months).

Refer to page 19 for taxation during the pension phase.

Transfers of money to and from superannuation

Generally, transfers of benefits between Australian superannuation funds are not taxed, unless the amount transferred contains an untaxed component, for example, a transfer from certain superannuation funds for government employees. The untaxed component of the transfer is taxed at a rate of 15% to the Fund or 46.5% (taxable to you or the Fund) if the amount is more than $1,000,000 (2007/2008 limit).

Directed termination payments paid by an employer to the Fund are taxed at 15% up to a transitional aggregate cap of $1,000,000. Amounts in excess of this cap will count towards your concessional contribution cap. Special rules apply in determining whether you have a directed termination payment. We recommend you seek advice from your financial or tax adviser.

A transfer of money from an overseas superannuation fund to an Australian fund is treated as a non-concessional contribution where the entire benefit is transferred within six months of first becoming an Australian tax resident. Therefore, no tax is payable on these contributions unless the amount transferred together with all other non-concessional contributions made during the year is more than the non-concessional contribution limit (i.e. $150,000 p.a. or up to $450,000 where three years worth are able to be made at once – refer page 7).

Tax will be charged on investment earnings from overseas superannuation funds where the benefit is paid more than six months after you become an Australian resident. We recommend you speak to your financial or tax adviser before making transfers from overseas superannuation funds as there may also be tax implications in the country where your benefits are held.

Deducting personal contributions

You may be eligible to claim a personal tax deduction for a contribution you make to the Fund, for the purpose of providing superannuation benefits for yourself, where:

- You are self-employed; or
- If you are substantially self-employed, that is, less than 10% of your total assessable income and reportable fringe benefits is referable to your employment; or
- You do not work at all.

Refer to page 6 for the eligibility criteria to make contributions.

CGT Rollover amounts

Contributions made from certain amounts arising from the disposal of qualifying small business assets are exempt from the non-concessional contributions cap up to a lifetime limit of $1,000,000 (indexed). We recommend you speak to your financial or tax adviser if you wish to rollover CGT amounts to the Fund.

Tax on lump sum withdrawals from superannuation

You may be required to pay tax on benefits that are withdrawn from

superannuation (including death benefits). The tax payable will depend on factors such as your age, how long you have been in a superannuation fund, the components of the payment and the circumstances under which the benefit is paid.

Tax will be payable in the following circumstances:

- If you are under your preservation age you will pay up to 20%[1] tax on the taxable component of your benefit[2];
- If you are between your preservation age and age 60, you will pay up to 15%[1] tax on the taxable component of your benefit[2] that is in excess of your unused low rate cap amount. The low rate cap amount is a concession applying to benefits[2] of up to $140,000 (2007/2008 threshold) resulting in the amount being tax-free where your age is not less than preservation age. You may receive multiple payments which are aggregated and assessed against the cap amount over time;
- The taxable component of a death benefit[2] paid to a non-dependant (as defined in taxation legislation) will be taxed at 15%[1,2]; or
- If your benefit is paid to you as a foreign national who is leaving Australia permanently, higher tax rates will apply to your benefit (generally 30%).

No tax is paid on lump sum benefits withdrawn from superannuation in the following circumstances:

- You are age 60 or older at the time of receiving the benefit[2];
- You are between your preservation age and age 60 and your benefit[2] is less than your unused low rate cap amount (i.e. $140,000 – 2007/2008 cap);
- No tax is payable on lump sum death benefits[2] paid to a dependant as defined in the tax legislation. Refer to page 61 for more details about death benefits;
- Member benefits[2] less than $200 may be tax-free where paid as a lump sum and represent the member's entire benefit; or
- A tax-free component of a benefit is always tax-free. This is generally made up of contributions from a person's post-tax income, amounts which represent the portion of benefits that accrued before 1 July 1983, exempt CGT component and certain other components.

You do not have to provide your TFN when investing in Skandia One Retirement Solutions. However, if you do not provide your TFN, we will have to withhold tax at a rate of 46.5% on all taxable payments made to you if you are under age 60 years. Furthermore, we may be unable to accept non-concessional contributions from you and you must pay 31.5% additional tax on your concessional contributions (i.e. total of 46.5%). The Fund is able to obtain an offset for the excess amount of tax paid on your concessional contributions if your TFN is provided within three years of the tax being deducted from your account. As a result, the tax will be refunded to your account.

If the tax information changes during the life of this PDS, we will update the information through our **Product Information Updates,** which can be found on our website at **www.australianskandia.com.au**

1. The 1.5% Medicare levy should be added to the above tax rates.
2. If your taxable component includes an untaxed element, higher taxation rates apply to that component. An untaxed element can arise from the proceeds of an insurance policy.

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Photo: Andrea Francolini

about pensions

what is a pension?

A pension is a flexible retirement income stream that you can purchase only with your superannuation money or a directed termination payment from your employer. You can choose when you receive your pension payments, how often you receive pension payments, how much you receive (in accordance with the prescribed Government minimum amount) and which Options to invest in. Once your pension has commenced, your pension account balance will depend on the investment returns of your selected Options, and any withdrawals, taxes, fees or charges debited to your account.

Your pension will continue until your account balance falls below the minimum for the product or you withdraw your investment.

You can also elect to have insurance cover with your pension. Please refer to page 30 for further details on insurance.

Benefits of a Skandia pension

Skandia is able to offer the following flexible pension options;

- Account based pensions meeting the minimum standards; and
- Non-commutable account based pensions.

A Skandia pension provides you with a tax-effective, regular source of retirement income. Generally:

- Investment earnings are exempt from tax;
- You may receive part (or all if you are over the age of 60) of your pension payments tax-free; and
- If you are under the age of 60, a tax rebate of up to 15% is available to you for the part of your pension payment that is taxable.

Your initial investment

If you are a member of Skandia One Super Solutions, and/or any other regulated superannuation fund, and you have satisfied a condition of release (or reached your preservation age if purchasing a non-commutable pension), you can purchase a pension by rolling over your superannuation benefit into Skandia One Pension Solutions.

The minimum initial investment details are shown in the table on page 4. You can choose to invest in any combination of Options. There is no minimum investment required per Option, but you must invest the required minimum initial investment amount as stated on page 4. You may switch your investment between Options at any time. Depending on which services you select (refer to page 22) you may be required to invest in a cash Option.

For more information about the Options offered on our investment menu, please refer to Part 2 of this PDS.

Upon receipt of your application and initial investment, we will establish your Skandia One Pension Solutions account. Once you have commenced your pension, you cannot make additional investments. You are, however, able to start a second pension.

How can I access my pension?

You may generally make a withdrawal from your pension (in addition to your regular pension payments) at any time (unless you have selected to have a non-commutable pension). Your withdrawal can be taken in either of two ways:

- As an increase in your pension payments for the year. If you have a non-commutable pension, the additional withdrawal amount must be within the maximum allowable pension payment limits set by the Government for the year; or
- As a lump sum withdrawal that will be treated as a commutation from your pension. This will be taxed according to the components of your pension, or if you are over the age of 60 it will be tax-free.

> The choice is yours and we recommend you discuss your options with your financial adviser before making a decision. If you do not make a selection, we will pay any requests for a withdrawal as a lump sum.
>
> Before you can make a partial or full withdrawal, or roll over your account balance, you are required to have taken at least a pro-rated minimum pension payment. This payment is calculated as your annual minimum payment multiplied by the proportion of days in the financial year from 1 July or your start date (whichever is applicable) to your withdrawal date.

what is a non-commutable pension?

Non-commutable pensions are products which allow you to access your superannuation after you have reached your preservation age but before you retire.

Non-commutable pensions, while otherwise similar to ordinary pensions, do contain restrictions on the circumstances in which they can be commuted.

In contrast, generally no restrictions are imposed on your ability to commute a standard pension (provided the minimum payment or pro-rata payment for the year has been made - see page 17). As a result, the tax and other implications may differ significantly between standard account based pensions and non-commutable pensions.

You should consult your financial adviser when making any decision as to the suitability of a non-commutable pension in light of your personal financial circumstances and requirements. For further information, contact the Skandia Service Centre on 1300 300 088.

Pension payments for non-commutable pensions

We are able to pay you a pension even if you are still working, provided you have reached your preservation age (refer to the table on page 8).

For example, this means that instead of having to leave work, you could work reduced hours and supplement your decreased employment income with a non-commutable income stream from your superannuation which could be taken in the form of a non-commutable pension.

Investment earnings

If you have a non-commutable pension, any investment earnings will be considered to be part of your preserved component of your superannuation investment.

For more information on preserved benefits please refer to page 8.

In order to access the preserved portion of your non-commutable pension, you will need to satisfy a condition of release. We recommend you discuss this with your financial adviser.

Can I access my non-commutable pension?
As mentioned above, restrictions are imposed on your ability to commute a non-commutable pension (that is, to take a lump sum withdrawal). A lump sum withdrawal will generally be permitted if the amount is:

- Used by you to pay a superannuation surcharge liability; or
- Used to give effect to a payment split under family law provisions; or
- Rolled over to another eligible income stream; or
- Paid to a beneficiary(s) and/or your estate as a result of your death; or
- Used to pay an amount under a release authority or transitional release authority (in relation to an amount to be paid to the ATO in respect of excess contributions tax).

Once you have reached aged 65, your pension automatically becomes a standard pension which you may commute at any time.

Additional cashing information for non-commutable pensions
Further to the above list of allowable cashing events, you are able to vary your pension payments within the age-based minimum and maximum limits as set out in the table on page 17.

You may also access your funds if:

- Your non-commutable pension includes an unrestricted non-preserved amount; or
- You have a preserved or restricted non-preserved amount and you meet a condition of release from superannuation.

In addition to the cashing events above, you may also be able to stop the pension and roll back your benefits to your super fund.

Please note that the information relating to pensions is based on current law which could change and does not take into account taxation consequences. You should seek your own professional advice before dealing with your pension.

pension payments

You can choose to have your pension paid to you monthly, quarterly, half-yearly or annually. You can also specify the level of your pension payments, subject to your age-based minimum (and maximum, if you have a non-commutable pension) limit imposed by the Government. These payments may also be indexed to the Consumer Price Index (CPI) each financial year.

You can also vary the amount and/or frequency of your pension payments at any time, subject to the minimum (and maximum, for non-commutable pensions) limits. For more details refer to the table on page 17. You must notify us in writing should you wish to make such variations. Alternatively, you can call the Skandia Service Centre on 1300 300 088 and we will send you the form.

On joining, you must select to receive your pension payments on either the 10th or 20th of the following payment periods:

- Monthly – occurs on the same date each month;
- Quarterly – occurs every three months from the date and month you first select. For example, if you choose the 10th of May to receive your first payment, your next payment will be made on the 10th of August, etc.
- Half-yearly – occurs every six months from the date and month you first select. For example, if you choose the 20th of April, your next payment will be made on the 20th of October.

- Annually – payment will occur once a year on the anniversary of the date you selected. For example, the 10th of July each year.

If you wish to change the payment period you have chosen, please notify us in writing or contact the Skandia Service Centre on 1300 300 088 to discuss how to make the change. If the date you have selected falls on a non-business day in NSW in any month, your pension payment will be made on the last NSW business day before your selected date.

Minimum and maximum pension payments

Your pension must be paid to you at a level subject to minimum (and maximum, for non-commutable pensions) annual limits set by the Government. For standard pensions (that are not non-commutable pensions), these limits are calculated by multiplying your pension account balance by the percentage applicable to your age (refer to the table below). For non-commutable pensions the maximum limit is 10% of the pension account balance.

The percentage applicable will depend on your age on 1 July in the financial year in which the payment is made, or commencement day of the pension (if the payment is made in the year the pension commences).

Your financial adviser should be able to help you calculate a level of pension payments to suit your needs.

Your age (years)	Minimum percentage (%) of account balance	Maximum percentage (%) of account balance (non-commutable pensions only)
65 or younger	4%	10%
65 to 74	5%	Not applicable
75 to 79	6%	Not applicable
80 to 84	7%	Not applicable
85 to 89	9%	Not applicable
90 to 94	11%	Not applicable
95 or older	14%	Not applicable

Part year pensions

If you start your pension part way through a financial year (1 July to 30 June), the minimum pension payment will be reduced proportionally to the number of days in the financial year that your pension relates to (including and after the commencement day of the pension).

If you start your pension on or after 1 June, you do not need to receive the minimum pension payment for that financial year.

Therefore, you can effectively defer receiving any pension payments until the second financial year of your pension, commencing on 1 July.

If you nominate an amount over the minimum (and under the maximum, for non-commutable pensions) payment limit for your age and you start your pension part way through the financial year, we will pay the selected regular payment amount you wish to receive on each payment date provided the amount is within the applicable pro-rated minimum (and maximum for non-commutable pensions) amounts. If the total amount paid in the part year falls below the minimum annual limit required to be paid, we will increase your payment accordingly to meet the minimum amount.

If you have a non-commutable pension and the total amount paid in the part year falls above the maximum annual limit allowed to be paid, we will decrease your payment accordingly to ensure it does not exceed the maximum payment limit.

Example 1: calculation of minimum and maximum pension
If you are 60 years of age on 1 July, with $100,000 in your pension account, the minimum annual income you can receive is $4,000. If you have chosen a non-commutable pension, you must select an income of between $4,000 and $10,000 for the financial year.
These limits are calculated below:
Minimum limit = account balance x minimum % of account balance from page 17 = $100,000 x 4% = $4,000*
Maximum limit = account balance x maximum % of account balance from page 17 = $100,000 x 10% = $10,000*
* Rounded to the nearest $10.

Example 2: calculation of part year pension
Following on from the example above, if you are 60 years of age, and you commence your pension on 15 September with $100,000, your payments will be pro-rated for the financial year as follows:
Your minimum payment will be: (289^ ÷ 365) x $4,000 = $3,170*
Your maximum payment (for non-commutable pensions only) will be: (289 ÷ 365) x $10,000 = $7,920*

* Rounded to the nearest $10.
^ 289 being the number of remaining days in the financial year (from 15 September to 1 July).

additional information about pensions

Drawdown order options
With Skandia One Pension Solutions, you can specify the order in which your pension payments, administration fees, insurance premiums (if any) and any adviser additional ongoing service fees will be deducted from your selected Options. Refer to page 26 for more details.

How does a pension affect my eligibility for Social Security?
Your pension affects your entitlement to the Government age pension and any other social security payments. In particular:

- Your pension account balance is counted for the purpose of the assets test (also see below); and
- Your pension payments, less the deductible amount, are counted for the purpose of the income test.

For social security purposes, the deductible amount is the full purchase price of your pension, divided by a life expectancy factor.

Please note, from 20 September 2007 the pension asset test taper rate will be halved.

taxation of pensions

If the tax information changes during the lifetime of this PDS, we will update the information through our **Product Information Updates, which can be found on our website at www.australianskandia.com.au**

Taxation on rollovers

Generally, there is no tax on the amount you rollover to Skandia One Pension Solutions, unless your rollover contains an untaxed element of the taxable component. If this is the case, we will deduct the required 15% tax from this component and remit it to the ATO. If your untaxed element being rolled over exceeds $1,000,000 the excess will be taxed to you personally at 46.5%.

Taxation on investment earnings

In a pension, your investment earnings and realised capital gains (referable to assets supporting the pension) are not subject to tax.

Tax on pension payments

- If you are age 60 years or over, your pension payments are received by you tax-free[1] ;
- If you are between your preservation age and age 60, your pension payments, just like your pre-retirement income (i.e. salary or wages), are subject to Pay As You Go (PAYG) withholding. The taxable component of your pension[1] will be taxed at your marginal income tax rates with a 15% tax offset based on the taxable component of the pension. The tax-free component of your pension is tax free. The tax free component of a pension commenced after 30 June 2007 is generally made up of contributions from a person's post-tax income, amounts which represent the portion of benefits that accrued before 1 July 1983 and may also include any exempt CGT component and certain other components. Special rules apply to pensions that commenced before 1 July 2007; or
- If you are less than your preservation age, the taxable portion of your pension will be taxed at your marginal rates with no tax offset. The tax-free component will be tax-free.

You do not have to provide your TFN when investing in Skandia One Retirement Solutions. However, if you are aged below 60 and do not provide your TFN, we will have to withhold tax at a rate of 46.5% on all taxable payments made to you.

For example, after 30 June 2007, at age 59, you commence a pension using $100,000 of superannuation benefits comprised of a $75,000 taxable component and $25,000 tax-free component. The proportion of your pension payments are 75% taxable and 25% tax-free. Thus, if you receive $4,000 per annum in pension payments, $3,000 will be taxable and $1,000 will be tax-free.

You will therefore be required to pay tax on $3,000 for the first year and will be required to include this amount as taxable income in your income tax return.

You will however be entitled to a $450 tax offset (being 15% of $3,000). From age 60, 100% of the pension will be tax-free.

Some members may be entitled to further tax offsets which will reduce the tax on their pension payments. Please speak to your tax agent or financial adviser about any rebates or tax offsets you may be able to claim.

1. If the taxable component of your pension includes an untaxed element, higher taxation rates apply to that component. An untaxed element can arise from the proceeds of an insurance policy.

Taxation on commutations (i.e. lump sum withdrawals)

The tax you pay on lump sum withdrawals from your pension depends on the components of your pension and the age you are at the time of the withdrawal. If you are age 60 or over, there is no tax to pay on the withdrawal. If you are between your preservation age and age 60, you will pay 15% (plus the 1.5% Medicare levy) tax on the taxable component of your benefit[1] that is above your unused low rate cap amount (i.e. $140,000 - 2007/2008 cap). There will be no tax on the tax-free component.

Following on from the example above, if, at age 59, you were to withdraw a lump sum of $10,000 from your pension account and your pension is split 75% taxable component and 25% tax-free component, then $7,500 of your withdrawal will be the taxable component. This amount may be subject to tax where it exceeds your unused low rate cap amount.

The low rate cap amount is a concession applying to benefits[1] of up to $140,000 (2007/2008 threshold) resulting in that amount being tax-free where your age is not less than preservation age. You may receive multiple payments which are aggregated and assessed against the cap amount over time.

Taxation on death benefit pensions

Please refer to page 61 for the taxation treatment of death benefit pensions.

1. If the taxable component of your pension includes an untaxed element, higher taxation rates apply to that component. An untaxed element can arise from the proceeds of an insurance policy.

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Photo: Andrea Francolini

managing your account

The following table provides an easy reference guide to assist you in managing your account with Skandia. Investments will be accepted in accordance with the current PDS as at the time of the investment.

A copy of the current PDS, any supplementary documents and Product Information Updates can be obtained from our website www.australianskandia.com.au or by contacting the Skandia Service Centre on 1300 300 088

How do I...	What do I need to do?	Further information
...make an initial investment?[1]	Complete the application form included with this PDS; **OR** Download and print this PDS from our website, and complete the application form included with this PDS. Then mail the form (and cheque if required) to us at: **Skandia** **GPO Box 5442** **SYDNEY NSW 2001**	**Payment options:** BPAY®, EFT or cheque **BPAY®** Biller Code: **464180** Customer Reference Number (CRN): **Contact Skandia for your CRN number** **EFT** Transfer payable to: **SORS (member's name)** Account number: **348534** BSB: **032 024** Bank: **Westpac, 60 Martin Place, SYDNEY NSW 2000** BIC: **WPACAU2S** (SWIFT Code) Your initial investment must meet the minimum amount required of $3,000 (for superannuation) or $30,000 (for pensions).
...make a one-off additional investment (a 'top-up') into my superannuation account?[1]	Complete a top-up form available from our website, then mail the form (and cheque if required) to us.	Your additional investment or top-up must meet the minimum amount of $100. Top-ups may be affected by your auto rebalancing facility if you have one. **Refer above for BPAY® and EFT payment details.**
...set up a regular contribution plan into my superannuation account?	Complete the **'regular contribution'** and **'direct debit details'** sections of the application form included with this PDS; **OR** Complete the regular contribution form available from our website, then mail the form to us.	**Payment options:** direct debit (refer to page 68 for the direct debit terms and conditions). Your regular contribution must meet the minimum amount required of $100 per contribution. The frequency of your regular contribution is flexible – you can choose to invest monthly, quarterly, half-yearly or annually. Your regular contribution will be deducted from your nominated bank account on the day of the month nominated by you.[2] **If you have a regular contribution plan, you cannot use auto rebalancing.**

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1. *Generally, a completed application form or transaction request and payment received prior to 11am in our Sydney office on a NSW business day, will receive that day's close of business unit price. Please refer to page 25 for further details on processing transactions.*
2. *If the date you have selected falls on a non-business day in NSW in any month, then this transaction will occur on the last NSW business day prior to your selected date. For example, if you have selected the 15th of the month for your regular contributions and date this is a Sunday, then your regular investment will occur on the Friday before (being the 13th of the month) if this is a NSW business day.*

How do I...	What do I need to do?	Further Information
...make an additional investment into my pension account?[1]	You cannot add to your existing pension account, however, you may have more than one account. Complete a new application form for a second pension and mail the form to us. For more information on how to apply for a second pension, refer to the above details in this table about making an initial investment.	**Payment options:** BPAY®, EFT or cheque. **Refer to page 22 for BPAY® and EFT payment details** Your new pension must meet the minimum investment amount required of $30,000. Your new pension will also be subject to the same terms and conditions as an initial pension (depending on the type of pension chosen).
...switch my funds between Options?[1]	Log on to Skandia Service Online using your **client ID** and **online PIN** and request a switch through our secure service; **OR** Complete the switch form available from our website and mail the form to us.	You can switch an existing investment from one Option to another without completing another application form. You may choose to switch your entire investment portfolio or just vary the investment proportions allocated to each Option. Switches may incur transaction costs due to a 'buy/sell spread' applied to some of the Options. Refer to the 'estimated management costs and buy/sell spread' table on page 55 for more details. Skandia reserves the right to defer switches at any time. For example, a switch may be deferred while there is a previous transaction pending on your account or in other circumstances permitted by the Fund's Trust Deed and law. **If you elect to have auto rebalancing, switching Options may affect your auto rebalancing arrangement. Refer below for more details.** **Switching Options may affect your drawdown order (if you have specified one) and this may require updating.**
...set up auto rebalancing for my investment?	Select this service by completing the details in the **'auto rebalancing'** section of the application form.	Over time your actual investment may drift from your selected allocation due to market movements and any reinvested distributions. For example: **Selected allocation:** / **Actual allocation:** Option A 40% / Option A 42% Option B 40% / Option B 35% Option C 20% / Option C 23% If you want to maintain a particular investment strategy and asset allocation, your investment needs to be rebalanced to your selected allocation. You can request that we automatically rebalance your investments for you on either a half-yearly (in April and October) or annual basis (in April). By selecting this service you authorise us to apply and withdraw units in your chosen Options to maintain your selected allocation. These transactions may incur a buy/sell spread. **If you have selected the auto rebalancing service, you cannot select the dollar cost averaging or regular contribution services.** You can update your auto rebalancing details online, as well as updating your selected allocation via the switch service online. Updating auto rebalancing or your selected allocation via the switch service online may incur a buy/sell spread, as this transaction will update your entire investment. Refer to page 26 for further details about selected allocations. **Before you consider setting up auto rebalancing, you should consult your financial adviser to ensure that the service operates in accordance with your expectations.**
...set up dollar cost averaging for my investment? **(Skandia One Super Solutions only)**	Complete the dollar cost averaging details in the **'investment choice'** section of the application form.	You can set up a monthly dollar cost averaging service, to make smaller regular investments from your account over a period of time rather than one initial investment at a set price. To set up a dollar cost averaging facility you need to: • Allocate part or all of your initial investment to a cash Option; • Nominate which other Option(s) to transfer investment amounts to each month; and • Nominate the amount you wish to transfer to each Option (minimum $250 per Option per month). Dollar cost averaging will occur on the 26th day of each month, unless the 26th falls on a non-business day in NSW, in which case the transaction will occur on the next NSW business day. **If you have a dollar cost averaging service, you cannot use auto rebalancing.** Refer to page 27 for further details about dollar cost averaging.

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1. *Generally, a completed application form or transaction request and payment received prior to 11am in our Sydney office on a NSW business day, will receive that day's close of business unit price. Please refer to page 25 for further details on processing transactions.*

How do I...	What do I need to do?	Further Information
...make a withdrawal or rollover from my superannuation account?	Complete the withdrawal form available from our website, then mail the form to us. **You must also provide identification acceptable to us.**	You can choose to withdraw all or part of your superannuation investment at any time provided you first meet a condition of release for withdrawals from superannuation accounts. Please refer to page 8 for these conditions of release. Withdrawals must meet the minimum withdrawal amount required of $1,000 or the balance of your account, if lower. Unless otherwise advised, the withdrawal amount will be drawn proportionally from all your selected Options, having regard to the amount invested in each Option. Please refer to page 26 for further information on processing withdrawals. When making a partial withdrawal, you must ensure that your account balance remains at the minimum investment amount at all times.
...rollover funds from another super provider to my account?	Complete the rollover authority form included with this PDS (a separate form needs to be completed for each fund that you are rolling funds from), then mail the form to us.	Once the completed form(s) have been received by us, we will follow up with your super fund providers to ensure your money is rolled over. Any rolled over monies will be invested in accordance with your selected investment strategy. The rollover authority form can also be downloaded from our website or call the Skandia Service Centre if you require additional copies.
...receive a pension payment?	Complete the relevant pension payment details in the **'pension payment details'** section of the application form.	Pension payments can only be paid into your nominated bank account. You can choose to receive your pension payments monthly, quarterly, half-yearly or annually, on either the 10th or 20th of the month in which each payment is made. To change your pension payment amount and/or frequency, please mail a letter with the new details to us or contact the Skandia Service Centre. Refer to page 16 for more details.
...make a withdrawal from my pension account?	Complete the withdrawal form available from our website then mail the form to us. **You must also provide identification acceptable to us.**	You may choose to withdraw all or part of your pension investment at any time, unless you have selected a non-commutable pension which has restrictions on withdrawals. Conditions may apply. Refer to page 16 for more details. Withdrawals must meet the minimum amount required of $1,000, or the balance of your account, if lower. Withdrawals may also be subject to minimum payment limits prescribed by the government (see page 17). Unless otherwise advised, the withdrawal amount will be drawn proportionally from all your selected Options, having regard to the amount invested in each Option. Please refer to page 26 for further information on processing withdrawals.
...appoint an adviser?	Complete the **'adviser's details'** section of the application form.	If changing an adviser, please provide us with a written request.
...appoint an Authorised Nominee?	Complete the details in the **'appointment of Authorised Nominee'** section of the application form, then mail the form to us.	Using the Authorised Nominee service, you can appoint your financial adviser to transact on your investment for you. Your Authorised Nominee can: • Make additional investments or top-ups; • Switch Options; • View your account details; • Change your auto rebalancing facility; • Change annual report and information arrangements online or in writing; • Any other activities that Skandia may from time to time approve. Your Authorised Nominee cannot change your personal details or bank account details, withdraw your account balance or appoint another Authorised Nominee. **Important:** You will not be able to carry out certain activities regarding your investment yourself until you terminate the appointment of your Authorised Nominee. You can cancel your Authorised Nominee arrangement at any time by notifying us of the cancellation in writing. For terms and conditions applying to this service, refer to page 68.

How do I...	What do I need to do?	Further Information
...change my personal details?	Log on to Skandia Service Online using your **client ID** and **online PIN** and change your details through our secure service; **OR** Complete the change of details form available from our website, then mail the form to us; **OR** Contact the Skandia Service Centre.	Certain changes will require written instructions.
...change or cancel my selected services?	Log on to Skandia Service Online using your **client ID** and **online PIN** and change your details through our secure service; **OR** By completing and mailing the appropriate form from our website. For certain services (such as regular contributions and auto rebalancing) you can change or cancel certain details online.	

processing transactions

Generally, if we receive your completed application form and payment by 11am on a NSW business day, we will process your application using the unit price applicable to your selected Option(s) at the close of business for that day. If your application is received after this time, it will usually be processed using the corresponding unit price applicable at the close of business on the next NSW business day. This also applies to requests for top-ups, switches, withdrawals, changes to regular contribution plans and updates to your selected allocation.

Usually these transactions will be processed within 24 hours of us receiving a request on or during a normal NSW business day. However, your transaction may take longer than 24 hours to process due to variances in Option balance dates, transacting of assets within the Option, delays in obtaining unit prices from the underlying funds or other reasons.

If you invest, switch, or withdraw all or part of your investment close to 30 June we will endeavour to process your transaction as soon as practical.

Where your application payment is dishonoured, any units issued in relation to the payment will be cancelled. Any transaction costs, other fees and expenses resulting from the dishonour will be charged to you.

Skandia reserves the right not to process your transaction until your payment is cleared. In addition, a transaction may not be processed while there is a previous transaction pending on your account. Skandia may also defer transactions in other circumstances permitted by the Fund's Trust Deed, the Option's Constitution and by law.

Closure of an Option and other events

Where an event occurs, such as a member's death or the closure of an Option which is included in a member's selected allocation, the Trustee may exercise its discretion to invest part or all of a member's account balance in the Fund's default investment strategy.

For more information about this strategy please refer to Part 2 of this PDS.

processing withdrawals and rollovers

Withdrawals (including rollovers out of your account) will not be processed until any previous transaction pending on your account has been completed.

We reserve the right to defer the processing of a withdrawal request in certain circumstances permitted by the Fund's Trust Deed and by law (including, but not limited to, securities or other exchange or trading restrictions, or emergencies and other events outside our reasonable control).

Superannuation law requires rollovers to other institutions to be made within 30 days of receipt of all relevant information from you. In order to facilitate the process, we require you to provide your rollover details in the withdrawal form available on our website. We will endeavour to process your rollover request as soon as possible, however, rollover requests made at or near financial year end may take the full 30 days to complete.

Withdrawals must be at least the minimum amount as shown on page 4, or the balance of your account, if lower. When making a partial withdrawal, you must ensure that your account balance remains at the minimum investment amount at all times. Withdrawals from a pension account may be subject to other terms and conditions (see page 15).

Subject to applicable conditions of release of superannuation, your withdrawal will be split proportionally between taxable and tax-exempt components in accordance with superannuation and taxation legislation and taxed accordingly.

selected allocations

Your selected allocation is an investment strategy chosen by you which directs investments into your chosen Options for transactions such as top-ups, regular contribution plans and auto rebalancing.

For example your selected allocation could be:
Option A 50%
Option B 50%

When you make future transactions such as top-ups, regular contributions or auto rebalancing, your money will be directed into your investment according to your selected allocation, unless you advise us otherwise.

Based on the above example, an investment of $100,000 would have $50,000 allocated to Option A and $50,000 allocated to Option B.

Your selected allocation will be the arrangement made on your initial investment, unless you have subsequently requested us in writing to update it.

You can update your selected allocation at any time by providing us with written instructions on a switch form, which is available on our website. Alternatively, you can update your selected allocation by logging into Skandia Service Online and completing an online switch transaction. Switching online enables you to update your selected allocation and realign your Options according to your new selected allocation at the same time.

> Switching between Options and updating your selected allocation online may incur a buy/sell spread, as this transaction will update the actual allocation of your monies in your entire investment. Refer to page 23 more details. For information about buy/sell spreads, refer page 52.

drawdown order options

You can specify the order in which your pension payments (where applicable), any adviser additional ongoing service fees and insurance premiums (if any) will be deducted from your selected Options. This is called a drawdown order.

For example, if you have allocated your investment across Options A, B and C, you can specify that all the above mentioned deductions are made firstly from Option A, and when that Option is exhausted, deductions are to be made from Option B, and then Option C when Option B is exhausted. You must

include all your selected Options in your drawdown order – for example, if you have selected 20 Options, you must number them from 1 to 20.

If you have not requested a drawdown order, we will deduct your pension payments, any adviser upfront or additional ongoing service fees and insurance premiums proportionally from your Options.

Please Note: *If you specify a drawdown order, auto rebalancing will not apply to your investment. Refer to page 23 for details about auto rebalancing. Additionally, if you switch Options you will need to provide us with new drawdown order instructions for your new Options. If you do not provide new drawdown order instructions, any fees, pension payments and insurance premiums will be deducted proportionally from your Options.*

dollar cost averaging – how it works

The aim of dollar cost averaging is to minimise the effect of market volatility on your investment purchase price, by making regular purchases of units in an investment over time. You will receive more units when the price is lower and less units when the price is higher.

To use the dollar cost averaging service, you must make all or part of your initial investment into a cash Option. Every month, an amount you select is automatically transferred from the cash Option you have selected to other Options you have chosen within your investment.

You should note that it is possible for your average investment purchase price to be higher than the set price at the time of your initial investment. Your long-term philosophy should therefore be 'time in the market' not 'timing the market'.

> Volatility refers to unpredictable movement up and down in the value of an investment.

keeping you informed

Skandia Service Online
www.australianskandia.com.au

Skandia Service Online is a secure area within our website that allows you and your adviser to monitor and transact on your investments 24 hours a day, 7 days a week.[1]

We include your Skandia client ID number with your initial welcome pack. A short time later, you will receive your online personal identification number (PIN) and information about Skandia Service Online. Your Skandia client ID and online PIN allow you to access the secure investor site within Skandia Service Online and you can then:

- View account and unit balances;
- View and print statements;
- View your transaction history;
- Switch your investment between Options; and
- Change your account details.

Note: *Some of these services may not be available if you appoint an Authorised Nominee. Please refer to page 24 for further information.*

Terms of Use govern Skandia Service Online and these are available on our website.

The Skandia website provides detailed information including:

- Performance history and unit prices for each of the Options;
- General information about us and our products and services; and
- Copies of our forms and publications, including annual reports, Product Information Updates and this document.

For your financial adviser, there are other tools and investment resources on the Skandia website to assist them in building and reviewing your investment portfolio at any time.

To keep up-to-date on your investment visit our website regularly.

Skandia Service Centre
1300 300 088

The Skandia Service Centre is staffed by a dedicated team of friendly professionals, delivering high quality service to both members and their financial advisers.

Our service staff have a thorough understanding of Skandia's products.

Contacts

If you have questions about your investment(s), you can contact your financial adviser or call the Skandia Service Centre on 1300 300 088 and one of our helpful consultants will assist you. For security reasons, we may require you to quote a password when you make a telephone enquiry. You can specify this password on your application form.

Alternatively, you can also email any questions to us at **auinvestorservice@skandia.com**

If you need to post any information to us please use the following address:

Skandia
GPO Box 5442
SYDNEY NSW 2001

1. *Access to Skandia Service Online may occasionally be affected by factors such as your ability to gain access to the Internet and periods of service downtime, scheduled maintenance or outages.*

Regular Reporting

You will receive a welcome pack after investing and you will also receive the following types of reports and information.

Confirmation statement

We will provide you with a statement confirming initial investments, top-ups, switches and withdrawals. Your initial confirmation statement will also include your personal information, details of your investment, the Option(s) you have chosen and the selected allocation of your investment to each Option(s).

Statements for your account

We will provide you with an Annual Periodic Member Benefit Statement (30 June) and Half-Yearly Member Benefit Update (31 December) each year. These statements will show your opening and closing balance, information about your account as may be required by law, and information about your transactions for that period.

Annual report

Unless you have elected otherwise, we will send you an annual report for the Options, which includes their audited financial statements.

Viewing your reports and information online at our website is generally the quickest and most efficient way to keep up-to-date with your investment. You may elect either on your application form or in writing to us to receive and view the above reports in an electronic form. If you have elected to receive documents electronically they may be emailed to you or we may send you an email advising you that they are available to view via our website or Skandia Service Online.

about insurance

Insurance can provide you and your family with financial security should the unexpected happen to you. Insurance cover can provide peace of mind and help to ease the financial strain that often results from disablement or death.

Skandia One Retirement Solutions offers flexible insurance options to meet your needs.

who provides the insurance cover?

The insurance cover is provided through group policies issued to the Trustee by TOWER Australia Limited (ABN 70 050 109 450, AFSL 237848), referred to elsewhere in this document as 'the Insurer'. Certain defined terms referred to in this document are defined in the policy documents.

Your insurance benefits are subject to the terms of the policies, which override any provisions of this document which conflict with those terms. The Trustee may decide to use another insurance provider, in which case the terms of cover, including premiums, may change. We will notify you if this occurs.

Your insurance cover shall at all times remain subject to the terms and conditions of the insurance policies effected by the Trustee from time to time. Your insurance benefits are only payable if covered under those policies and your claim is accepted by the Insurer and Trustee, and will lapse if there are insufficient available contributions or an insufficient balance in your account to pay the premiums.

This information is intended as a guide, is of a general nature and a summary only of the cover available. This information does not take into consideration your particular financial situation or needs.

You should obtain full details of the terms of cover in the insurance policy documents, available by contacting the Skandia Service Centre on 1300 300 088.

We recommend that you consult your financial adviser when deciding on your insurance options.

what are my insurance options?

	Death only; or Death and Total and Permanent Disablement (D&TPD)	Salary Continuance Insurance (SCI)
	For more details refer to page 32	For more details refer to page 34
Insurance cover type	**Death:** A benefit is paid in the event of your death. You may receive all or part of your benefit if you are diagnosed as terminally ill. **TPD:** A benefit is paid upon you becoming Totally and Permanently Disabled.	A monthly benefit is paid to you (subject to a waiting period) if you are unable to work due to sickness or injury.
Who is eligible for cover?	**Death:** All members. **TPD:** Skandia One Super Solutions members who are gainfully employed at least 15 hours per week when they apply, or who are engaged in full time domestic homemaker duties. TPD cover is not available for Skandia One Pension Solution members. Please refer to page 34 for details of which definition of Total and Permanent Disablement (TPD) applies to you.	Skandia One Super Solutions members who are gainfully employed (working at least 15 hours per week in a part time or full time capacity) when they apply. Please refer to page 35 for details of the SCI definition.
Minimum entry age	16 years next birthday	16 years next birthday
Maximum insured age	**Death:** 70 years next birthday **TPD:** 65 years next birthday	65 years next birthday
Minimum cover	No minimum	No minimum
Maximum cover	**Death:** $4,000,000 **TPD:** $2,000,000 A death benefit is reduced by the amount of any TPD or terminal illness payment you receive.	75% of your pre-disability income up to a maximum of $240,000 p.a. (or a maximum $20,000 per month) for a two-year benefit period.
Exclusions	No cover or benefit is available for: • A pre-existing condition that was not disclosed to the Insurer; • Suicide within 13 months of cover commencing or being increased; • Any exclusions as applied to you as a condition of accepting or increasing your cover; and • No TPD cover is available for any deliberate self-inflicted injury.	Without limiting other applicable exclusions, no cover or benefit is available for: • A pre-existing condition that was not disclosed to the Insurer; • Intentional self-inflicted injury; • Uncomplicated pregnancy or child birth; • War or acts of war whether declared or not; • Service in the armed forces of any country of international organisation; • Skandia One Pension Solutions members; and • Skandia One Super Solutions members who are gainfully employed for less than 15 hours per week.
When does cover commence?	Your insurance cover will commence once: • The Insurer has assessed your application and you meet the required conditions; • The Insurer has accepted your application; and • You have sufficient balance in your account to pay the premiums. We will notify you in writing when your application for cover has been decided by the Insurer. Your cover will commence from the date that the Insurer has accepted your application. Insurance cover cannot be backdated, and will begin only when the Insurer has accepted the new application. **No insurance cover offered in this PDS has a cash value on termination at any time.** The Insurer will provide interim accident cover for up to 90 days, at no cost, while they consider your application. The cover will be the lesser of the cover applied for, or $750,000 for Death only or D&TPD and $15,000 per month for SCI. These maximums are reduced by any insurance cover already approved for you in the Fund.	

	Death only; or Death and Total and Permanent Disablement (D&TPD)	Salary Continuance Insurance (SCI)
	For more details refer below	**For more details refer to page 34**
When does cover cease?	Cover ceases on the earlier of: • The date the policy is terminated; • The date you cease to be a member of the Fund; • The date a payment of the total sum insured is made to you; • The date that we accept your advice that your cover is to cease; • The expiry of approved leave unless otherwise agreed by us before the expiry of such leave; • 60 days after there were insufficient available contributions or funds to pay the monthly premiums (we accept no responsibility for notifying you if this occurs); • The date you reach age 70 for death cover; or • The date you reach age 65 for TPD cover. If you cease to be an insured person, Death cover continues for 30 days from the date on which you cease to be an insured person.	Cover ceases on the earlier of: • The date the policy is terminated; • The date you cease employment, commence maternity/paternity leave or unpaid leave unless otherwise agreed by the Insurer in writing before commencement of such leave; • The date your employment conditions change so that you will no longer usually work at least 15 hours per week; • The date you do not satisfy the definition of an insured person except in limited circumstances; • The date you reach age 65; • 60 days after there were insufficient available contributions or funds to pay the monthly premiums (we accept no responsibility for notifying you if this occurs) • Your death; or • The end of the benefit period. If you cease to be an insured person, cover continues for 30 days from the date on which you cease to be an insured person provided employment is maintained during this time.
Worldwide cover	Cover shall be provided anywhere in the world, 24 hours a day. If you are a permanent Australian resident temporarily residing overseas, you may continue cover for a period of up to three years subject to prior written consent from the Insurer and Trustee. If you suffer TPD while temporarily residing or travelling outside Australia, we may require you to return to Australia, at your own expense, for assessment of the claim.	Cover shall be provided anywhere in the world, 24 hours a day. If you suffer total disability or partial disability while residing or travelling outside Australia, the payment of SCI benefits will cease six months after the date of commencement of the disability, unless you have permanently returned to Australia or another country acceptable to the Insurer.
What if I take unpaid leave? (TPD & SCI cover only)	For TPD and SCI cover, if you take employer approved unpaid leave or maternity/paternity leave, you may continue to be covered under this policy for a period of up to 12 months from the date such leave commences without obtaining written approval from us, provided that we are notified prior to the commencement of such leave, and there is sufficient balance in your account to pay your premiums. If you take employer approved unpaid leave for reasons of study or holidays/travel, you may continue to be covered under this policy for up to 12 months from the date upon which such leave commences, provided that we give our written approval for this to occur prior to the commencement of such leave, and that there is sufficient balance in your account to pay your premiums. Our written approval will be required before the expiry of the initial 12 months if the cover needs to continue beyond the initial 12 month period.	

Death only or Death and Total and Permanent Disablement (D&TPD) cover

Benefits payable

You can nominate the amount of insured benefit you wish to receive (subject to the maximums stated on page 31). Once the Insurer has assessed your application, we will write to you confirming if the Insurer has accepted your insurance cover, and the level of any applicable sum insured and premiums.

Your premium will depend on your nominated insured benefit and any applicable loadings, among other things. Please refer to 'how are my premiums determined?' on page 36 to calculate your annual or monthly premium payable.

Death only cover: Your insured benefit and the balance of your account will be paid to your nominated beneficiaries (if any) subject to the Trustee's discretion, unless you have a valid binding nomination to which payment will be subject.

Payment of your superannuation benefit upon death where there is no valid binding nomination will also be affected by whether beneficiaries nominated are "dependants".

D&TPD cover: The insured benefit will be payable only in the event of your death prior to reaching age 70, or TPD prior to reaching age 65. Your insured benefit is payable in addition to, but not necessarily at the same time as, your superannuation benefit. Your insured benefit is only payable if it is covered under the policy.

Death or TPD benefits, including terminal illness benefits, can only be paid to you, your spouse, child or other dependant in the circumstances prescribed in the relevant superannuation laws and Trust Deed. We may therefore receive amounts from the Insurer which cannot be paid until you satisfy a condition of release. Refer to 'what happens on death' on page 62 for more information about benefits paid on death.

Your TPD cover will be based on the employment conditions at the time of any TPD claim such that you are Continuously Employed on a basis whereby you would work an average of at least fifteen (15) hours per week in every consecutive thirteen (13) week period in a full year of employment.

For TPD cover, where you are unemployed for a continuous period of more than six (6) months, cover shall be provided under the Activities of Daily Living definition as defined on page 34. Where you then return to work, cover shall revert to the standard TPD definition after thirty (30) continuous days of active gainful employment of 15 or more hours per week.

> The accessing of benefits paid to your superannuation account under all definitions of terminal illness or TPD is subject to satisfying a condition of release from superannuation.

Tapering of TPD cover

Where your insured TPD benefit does not reduce as you get older (for example a fixed dollar amount), the TPD insured benefit will be reduced as follows:

Age next birthday	TPD Cover
62	80% of the insured death benefit
63	60% of the insured death benefit
64	40% of the insured death benefit
65	20% of the insured death benefit

Terminal illness benefit definition

When an insured person is diagnosed as terminally ill, and death is likely to occur within twelve (12) months, the Death cover may be paid prior to the date of death.

'Terminal illness' and 'terminally ill' means the conclusive diagnosis by a specialist medical practitioner, which is confirmed by a specialist medical practitioner nominated by the Insurer, that an insured person has a remaining life expectancy of less than 12 months.

Two medical practitioners are required to certify the extent of the illness or injury, one being the doctor treating the condition, the other being a doctor nominated by the Insurer or us, who must confirm the diagnosis and prognosis.

An upper limit of $2,000,000 applies with any balance being payable on the insured person's death provided they remain a member of the Fund. If the amount paid for terminal illness is equal to the death benefit, cover for the insured person ceases.

Total and Permanent Disablement (TPD) definitions

For TPD your employment status will affect the definition of TPD that will be applied for the insured benefit. Your employment status will be determined at the date you cease employment or the first date that you are totally disabled with the illness or injury that is the cause of the TPD, as follows:

Employment status	Definition of TPD that will be applied
You are employed and working 15 hours or more per week (whereby you would work an average of at least 15 hours per week in every consecutive 13 week period in a full year of employment).	**Standard definition** To qualify for Standard TPD means that the Insurer is satisfied that while you are an insured person, you have: • Suffered total and irrecoverable loss of the: - Use of two limbs; or - Sight of both eyes; or - Sight of one eye and the loss of the use of one whole hand, or whole foot; or • Been absent from employment due to illness or injury for a continuous period of six months and in the Insurer's opinion are so disabled that you will never be able to perform your own occupation or any other occupation for which you are reasonably suited by education, training or experience.
You are employed and working less than 15 hours per week or unemployed.	**Activities of daily living** To qualify for TPD means that the Insurer is satisfied that whilst you are an insured person, you have become so disabled by bodily injury or illness that you will never be able to perform at least two of the following activities of daily living: • Dressing – the ability to put on and take off clothing without assistance; • Bathing – the ability to wash or shower without assistance; • Toileting – the ability to use the toilet including getting on and off without assistance; • Mobility – the ability to get in and out of bed and a chair without assistance; • Feeding – the ability to get food from a plate into the mouth without assistance. Where assistance means the assistance of another person.
You are employed undertaking full time duties as a home maker.	**Home duties** Home duties where you are wholly engaged in full time unpaid domestic duties in your own residence, the definition of TPD is as follows. As the result of injury or illness you are under the care of a medical practitioner and have been: • Unable to perform your normal domestic duties; and • Are unable to leave home unaided; and • You are not engaged in any gainful employment, for a continuous period of six months, at the end of which period, after consideration of the relevant evidence, the Insurer determines that you are so disabled so as to never again be able to perform normal domestic duties, nor any other occupation.

Salary Continuance Insurance (SCI) cover

Benefits Payable

This benefit provides ongoing income if you become unable to work due to injury or sickness. To be eligible for SCI cover you must be a Skandia One Super Solutions member who is gainfully employed working in a part time or full time capacity for 15 or more hours per week and are between 16 to 65 years old next birthday when your cover is applied.

You can receive up to 75% of your pre-disability earned income for a period of up to two years, after the applicable waiting period (see below). The amount of any benefit payable will be determined at the time a claim is assessed by the Insurer.

Your premium will depend on your nominated insured benefit and any applicable loadings, among other things. Please refer to 'how are my premiums determined?' on page 36 to calculate your annual or monthly premium payable.

A partial disability benefit or a total disability benefit may be payable. When your insured benefit becomes payable, it will be paid in addition to, but not necessarily at the same time as, your superannuation benefit.

Your SCI benefit payable is reduced by:

- Any pension or social security payments, worker's compensation, statutory compensation or similar;
- Any sick leave entitlements; and
- Any income benefit payable under any other insurance cover to you.

SCI benefits are paid by the Insurer on behalf of Skandia, as Trustee of the Fund, to you, after deduction of any PAYG tax applicable.

The payment of any SCI benefit is subject to the policy, the relevant superannuation laws and the Fund's Trust Deed. Your insured benefit is only payable if it is covered under the policy.

SCI definitions

Total disability

For the purposes of SCI cover, total disability means that due to suffering an illness or injury, you:

- Are unable to perform at least one important income producing duty of your regular occupation;
- Are not currently working in an undertaking usually performed for wage or profit; and
- Are under the care of a medical practitioner.

Partial disablement

You are partially disabled if you are totally disabled for at least 14 days and as a result of the same illness or injury, all of the following apply.

You:

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

Accident, injury and illness

Accident means a violent accidental and external event. Injury means bodily injury resulting from an accident.

Illness means sickness or disease.

Pre-disability earned income

Your pre-disability earned income is, for employed persons:

- The annual wages or salary last agreed between your employer and you immediately before commencement of total disability, plus;
- The actual commissions paid by your employer in the 12 month period immediately before commencement of total disability; and

- All other regular payments or benefits provided to you by your employer in

the 12 month period immediately before commencement of total disability, which when combined with the above, we reasonably consider as your remuneration package.

Your pre-disability earned income is, for self-employed persons:

- The annual income generated by you as a result of your personal exertion, calculated by averaging your net income per year for the two years immediately preceding commencement of total disability.

For the purposes of this definition, net income means your gross income less all expenses incurred by you in connection with earning that income.

Waiting period

Your insured benefit will commence to be paid after the applicable waiting period. You can choose the waiting period that suits you – 30 days, 60 days or 90 days. The longer the waiting period, the lower the premium payable.

If, during the waiting period for SCI benefits, you return to gainful employment for five days or less, those days for which you were gainfully employed will be added to the waiting period. If you return to gainful employment for more than five days, the waiting period will recommence.

> You choose the waiting period that suits you.

Recurrent total or partial disablement

The normal waiting period may be waived where a member becomes totally or partially disabled due to a recurrence of the same or a related injury or illness within six months of having been paid a total or partial disablement benefit, and it will be regarded as a continuation of the same claim.

Waiver of premium

The premium for the insurance will be waived for the benefit payment period of any total or partial disablement.

Rehabilitation expense reimbursement

An additional benefit may be payable to cover the cost of rehabilitation if the Insurer determines that your potential to return to gainful employment will be accelerated by your participation in a rehabilitation programme.

how are my premiums determined?

All insurance premiums are based on risk factors and loadings.

The factors influencing your premium are:

- The type of cover you choose;
- The amount of cover required;
- Whether you are male or female;
- Whether you smoke;
- Your age next birthday;
- Your occupation and pastimes;
- Your health; and
- Your chosen waiting period (for SCI cover only).

If you have a risky or hazardous occupation or pastime, your application for insurance cover will be referred to the Insurer for special consideration. Certain occupations and pastimes may be excluded from cover or subject to a premium loading or benefit restriction. You may also be restricted from cover, pay a loading which is added to your premium or have a special condition or exclusion clause inserted in your cover. You will be advised if such an

exclusion, loading or restriction applies to you. You may wish to discuss your options with your financial adviser.

Examples of such members include abattoir workers, airline crew, bouncers and armed security guards. If you are unsure of your category, please contact the Skandia Service Centre on 1300 300 088 for assistance.

The rates for Death only or D&TPD premiums on page 38 and SCI premiums on page 39 must be adjusted for occupation as per the following factors and loadings.

occupational loadings

A premium loading, which is an additional premium to be paid, is based on your actual duties performed in your occupation as well as the state of your health or if you undertake some hazardous pastimes. Generally the more physically risky your occupation or pastime, the higher your cost of insurance.

Occupation Group	Description	Occupational Loading		
		Death	D&TPD	SCI
Professional	Those occupations that require tertiary qualifications i.e.. a university degree, or registration by a Government body or professional institute (you must be using these qualifications in the occupation you are currently working in) or senior management or professional executive white collar workers with incomes in excess of $80,000 p.a. who have been in their industry for at least five years.	0.90	0.90	0.80
White collar	Totally white collar sedentary occupations involving no manual duties eg. clerical, managerial, some sales executives, etc.	1.00	1.00	1.00
Blue collar	Any occupations that involve primarily manual work including jobs that entail direct supervision of manual workers.	1.25	1.60	2.00

Death only and D&TPD premiums

The following table sets out the premiums payable for Death only and D&TPD cover for white collar workers. The amounts shown are the standard annual premiums per $1,000 of insured benefit. The standard adviser insurance fee is 22%. All rates shown in the table include this fee, Skandia's administration fee of 5.5% and any GST or Stamp Duty. If you do not have a financial adviser Skandia will retain the amount of the adviser insurance fee. For more details about the adviser insurance fee refer to page 52.

The premiums have to be multiplied by the occupation loading applicable to you (from the above table).

Death only and D&TPD premiums

Standard Death only and D&TPD annual premiums based on $1,000 of cover for White collar workers. Rates include a standard 22% adviser insurance fee and a 5.5% Skandia administration fee inclusive of GST and any stamp duty.

	Death only cover				D&TPD cover			
Age next birthday	**Male smoker**	**Male non-smoker**	**Female smoker**	**Female non-smoker**	**Male smoker**	**Male non-smoker**	**Female smoker**	**Female non-smoker**
16	0.87	0.72	0.47	0.39	0.89	0.74	0.49	0.40
17	1.01	0.84	0.49	0.40	1.04	0.87	0.50	0.42
18	1.11	0.92	0.47	0.39	1.18	0.97	0.49	0.40
19	1.14	0.96	0.47	0.93	1.24	1.04	0.49	0.40
20	1.19	0.99	0.44	0.37	1.31	1.09	0.45	0.39
21	1.19	0.97	0.40	0.34	1.34	1.09	0.42	0.35
22	1.19	0.96	0.40	0.32	1.36	1.09	0.42	0.34
23	1.16	0.92	0.39	0.30	1.34	1.08	0.40	0.32
24	1.13	0.87	0.34	0.27	1.33	1.03	0.39	0.30
25	1.08	0.82	0.34	0.25	1.29	0.99	0.39	0.29
26	1.04	0.77	0.32	0.24	1.26	0.94	0.39	0.29
27	0.99	0.72	0.30	0.22	1.23	0.89	0.37	0.27
28	0.96	0.67	0.30	0.22	1.19	0.84	0.40	0.29
29	0.91	0.62	0.30	0.20	1.18	0.81	0.42	0.29
30	0.89	0.59	0.30	0.20	1.18	0.77	0.45	0.30
31	0.86	0.55	0.32	0.20	1.14	0.74	0.52	0.34
32	0.86	0.54	0.35	0.22	1.16	0.72	0.59	0.37
33	0.86	0.52	0.35	0.22	1.19	0.72	0.66	0.40
34	0.86	0.50	0.40	0.24	1.19	0.71	0.77	0.45
35	0.89	0.50	0.47	0.27	1.28	0.72	0.94	0.54
36	0.92	0.52	0.50	0.29	1.38	0.77	1.04	0.59
37	1.01	0.55	0.57	0.32	1.53	0.84	1.21	0.67
38	1.08	0.59	0.67	0.37	1.66	0.91	1.41	0.77
39	1.19	0.64	0.76	0.40	1.92	1.03	1.63	0.87
40	1.31	0.69	0.86	0.45	2.13	1.13	1.88	0.99
41	1.41	0.74	0.97	0.50	2.42	1.26	2.13	1.11
42	1.60	0.82	1.11	0.57	2.81	1.45	2.45	1.26
43	1.75	0.89	1.23	0.62	3.16	1.61	2.77	1.41
44	1.97	0.99	1.36	0.69	3.63	1.83	3.13	1.58
45	2.18	1.09	1.55	0.77	4.13	2.07	3.56	1.78
46	2.42	1.19	1.71	0.84	4.74	2.34	4.03	1.98
47	2.67	1.29	1.90	0.92	5.38	2.61	4.57	2.22
48	2.99	1.43	2.10	1.01	6.15	2.94	5.13	2.45
49	3.28	1.55	2.32	1.09	6.91	3.26	5.82	2.74
50	3.61	1.68	2.54	1.18	7.85	3.65	6.52	3.03
51	3.98	1.85	2.74	1.28	8.79	4.08	7.26	3.38
52	4.30	2.00	2.96	1.38	9.76	4.54	8.12	3.78
53	4.71	2.18	3.21	1.50	10.89	5.06	9.06	4.22
54	5.09	2.37	3.43	1.60	12.03	5.60	10.12	4.71
55	5.56	2.59	3.68	1.71	13.36	6.22	11.28	5.24
56	6.00	2.81	3.95	1.85	14.71	6.87	12.59	5.88
57	6.49	3.04	4.18	1.97	16.15	7.58	13.95	6.55
58	7.03	3.31	4.45	2.10	17.71	8.35	15.53	7.33
59	7.60	3.60	4.76	2.25	19.41	9.19	17.18	8.13
60	8.18	3.90	5.04	2.40	21.18	10.08	18.77	8.94
61	8.76	4.25	5.26	2.55	22.87	11.11	20.15	9.78
62	9.41	4.66	5.50	2.72	24.69	12.22	21.51	10.66
63	10.05	5.08	5.76	2.91	26.52	13.39	22.91	11.56
64	10.76	5.55	6.00	3.09	28.45	14.67	24.20	12.47
65	11.50	6.05	6.25	3.29	30.47	16.03	25.45	13.39
66	13.22	6.96	7.19	3.79				
67	15.20	8.00	8.27	4.36				
68	17.48	9.20	9.51	5.01				
69	20.11	10.58	10.93	5.76				
70	23.12	12.17	12.58	6.63				

SCI premiums

The following table sets out the premiums payable for SCI cover. The amounts shown are the standard annual premiums per $1,000 of insured benefit per annum based on a non-smoker, white collar worker. The standard adviser insurance fee is 22%. All rates shown in the table include this fee, Skandia's administration fee of 5.5% and any GST or Stamp Duty. If you do not have a financial adviser Skandia will retain the amount of adviser insurance fee.

The premiums have to be multiplied by the occupational loading applicable to you (see page 37). For smokers, the rates are increased by 30%.

Salary Continuance Insurance – Non-smoker white collar						
Waiting period	30-day wait		60-day wait		90-day wait	
age next birthday	Male	Female	Male	Female	Male	Female
16	2.64	4.54	1.91	3.61	1.04	3.46
17	2.64	4.54	1.91	3.61	1.04	3.46
18	2.64	4.54	1.91	3.61	1.04	3.46
19	2.64	4.54	1.91	3.61	1.04	3.46
20	2.64	4.54	1.91	3.61	1.04	3.46
21	2.64	4.54	1.91	3.61	1.04	3.46
22	2.77	4.55	1.91	3.66	1.02	3.52
23	3.10	4.96	2.04	4.02	1.07	3.60
24	3.42	5.38	2.17	4.39	1.10	3.68
25	3.76	5.80	2.32	4.77	1.15	3.78
26	4.10	6.24	2.46	5.14	1.20	3.87
27	4.46	6.68	2.61	5.53	1.25	3.96
28	4.78	7.13	2.74	5.85	1.30	4.02
29	5.06	7.59	2.85	6.13	1.35	4.07
30	5.30	8.06	2.97	6.35	1.39	4.08
31	5.51	8.53	3.05	6.55	1.44	4.08
32	5.69	9.01	3.14	6.71	1.49	4.07
33	5.85	9.51	3.23	6.87	1.52	4.07
34	6.00	10.03	3.31	7.02	1.57	4.05
35	6.14	10.58	3.39	7.16	1.62	4.04
36	6.27	11.15	3.48	7.33	1.69	4.05
37	6.42	11.75	3.60	7.52	1.75	4.07
38	6.56	12.37	3.71	7.75	1.83	4.12
39	6.74	13.03	3.87	8.02	1.91	4.20
40	6.95	13.75	4.05	8.35	2.04	4.31
41	7.20	14.49	4.28	8.75	2.19	449
42	7.49	15.29	4.55	9.22	2.37	4.72
43	7.85	16.14	4.90	9.77	2.58	4.99
44	8.25	17.05	5.28	10.42	2.85	5.37
45	8.75	18.02	5.77	11.17	3.19	5.80
46	9.32	19.06	6.32	12.03	3.60	6.34
47	10.00	20.20	6.99	13.00	4.07	6.99
48	10.80	21.40	7.76	14.10	4.65	7.73
49	11.70	22.69	8.67	15.35	5.33	8.61
50	12.74	24.10	9.71	16.74	6.13	9.63
51	13.92	25.63	10.92	18.28	7.08	10.78
52	15.29	27.26	12.29	19.99	8.17	12.11
53	16.81	29.06	13.86	21.87	9.43	13.62
54	18.54	31.01	15.66	23.92	10.91	15.30
55	20.49	33.13	17.67	26.18	12.59	17.20
56	22.69	35.47	19.97	28.64	14.51	19.31
57	25.16	38.04	22.55	31.32	16.70	21.66
58	27.94	40.86	25.45	34.22	19.18	24.27
59	31.07	43.99	28.42	37.38	22.00	27.15
60	34.06	47.46	32.39	40.80	25.16	30.31
61	38.59	51.33	36.50	44.53	28.72	33.80
62	43.13	55.66	41.14	48.55	32.73	37.61
63	48.27	60.52	46.33	52.89	37.22	41.79
64	50.75	63.60	48.42	55.01	39.00	43.94
65	28.79	35.63	25.51	28.69	20.02	22.56

calculation of premiums - examples

Death only calculation:
A male white collar worker, who is a non-smoker and age 40 next birthday, applies for Death only cover with an insured benefit of $200,000 and a standard adviser insurance fee of 22%.
The total premium payable for him is:
= (insured benefit ÷ $1,000) x (member's standard annual premium rate from the table on page 38) x (member's occupational loading from page 37)
= ($200,000 ÷ $1,000) x $0.69 x 1.00 = $138.00 per annum or $11.50 per month.

D&TPD calculation:
A male blue collar worker, who is a non-smoker and age 35 next birthday, applies for D&TPD cover with an insured benefit of $100,000 and a standard adviser insurance fee of 22%.
The total premium payable for him is:
= (insured benefit ÷ $1,000) x (member's standard annual premium rate from the table on page 38) x (member's occupational loading from page 37)
= ($100,000 ÷ $1,000) x $0.72 x 1.60 = $115.20 per annum or $9.60 per month.

SCI calculation:
A female professional, who is a non-smoker and age 35 next birthday, applies for SCI cover with a 90-day waiting period. She wishes to cover her net wages of $60,000 per annum.
Her annual insured benefit is:
75% of her net wages:
= 75% x $60,000 = $45,000
Her premium is therefore:
= (annual insured benefit ÷ $1,000) x (member's standard annual premium rate from the table on page 39) x (member's occupation loading from page 37)
= ($45,000 ÷ $1,000) x $4.04 X 0.80 = $145.44 per annum or $12.12 per month

how do I pay my premiums?

Your premiums will be deducted each month from your account balance. This will occur by a sale of units. You may choose which Option you wish your payments to come from (for more information see page 26). If you do not make a selection, they will be deducted proportionally from your selected Options.

Your premium is recalculated and is likely to increase on 1 July each year depending on your age next birthday, i.e. your age next birthday at 1 July.

Your Annual Periodic Member Statement will show your total insurance benefits and when your premiums have been paid.

The premium rates can be varied by the Insurer by giving prior notice to the Trustee as the policy owner. We will then provide notice of the change to you.

Where a premium is due but not paid because you have insufficient funds, your insurance will cease after 60 days. We accept no responsibility for notifying you if this occurs. You should therefore ensure you maintain sufficient funds in your account to meet premium deductions and ensure that your insurance cover remains in force.

The premium rates set out in this document are not guaranteed. Skandia reserves the right to vary the premium rates. We will give you notice of any increases in your premium.

insurance fees and remuneration

The insurance premium rates quoted on pages 38 and 39 include a standard 22% adviser insurance fee and a 5.5% Skandia administration fee (both inclusive

of GST and any Stamp Duty). These rates will apply unless otherwise indicated on the application form. If you do not have an adviser, Skandia will retain the adviser insurance fee.

Your financial adviser's insurance fee is negotiable from nil to 33% (inclusive of GST) in 11% increments and if a rate other than the standard is negotiated, the premiums must be adjusted accordingly. Please contact your financial adviser for details of the adjusted premiums.

Stamp duty also applies for SCI cover and is included in the premium rates on page 39.

how do I apply?

In order to apply for insurance, you will need to complete the Insurance Personal Statement and an application form for Skandia One Super Solutions or Skandia One Pension Solutions (whichever is relevant) included with this PDS.

Depending on the insurance cover you choose, your age, sex, health, medical history and amount of cover sought, you may have to undertake certain additional tests in order for the Insurer to assess your application.

initial requirements

All applications for Death only, D&TPD or SCI cover must satisfy certain initial requirements according to the level of insured benefit sought as detailed in the tables below.

If you are unsure whether you are required to satisfy any further requirements in addition to completing the insurance Personal Statement, please contact the Skandia Service Centre on 1300 300 088 before undergoing any medical examinations or tests. We will confirm whether the Insurer requires you to satisfy further requirements for your insurance application to be assessed.

Initial medical requirements: Death only and D&TPD benefits

Age	Sum Insured	Personal Statement	Blood Tests	Fast Check Medical
Under 55	Up to $1,000,000	✔		
	$1,000,001 - $1,250,000	✔	✔	
	$1,250,001 - $3,000,000	✔	✔	✔
	Over $3,000,000	Refer to the Insurer who will specify the initial requirements.		
55 and over	Up to $750,000	✔		
	$750,001 - $1,000,000	✔	✔	
	$1,000,001 - $2,000,000	✔	✔	✔
	Over $2,000,000	Refer to the Insurer who will specify the initial requirements.		

Initial medical requirements: SCI

Age	Sum Insured per month	Personal Statement	Blood Tests	Fast Check Medical
16 to 65	Up to $8,000	✔		
	$8,001 - $12,000	✔	✔	
	$12,001 - $20,000	✔	✔	✔

- Blood tests required are: HIV, Hepatitis B and C, and MBA20.
- Fast check medical is an abbreviated medical examination.

Accurate disclosure of your personal circumstances is important to ensure your benefits are paid in the event of the unexpected happening.

other important insurance information

Your duty of disclosure

You must disclose to us or the Insurer every matter that you know, or could reasonably be expected to know, is relevant to the Insurer's decision whether to accept the risk of insurance and if so on what terms.

You are able to receive insurance cover under the insurance policies which Skandia holds as Trustee and Policy holder, but we (and the Insurer) rely on your above duty to disclose to give us all material information.

Such matters should be disclosed in the Personal Statement accompanying your application. Your duty of disclosure continues to apply even after the application is completed and until the Insurer advises acceptance of your insurance cover. You have the same duty to disclose such matters to the Insurer before you extend, vary or reinstate your insurance contract.

Your duty, however, does not require disclosure of a matter that:

- Diminishes the risk to be undertaken by the Insurer;
- Is of common knowledge;
- The Insurer knows, or in the ordinary course of the Insurer's business, ought to know; or
- Disclosure of which is waived by the Insurer.

Consequences of non-disclosure

If you fail to comply with your duty of disclosure and the Insurer would not have entered into the contract on any terms if the failure had not occurred, the Insurer may avoid the contract within three years of entering into it. If your non-disclosure is fraudulent, the Insurer may avoid the contract at any time.

An Insurer who is entitled to avoid a contract of life insurance may, within three years of entering into it, elect not to avoid it but to reduce the benefit amount which had previously applied to the life insured in accordance with a formula that takes into account the premium that would have been payable if all relevant matters had been disclosed to the Insurer.

Cooling-off period

You have 28 days to review and decide whether the insurance cover you have selected meets your needs. During this time you may cancel your cover in writing and your premiums will be refunded. The 28 days commences on the earlier of:

- The date you receive written confirmation of your insurance cover; or
- The end of the fifth day on which the cover is issued.

Making a claim

If you wish to make a claim on your cover, we must be notified in writing within 30 days of the event. If you have SCI cover, a waiting period may apply before benefits are paid (refer to page 36 for details).

You may be required to provide the Insurer with any information it requires in order to assess your claim. Payment of a terminal illness, TPD or SCI claim is dependant on you undergoing a medical examination that the Insurer requires. If you make a TPD or terminal illness claim, your death benefit is reduced by the amount of any benefit that has been paid.

Any claim for or payment of insurance benefits is subject to acceptance by the Trustee and Insurer, and any reduction, loading, deferral, exclusion or other conditions imposed by the Insurer (as set out in this document).

As your insurance benefit is through the superannuation Fund, any Death, terminal illness or TPD claim will be paid to the Trustee. In order to access the money, you will need to meet a condition of release of superannuation under superannuation law.

Transfer of cover from Skandia One Super Solutions to Skandia One Pension Solutions

If you transfer from Skandia One Super Solutions to Skandia One Pension Solutions, your Death only insurance cover for Skandia One Super Solutions will be automatically transferred at the existing acceptance terms for your cover.

Any TPD or SCI insurance you may have had as a member of Skandia One Super Solutions will cease if you transfer to Skandia One Pension Solutions.

Varying your cover

You may apply to vary your cover by completing an insurance Personal Statement, available from our website **www.australianskandia.com.au** or by calling the Skandia Service Centre on 1300 300 088.

Any requested increase in cover will not apply until the Insurer has given its written acceptance and there is sufficient money in your account to pay the increased premium.

> Your financial adviser is the best person with whom to discuss your insurance needs.

Continuation option

If you choose to transfer out of Skandia One Super Solutions or are being transferred to the ERF (see page 9), you may be able to purchase a separate Death only policy or SCI policy from the Insurer, subject to acceptance of your application by the Insurer, without further evidence of health. If you wish to take up the continuation option please contact the Insurer whose details are on the inside front cover.

The new policy will not provide cover for TPD. It is subject to all of the following conditions being satisfied:

For both Death only and SCI cover:

- You are not age 60 or over at the time you cease to be an insured member of the Fund;
- You are not leaving employment for reasons of ill health;
- You apply for the new policy within 60 days of ceasing to be an insured member of the Fund;
- The new policy will be subject to the same value of cover last applicable to the person;
- The new policy meets the minimum premium and eligibility requirements;
- The new policy is based on the terms and conditions which apply to a policy of that type at the time;
- The new policy will be subject to any special conditions, premium loadings or endorsements applicable to an insured person under the policies that apply for Skandia One Retirement Solutions.

Additional conditions for SCI cover require that you have either:

- Commenced or are contracted to commence employment in an occupation acceptable to the Insurer; or
- Entered into an agreement to operate your own business enterprise and that enterprise is acceptable to the Insurer;
- You are not leaving employment for reasons of retirement;
- The Trustee has not received a benefit payment in respect of you during the six months before you ceased to be an insured member; and
- The same waiting and benefit periods apply.

Questions?

If you have any questions about this information, please contact your financial adviser, the Skandia Service Centre on 1300 300 088 or email auinvestorservice@skandia.com

fees and costs

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 (eg. reduce it from $100,000 to $80,000).

You should consider whether investment 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 calculator to help you check out different fee options.

This document shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the Fund's assets as a whole. Taxes are set out on pages 60 to 61.

You should read all the information about fees and costs because it is important to understand their impact on your investment. Fees and costs for particular Options are set out on pages 55 to 57.

Fees and costs table

Type of fee or cost	Amount (including GST)	How and when paid
Fees when your money moves in or out of the Fund		
Establishment Fee The fee to open up your investment.	Nil	Not applicable
Contribution Fee[1] The fee on each amount you contribute to your investment.	4% of the amount contributed, unless you negotiate an adviser upfront service fee (which may be more than 4%).	Deducted from new (initial and, where applicable, subsequent) investments when they are made. This fee is deducted from your investment by a sale of units.
Withdrawal Fee The fee on each amount you take out of your investment.	Nil	Not applicable
Termination Fee The fee to close your investment.	Nil	Not applicable
Management costs		
These are the fees for managing your investments and include: • management fees; and • expense reimbursables (excluding abnormal operating expenses). An estimate of the total amount you pay for specific Options is shown on pages 55 to 57. Performance fees may also apply to some Options.	Between 1.70% and 3.40% of your Option balance depending on the Option you invest in.	Management fees and expense reimbursables are charged daily and paid monthly in arrears. These fees are reflected in the unit price of the Option and not charged separately to your account. Performance fees may be charged by the underlying fund managers of some Options, are normally reflected in the unit price for those Options and may be paid monthly, quarterly or annually depending on the underlying fund manager.
Service Fees[2]		
Switching Fee The fee for changing Options.	Nil	Not applicable

Example of annual fees and costs

The table gives an example of how the fees and costs in a balanced investment Option for this product can affect your investment over a one-year period. You should use this table to compare this product with other superannuation products.

Example - Skandia Balanced Option		Balance of $50,000 with total contribution of $5,000 during year
Contribution fees	**4%**	For every $5,000 you put in, you will be charged $200.
Plus - estimated management costs (excluding performance fees)	**2.05%**	**And,** for every $50,000 you have in the Fund you will be charged $1,025 each year.
Equals - Cost of Fund		If you put in $5,000 during a year and your balance was $50,000, then for that year you will be charged fees of $1,225. **What it costs you will depend on the investment option you choose and the fees you negotiate with your fund and financial adviser.**

For further information about fees and costs, refer to the 'additional explanation of fees and costs' section on pages 46 to 57.

1. This fee may include an amount payable to an adviser. See 'adviser service fees' under the heading 'additional explanation of fees and costs'.
2. Refer to 'adviser service fees' under the heading 'additional explanation of fees and costs' for details about adviser service fees.

additional explanation of fees and costs

Fees and costs for the Options
Details of current fees and costs, including changes to Option fees and costs, are available through **www.australianskandia.com.au** (see page 66 of this PDS for more information about electronic notification).

You should refer to the current management fees and costs applying to your account (which are available at any time) by logging on to **www.australianskandia.com.au** and refer to Part 2 of the PDS (Investment book) and any related updating information that will be applicable to your investment in an Option before making an investment decision.

contribution fee

You will be charged a 4% contribution fee on all initial and subsequent investments unless you negotiate an adviser upfront service fee. In that case, the contribution fee will be used to pay the adviser upfront service fee and will equal the amount of the adviser upfront service fee. Please refer to the 'adviser service fees' section on page 51.

The contribution fee is deducted by the sale of units from your account. The contribution fee is inclusive of Goods and Services Tax (GST). Any Reduced Input Tax Credits (RITCs) are credited to the Fund as a whole.

management cost components

These are the fees for managing your investments and include management fees, expense reimbursables (excluding abnormal operating expenses) and, where applicable, performance fees.

Management fee

The management fee for each Option is set out in the 'estimated management costs and buy/sell spread' section on pages 55 to 57. The management fee is calculated daily on the net asset value of the Option and paid on a monthly basis in arrears. Part of the fee is charged by the underlying fund manager. The fee includes GST and RITCs where applicable.

The management fee will be adjusted to reflect any changes in the fees and costs charged by the underlying fund manager. This includes any increases in the underlying fund's Indirect Cost Ratio (ICR) after the date of this PDS.

Skandia also reserves the right to increase the fee in circumstances as detailed on page 53. If we decide to increase the management fee we will give you at least 30 days written notice.

The management fee is an estimate only and may also be subject to rounding.

Expense reimbursables (excluding abnormal operating expenses)
Skandia is entitled to be reimbursed for various expenses associated with the day to day establishment, registration, operation, administration and management of each Option including legal expenses, accounting and audit fees, printing, postage and unit registry expenses.

Expense reimbursables are presently capped at the lower of actual expenses incurred by the Option, or 0.20% p.a. of the net asset value of the Option.

The estimated management costs on pages 55 to 57 include expense reimbursables of 0.20% p.a.

Performance fees
The underlying fund managers of the Options outlined in the tables on pages 48 to 50 are entitled, in certain circumstances, to receive performance fees based on the outperformance of the underlying fund against specific performance hurdles.

The underlying fund manager generally sets the performance hurdle based on a market index or benchmark, such as the S&P/ASX 300 Accumulation Index or cash for some Australian share Options. The performance hurdle is used to measure when the calculation of the performance fee commences.

The performance fee is normally reflected in the daily unit price of these Options, and may be paid monthly, quarterly, semi-annually or annually, depending on the terms stipulated by the underlying fund manager.

performance fee example
Assume an amount of $10,000 is invested for 12 months and that the investment return achieved over the year is 10%. If the underlying fund manager's performance hurdle for the year is 8%, then the excess performance above the hurdle is 2%. If the performance fee is based on 15% of the amount of performance above the hurdle, then the underlying fund manager's performance fee is calculated as follows:
Amount invested = $10,000
Investment return achieved (at 10%) = $1,000
Investment return based on hurdle (8%) = $800
Investment performance above benchmark (10% - 8% = 2%) = $200
If the performance based fee is 15%, then the fee charged by the underlying fund manager is:
$200 x 15% = $30
In practice, the performance based fee is recovered throughout the year by measuring actual performance against benchmark on a daily or monthly basis.

Performance fees are only payable when the underlying fund outperforms its performance hurdle. Performance fees are also frequently accompanied by a high water mark (HWM), which places a condition around the payment of the performance fee. A HWM ensures that underperformance relative to the hurdle must be recouped before any further performance fees can be charged. That is, the underlying fund manager must generally bring the value of the underlying fund back above the previous highest value of the underlying fund (the HWM) taking account of cash flow before any further performance fee is payable to the underlying fund manager.

The performance fee information disclosed in this PDS is based on information disclosed by the underlying fund manager. While Skandia has made every effort to ensure that this information is accurate, it has relied on material supplied and verified by the underlying fund manager.

The actual performance fee charged to the fund will be that amount determined and charged by the underlying fund manager.

Performance fees charged by underlying funds may change. If you are affected by the change we will notify you via a Product Information Update on our website.

Also, in the future, we may add investments to our ready-made portfolios that have a performance fee. **We will notify you of any change via a Product Information Update on our website www.australianskandia.com.au**

Table of performance fees — self-select Options

Option	Performance fees (including GST and RITCs) and hurdles	% Performance fee incurred per 1% outperformance	Payment frequency
Skandia Ausbil Australian Emerging Leaders	15.375% of gross (exclusive of management fees) amount of any performance above the hurdle return comprising of 70% of the S&P/ASX Midcap 50 Accumulation Index return and 30% of the S&P/ASX Small Ordinaries Accumulation Index return. If a period of underperformance to the benchmark occurs, the performance fee accrued is frozen at its current level and further performance fees may not commence to be accrued again until the full amount of underperformance is recouped.	0.1538	Accrued daily and paid monthly
Skandia Macquarie Diversified Fixed Interest	A performance fee may apply from the underlying fund's exposure to the emerging markets debt sector. The underlying fund obtains exposure to this sector indirectly, through the Macquarie Emerging Markets Debt Fund, which invests wholly into an externally managed emerging markets debt fund. The underlying fund can have a maximum exposure to this sector of 15% of its net asset value. A performance fee is payable in the externally managed emerging markets debt fund to its manager of 20% (pre-GST) of the return above the JP Morgan Emerging Market Bond Index Global Diversified denominated in USD. If it arises, the performance fee is payable in arrears at the end of each 12 month calculation period, and is subject to a high watermark which is reset every 12 months in June. The high watermark is the previous highest level of outperfomance achieved in any previous reporting period. The performance fee of 0.0308% assumes 15% exposure to the Macquarie Emerging Markets Debt Fund.	0.0308	Accrued daily and paid annually
Skandia Macquarie Income Opportunities	A performance fee may apply if the underlying fund has exposure to the emerging markets debt sector. The underlying fund obtains exposure to this sector indirectly, through the Macquarie Emerging Markets Debt Fund, which invests wholly into an externally managed emerging markets debt fund. The underlying fund can have a maximum exposure to this sector of 10% of its net asset value. A performance fee is payable in the externally managed fund to its manager of 20% (pre-GST) of the return above the JP Morgan Emerging Market Bond Index Global Diversified denominated in USD. If it arises, the performance fee is payable in arrears at the end of each 12 month calculation period, and is subject to a high watermark which is reset every 12 months in June. The high watermark is the previous highest level of outperfomance achieved in any previous reporting period. The performance fee of 0.0205% assumes 10% exposure to the Macquarie Emerging Markets Debt Fund.	0.0205	Accrued daily and paid annually
Skandia Macquarie International Infrastructure Securities	10% of the return of the underlying fund (after management fees and expenses) above the Macquarie Global Infrastructure Total Return Index ($A hedged). If the total cumulative outperformance of the underlying fund on a day is less than its previous maximum cumulative outperformance since inception of the underlying fund (the high watermark), no further performance fees will be charged until the underlying fund's total cumulative outperformance has exceeded that high water mark. In addition, no performance fee is accrued on any day if the underlying fund has a negative return on that day, even if the underlying fund outperforms the Macquarie Global Infrastructure Total Return Index ($A hedged) or exceeds its high watermark. This Option is also in the Skandia Defensive, Skandia Conservative, Skandia Balanced, Skandia Growth with Income, Skandia Growth and Skandia Absolute Return Options.	0.1000	Accrued daily and paid semi-annually
Skandia MIR Absolute Return	The daily performance fee is 20.5% of the difference between the Net Asset Value (NAV) of the underlying fund (before the performance fee and adjusted for applications and redemptions) as at the current valuation day and the NAV of the underlying fund (adjusted for applications and redemptions) as at the previous valuation day. The performance fee is accrued as an expense of the underlying fund daily (so long as the total accrued daily performance fee is not less than zero). The total performance fee for any performance period will be the total of the daily performance fee (including negative amounts) for the relevant performance period. The performance fee, if payable, is deducted from the fund at the end of each performance period. No amount is payable either by or to the underlying fund if the performance fee is a negative amount. All previous negative performance must be offset by positive performance before any performance fee will be payable. This Option is also in the Skandia Blended Australian Shares Option and all Skandia Global Access Portfolios.	0.2050	Accrued daily and paid semi-annually

Option (continued)	Performance fees (including GST and RITCs) and hurdles	% Performance fee incurred per 1% outperformance	Payment frequency
Skandia Orion Australian Share	15.375% of the difference between the fund's gross return (before fees and expenses) and the performance benchmark. The performance benchmark is the daily return of the S&P/ASX 300 Accumulation Index plus an additional 0.50%. If the aggregate of the performance fees over the period is negative, then no performance fee amount will be reflected in the unit price, but the negative amount will generally need to be offset by future positive performance fees before any performance fee becomes payable. If the aggregate performance fee is negative, the amount is carried forward. Every three years the manager may determine not to carry forward this amount. This Option is also in the Skandia Blended Australian Shares Option and all Skandia Global Access Portfolios.	0.1538	Accrued daily and paid quarterly
Skandia PM CAPITAL Absolute Performance	20% of the outperformance of the underlying fund's net asset value of a unit (any positive performance) in excess of the underlying fund's high watermark.	0.2000	Accrued daily and paid monthly
Skandia Portfolio Partners High Growth Shares	20% of the underlying fund's performance (after management fees) above its performance hurdle, the S&P/ASX 200 Accumulation Index plus 5% per annum. Any underperformance must be recouped before a performance fee will accrue, however any underperformance against the performance hurdle at the end of each year will not be carried forward to the next year. This Option is also in the Skandia Blended Australian Shares Option and all Skandia Global Access Portfolios.	0.2000	Accrued daily and paid annually
Skandia Premium China	15% of the outperformance over the MSCI China Free Index $A (after the deduction of manager costs). If the total outperformance of the underlying fund over the index is less than its historical peak, no further performance fees will be charged until such time as the underlying fund's total outperformance has recovered to that peak level.	0.1500	Accrued daily and paid quarterly
Skandia Prime Value Growth Fund	20.5% (inclusive of GST) of performance (after other fees and costs) above the S&P/ASX 300 Accumulation Index, subject to positive performance. Where performance is less than the benchmark, no performance fee is accrued in the unit price and the negative balance is carried forward to the next month and must be offset before future performance fees become payable.	0.2050	Accrued daily and paid monthly
Skandia van Eyk Blueprint	For the Skandia van Eyk Blueprint funds, the investments may include other managed funds of which van Eyk is a manager. Further, if the underlying manager's fund is listed on the Australian Stock Exchange, any management fee and performance fees that may apply to the underlying manager's fund, within the van Eyk Blueprint funds, is not given here as the market will price the listed units, taking into account any fees payable to the underlying manager.	—	—
Skandia Ventura Australian Opportunities	A performance fee is payable to one of the investment managers of the underlying funds in the Ventura Australian Opportunities Fund. The performance fee is 25.625% of the return of the portfolio that is managed by that investment manager above a hurdle rate of return. The hurdle rate of return is the S&P/ASX 300 Accumulation Index plus 2% p.a. to the extent that past underperformance by the investment manager has been recovered. Russell Investment Management Ltd estimate the cost of this performance fee to the Ventura Australian Opportunities Fund to be 0.11% p.a. The performance fee of 0.0513% assumes 20% exposure to the underlying manager with the performance fee.	0.0513	Accrued daily and paid quarterly

Table of performance fees — ready-made portfolios

As the Skandia Global Access Portfolios and the Skandia Blended Sector Portfolios have or may have exposure to these underlying funds listed below (or other underlying funds which charge performance fees) they will pay a proportional amount of such performance fees where applicable.

Underlying Fund	Performance fee rate (including GST and RITCs) and hurdles	% Performance fee incurred per 1% outperformance	Payment frequency
Barclays Global Ascent Fund	20.5% of the performance of the fund (before management fees) above the RBA Cash Rate Target. Performance fees are not refunded when the accumulated fund performance is below the hurdle following a management fee payment date. In these circumstances, no performance fees are charged to the fund until the accumulated fund performance is again above the hurdle. This fund is in the Skandia Defensive, Skandia Conservative, Skandia Balanced, Skandia Growth with Income, Skandia Growth and Skandia Absolute Return Options.	0.2050	Accrued monthly and paid quarterly
Barclays Multi Opportunity Fund	20.5% of the performance of the fund (before management fees) above the RBA Cash Rate Target. Performance fees are not refunded when the accumulated fund performance is below the hurdle following a management fee payment date. In these circumstances, no performance fees are charged to the fund until the accumulated fund performance is again above the hurdle. This fund is in the Skandia Defensive, Skandia Conservative, Skandia Balanced, Skandia Growth with Income, Skandia Growth and Skandia Absolute Return Options.	0.2050	Accrued monthly and paid quarterly
Barclays Total Return – Absolute Equity Fund	20.5% of the performance of the fund (before management fees) above the RBA Cash Rate Target. Performance fees are not refunded when the accumulated fund performance is below the hurdle following a management fee payment date. In these circumstances, no performance fees are charged until the accumulated fund performance is again above the hurdle. This fund is in all the Skandia Global Access Portfolios and the Skandia Australian Shares High Alpha Option.	0.2050	Accrued daily and paid quarterly
Eley Griffiths Group Small Companies Fund	15.375% of any performance after administration/investment cost and recoverable expenses above the S&P/ASX Small Ordinaries Accumulation Index provided the high water mark has been exceeded. The high water mark means no performance fee is payable in respect of a calculation period where at the end of the period the unit price on an accumulation basis (i.e. with distributions reinvested, but not performance fees) is below the previous highest unit price on an accumulation basis at the end of a calculation period. In addition, before a performance fee can be charged the fund must make a positive return. This fund is in the Skandia Blended Australian Smaller Companies Option, Skandia Blended Australian Shares Option and all Skandia Global Access Portfolios, excluding the Skandia Growth with Income Option.	0.1538	Accrued daily and paid semi-annually
GMO Australian Market Neutral Trust	20.5% of performance (after management fee) above the UBSA Bank Bill Index. If the Trust under performs the UBSA Bank Bill Index, the negative amount is carried forward over to the next period and must be made up before any performance fee becomes payable. This trust is in the Skandia Defensive, Skandia Conservative, Skandia Balanced, Skandia Growth with Income, Skandia Growth and Skandia Absolute Return Options.	0.2050	Accrued monthly and paid semi-annually
INVESCO Global Tactical Asset Allocation Fund	20.5% of outperformance over the fund's benchmark, the UBS Australian Bank Bill Index. Where the performance fee accrued for a period is negative, no performance fee will be charged. The negative balance is carried forward and must be recouped before any further performance fees can be charged. This fund is in the Skandia Defensive, Skandia Conservative, Skandia Balanced, Skandia Growth with Income, Skandia Growth and Skandia Absolute Return Options.	0.2050	Accrued daily and paid quarterly
Kinetic Emerging Companies Fund	20% of the fund's net return (after management fees and expenses) above the S&P/ASX Small Ordinaries Accumulation Index. If the aggregate of the daily performance fee is a negative at the end of the performance period, no performance fee will be deducted. The negative amount will be carried forward and generally needs to be offset by future positive performance before any performance fee becomes payable. However, every three years the manager may determine not to carry forward this amount. This fund is in all Skandia Global Access Portfolios (excluding the Skandia Growth with Income Option), the Skandia Blended Australian Smaller Companies Option and the Skandia Blended Australian Shares Option.	0.2000	Accrued daily and paid quarterly
Mellon Global Alpha Trust	20.5% of the performance of the Trust (after management fees) above RBA Cash Rate Target. The quarterly performance fee will be subject to achieving a performance "high watermark", where any underperformance from the previous period(s) must be "caught-up" before the performance fee recommences accruing. This trust is in the Skandia Defensive, Skandia Conservative, Skandia Balanced, Skandia Growth with Income, Skandia Growth and Skandia Absolute Return Options.	0.2050	Calculated and paid quarterly
Smallco Investment Fund	18.64% of the increase in the adjusted net asset value of the fund (after management fees), if the fund has reached a new all time end of six month high (the high water mark). The adjusted net asset value is the net asset value of the fund adjusted for inflows and outflows. This fund is in the Skandia Blended Australian Smaller Companies Option, Skandia Blended Australian Shares Option and all Skandia Global Access Portfolios, excluding the Skandia Growth with Income Option.	0.1864	Accrued monthly and paid semi-annually

Indirect Cost Ratio (ICR)

The ICR is a historical annual measure of the management costs deducted directly from the assets of the Option and expressed as a percentage of the average annual net assets of each Option. The ICR takes into account the management fee, expense reimbursables and performance fees that are deducted directly from the assets of the Option. The ICR excludes all fees applied or deducted directly from your account. The ICR for each Option also includes the ICR of the relevant underlying fund. It does not include transaction costs represented by any applicable buy/sell spread.

service fees

Switching fees

Skandia does not currently charge a switching fee for switching between Options. A buy/sell spread may apply. Please refer to the 'transaction costs' section on page 52.

member protection

Please refer to page 9 for details regarding the protection of account balances of less than $1,500 from certain fees.

adviser service fees

Your financial adviser is obliged to disclose to you the amount of any fees payable to them.

Adviser upfront service fee

If you have a financial adviser, an adviser upfront service fee may be negotiated between you and your financial adviser. You can agree with your financial adviser to pay either a percentage fee of up to 4% (including GST) of your initial investment or alternatively a dollar amount that may represent more than 4% of your initial investment.

For top-ups and regular contributions, the adviser upfront service fee may only be a percentage of up to 4% (including GST) of each payment.

Any agreed adviser upfront service fee is paid by Skandia to your financial adviser from your contribution fee and equals the amount of the contribution fee. Your adviser may rebate all or part of this amount to you. The adviser upfront service fee is inclusive of GST. Any RITCs are credited to the Option as a whole.

Ongoing service fee

If you have a financial adviser, they will receive an ongoing service fee of 0.55% (including GST) per annum of the value of your investment in each Option.

This fee is paid by Skandia out of the management fee it receives from the Option and is not charged separately to your account. It is not an additional cost to you.

Additional ongoing service fee

Your financial adviser may charge you an additional ongoing service fee for monitoring and managing your investment. You can pay this fee directly to your financial adviser or have it deducted from your account by selecting this option on your application form. If paid from your account, you can choose to have it deducted and paid as a percentage of your account balance or as a set dollar amount. The payment will be deducted from your account and effected by the sale of units.

Skandia may impose maximum limits on the additional ongoing service fee that can be deducted from your account. Any additional ongoing service fee paid to your financial adviser is by arrangement between you and your adviser. Neither Skandia nor your financial adviser can increase the fee that you agree with your adviser, unless you and your adviser complete a form for this purpose.

You may instruct Skandia at any time in writing not to pay the fee to your financial adviser. Skandia may terminate the additional ongoing service fee arrangement at any time by giving you 30 days notice in writing, or immediately where to continue the arrangement would cause Skandia to be in breach of any applicable law.

Adviser insurance fee

The insurance premium rates quoted in the 'premium and calculations' section include a standard 22% (including GST) adviser insurance fee. If you have a financial adviser, you and your adviser may negotiate a different fee between 0% and 33% (including GST) in 11% increments and if a rate other than the standard is negotiated, the premiums quoted must be adjusted accordingly.

If you do not have a financial adviser, Skandia will retain the standard 22% (including GST) fee. For information on insurance fees and charges, refer to the 'about insurance' section on pages 30 to 43.

platform payments and commission

If these amounts are paid, they are paid by Skandia and are not an additional cost to you. These fees are paid out of Skandia's own resources. Your financial adviser, their licensee or related parties may receive platform payments in the form of marketing allowances or other benefits. These payments are based on the total value of business they provide up to a maximum of 0.50% per annum (including GST).

Your financial adviser will provide you with a Financial Services Guide (FSG) and a Statement of Advice (SOA), which will detail their fees, benefits and services.

Skandia may receive commissions from certain underlying fund managers based on the total funds under management provided to them. These are transactions between Skandia and the underlying fund managers and are not an additional cost to you.

Any soft dollar payments (payments made other than in cash) Skandia makes or receives will be in accordance with the Investments and Financial Services Association (IFSA) Industry Code of Practice. We keep a public register of certain payments as required by the Code. You may view a copy of our public register at our head office.

transaction costs

Buy/sell spread

Any difference between the entry unit price and the exit unit price of an Option at any given time is referred to as the 'buy/sell spread'.

Where applicable this difference relates to the transaction costs incurred when buying and selling the underlying assets of an Option when investments or withdrawals are made. Where applicable, the buy/sell spread corresponds to the buy/sell spread of the underlying fund.

The buy/sell spread will differ from Option to Option as transaction costs vary depending on the type of underlying asset being purchased or sold. It may also vary due to the brokerage rates and transaction size.

A buy/sell spread does not apply to all Options and in some cases is not currently charged.

The current buy/sell spread for each Option is set out in the 'Estimated management cost and buy/sell spread' section on pages 55 to 57.

Note: When you move from Skandia One Super Solutions to Skandia One Pension Solutions, you may incur a buy/sell spread. You should discuss the implications with your financial adviser.

Sell spread example
The following example shows the dollar effect of the sell spread on a transaction. The example assumes a withdrawal from an Option with a sell spread of 0.20%:
Closing balance before a withdrawal = $100,000
Sell spread = $200 (0.20% x $100,000)
Total withdrawal proceeds after withdrawal = $100,000 - $200
= $99,800
Please note that buy/sell spreads are factored into the calculation of unit prices. Therefore, when you request or view your account balance the effect of the buy/sell spread has already been included.

tax and other government charges

The various fees listed above that are payable by the Option include any applicable GST and are net of GST Input Tax Credits (ITCs) and Reduced Input Tax Credits (RITCs) available to the Option. The benefit of any ITCs will be reflected in the unit price of the Option as a whole. Please refer to the 'other information' section on pages 58 to 69 for more information.

Information regarding other taxes affecting your investment are outlined on page 60.

insurance premiums

Please refer to page 36 for details of premiums relating to insurance cover offered with investments in the Fund.

other fees?

Bank fees and similar charges incurred by Skandia as a result of withdrawals, the failure of any transfer of funds from a nominated bank account, or the dishonour of a cheque, will also be payable by you and charged to your account.

An Option's Constitution entitles us to be reimbursed from the Options for any abnormal operating expenses incurred. Abnormal operating expenses are costs that are not generally incurred during the day to day management of the Options and may include for example, the cost of holding member meetings. These costs are incurred infrequently.

can the fees change?

There are currently no establishment, termination, withdrawal, switching or account maintenance fees applied to your account. A buy/sell spread may apply to withdrawals and switches.

Skandia reserves the right to apply and/or increase any fees and costs it is entitled to charge or recover under the Trust Deed and where permitted by law, including any of the fees and costs shown on pages 46 to 57. Skandia reserves the right to do so without consent. The management fee may also vary where the ICR of the underlying fund changes, at the underlying fund manager's discretion.

If a decision is made to increase any of these fees or costs, excluding buy/sell spread costs, or introduce a fee or cost we will give you at least 30 days written notice (or another period as required or permitted by law).

The buy/sell spread where charged will change to correspond to any change in the buy/sell spread of the underlying fund or a buy/sell spread may be introduced at any time. **If you are affected by the change, we will notify you via a Product Information Update on our website.**

There is no limit to increases in fees or charges under the Trust Deed. However, the Options invest into Skandia managed investment schemes where each of the schemes' Constitutions set out a maximum total of administration and management fees payable to Skandia of 2.5% p.a. of the net asset value of the managed investment scheme. The maximum withdrawal fee payable under these Constitutions is 5% (including GST) of the withdrawal amount. Skandia may also charge a maximum account maintenance fee of $66 p.a. (or another amount agreed with the member) per member. These maximum fees exclude the fees paid to underlying fund managers.

The account maintenance fee may be indexed to the Consumer Price Index (CPI) at such times as and in the manner determined by Skandia and may be applied prospectively or retrospectively.

Skandia also reserves the right to charge fees in the future in relation to:

- any additional administration required in the case of a superannuation split or the provision of information in relation to Family Law (see 'Family Law' on page 64), this will be determined on a case by case basis;
- access to your personal information under Privacy (see 'Your Privacy' on page 64); or
- requests for information in relation to Options.

wholesale or professional investors

Skandia may individually negotiate its fees with certain investors or members categorised as 'wholesale' or 'professional' under the Corporations Act.

Skandia may also negotiate special arrangements concerning fees (including fee reductions or waivers) with other investors or members in certain circumstances determined by us, as permitted by law.

estimated management costs and 'buy/sell' spreads

Option name	Management fee component (% pa)[1]	Estimated management cost (% pa)	Buy/sell spread (%)	Performance fee may apply
Skandia Global Access Portfolios				
Skandia Defensive	1.70	1.90	0.00/0.00	Yes
Skandia Conservative	1.75	1.95	0.00/0.00	Yes
Skandia Balanced	1.85	2.05	0.00/0.00	Yes
Skandia Growth with Income	1.85	2.05	0.00/0.00	Yes
Skandia Growth	1.95	2.15	0.00/0.00	Yes
Skandia Aggressive Growth	2.15	2.35	0.00/0.00	Yes
Skandia Blended Sector Portfolios				
Skandia Australian Shares High Alpha	2.00	2.20	0.30/0.30	Yes
Skandia Blended Australian Shares	1.95	2.15	0.00/0.00	Yes
Skandia Blended Australian Smaller Companies	2.25	2.45	0.00/0.00	Yes
Skandia Blended Australian Geared Shares	2.20	2.40	0.00/0.00	
Skandia Blended Global Shares	2.15	2.35	0.00/0.00	
Skandia International Shares High Opportunities (Hedged)	2.05	2.25	0.25/0.25	
Skandia International Shares High Opportunities (Unhedged)	2.00	2.20	0.25/0.25	
Skandia Blended Property	1.85	2.05	0.00/0.00	
Skandia International Property Securities (Hedged)	2.10	2.30	0.35/0.35	
Skandia International Bond Active (Hedged)	1.65	1.85	0.10/0.10	
Skandia Absolute Return	2.50	2.70	0.00/0.00	Yes
Australian shares				
Skandia Aberdeen Australian Equities	1.95	2.15	0.25/0.25	
Skandia Ausbil Australian Active Equity	1.95	2.15	0.30/0.30	
Skandia Ausbil Australian Emerging Leaders	2.05	2.25	0.30/0.30	Yes
Skandia Australian Equity	1.95	2.15	0.25/0.25	
Skandia AXA Wholesale Australian Equity Value	1.85	2.05	0.15/0.15	
Skandia Barclays Australian Equity Index	1.60	1.80	0.20/0.20	
Skandia Challenger Wholesale Australian Share	1.95	2.15	0.30/0.30	
Skandia Colonial First State Imputation	1.95	2.15	0.20/0.20	
Skandia Custom Choice Australian Share	2.10	2.30	0.30/0.30	
Skandia Custom Choice Boutique Australian Share	2.20	2.40	0.30/0.30	
Skandia Fidelity Australian Equities	1.90	2.10	0.25/0.25	
Skandia Investors Mutual Industrial Share	2.10	2.30	0.25/0.25	
Skandia Lazard Australian Equity	1.95	2.15	0.20/0.20	
Skandia MIR Absolute Return	2.75	2.95	0.35/0.35	Yes
Skandia Orion Australian Share	2.05	2.25	0.30/0.30	Yes
Skandia Perpetual Industrial Share	1.95	2.15	0.40/0.00	
Skandia Portfolio Partners Australian Equity	1.95	2.15	0.25/0.25	
Skandia Portfolio Partners High Growth Shares	2.10	2.30	0.15/0.15	Yes
Skandia Prime Value Growth	2.23	2.43	0.41/0.41	Yes
Skandia Schroder Australian Equity	1.95	2.15	0.30/0.30	
Skandia UBS Australian Share	1.95	2.15	0.25/0.25	
Skandia Ventura Australian Opportunities	2.15	2.35	0.30/0.30	Yes

1. This fee is calculated daily on the net asset value of the Option. Please refer to the 'Management Fee' section in the 'Additional Explanation of Fees and Costs'. The management fee is an estimated investment management fee based on all reasonable information available at the time of publication.

Option name	Management fee component (% pa)[1]	Estimated Management cost (% pa)	Buy/Sell Spread (%)	Performance Fee may apply
Global shares				
Skandia AXA Bernstein Global Equity Value	2.15	2.35	0.20/0.20	
Skandia Barclays Hedged World Equity Index	1.70	1.90	0.25/0.25	
Skandia BT Wholesale International Share	2.02	2.22	0.20/0.20	
Skandia Credit Suisse International Share	2.15	2.35	0.20/0.20	
Skandia Custom Choice International Share	2.25	2.45	0.30/0.30	
Skandia Fidelity Global Equities	2.15	2.35	0.30/0.30	
Skandia Goldman Sachs JBWere Global Small Companies	2.25	2.45	0.25/0.25	
Skandia GVI Global Industrial Share	2.25	2.45	0.30/0.30	
Skandia Lazard Global Small Cap	2.15	2.35	0.50/0.50	
Skandia Marvin & Palmer Global Equity	2.25	2.45	0.40/0.40	
Skandia MFS™* Hedged Global Equity	2.15	2.35	0.35/0.35	
Skandia MFS™* Unhedged Global Equity	2.15	2.35	0.35/0.35	
Skandia Platinum International	2.75	2.95	0.25/0.25	
Skandia PM CAPITAL Absolute Performance	2.30	2.50	0.25/0.25	Yes
Skandia Templeton Global Equity	2.13	2.33	0.40/0.40	
Skandia Walter Scott Global Equity	2.40	2.60	0.35/0.31	
Regional shares – North America				
Skandia Gabelli All Cap Value	2.50	2.70	0.00/0.00	
Skandia Gabelli Small Cap Value	2.50	2.70	0.00/0.00	
Skandia Marsico Large Cap Growth	2.30	2.50	0.00/0.00	
Regional shares – Europe				
Skandia Fidelity Europe	2.20	2.40	0.30/0.30	
Skandia Platinum Europe	2.75	2.95	0.25/0.25	
Regional shares – Asia				
Skandia Fidelity Japan	2.20	2.40	0.15/0.15	
Skandia Platinum Asia	2.70	2.90	0.25/0.25	
Skandia Premium China	3.20	3.40	0.25/0.25	Yes
Skandia Schroder Asia Pacific	2.30	2.50	0.75/0.75	
Australian property securities				
Skandia APN Property for Income No. 2	2.15	2.35	0.25/0.25	
Skandia Barclays Listed Property Index	1.60	1.80	0.30/0.30	
Skandia Colonial First State Property Securities	1.85	2.05	0.20/0.20	
Skandia Perpetual Property Securities	1.90	2.10	0.10/0.10	
Skandia Perennial Australian Listed Property Securities	2.00	2.20	0.30/0.30	
Skandia RREEF Paladin Property Securities	1.85	2.05	0.25/0.25	
Skandia SG Hiscock Listed Property Securities	1.85	2.05	0.35/0.35	
Global property securities				
Skandia SGH LaSalle Global Listed Property Securities	2.10	2.30	0.25/0.25	
Australian fixed interest				
Skandia Aberdeen Australian Bond	1.65	1.85	0.00/0.00	
Skandia Australian Unity High Yield Mortgage	2.20	2.40	0.00/0.00	

* Registered in the European Community and the United States, among other countries.

1. This fee is calculated daily on the net asset value of the Option. Please refer to the 'Management Fee' section in the 'Additional Explanation of Fees and Costs'. The management fee is an estimated investment management fee based on all reasonable information available at the time of publication.

Option name	Management fee component (% pa)[1]	Estimated Management cost (% pa)	Buy/Sell Spread (%)	Performance Fee may apply
Australian fixed interest (continued)				
Skandia Australian Unity Mortgage Income	1.75	1.95	0.00/0.00	
Skandia Barclays Australian Bond Index	1.50	1.70	0.04/0.04	
Skandia Colonial First State Wholesale Income	1.75	1.95	0.00/0.00	
Skandia Credit Suisse Australian Fixed Interest	1.65	1.85	0.05/0.05	
Skandia Custom Choice Diversified Fixed Interest	1.85	2.05	0.00/0.00	
Skandia Macquarie Diversified Fixed Interest	1.75	1.95	0.08/0.08	Yes
Skandia Macquarie Income Opportunities	1.65	1.85	0.15/0.15	Yes
Skandia Perpetual Income	1.80	2.00	0.00/0.00	
Skandia PIMCO Diversified Fixed Interest	1.65	1.85	0.00/0.00	
Skandia UBS Australian Bond	1.65	1.85	0.00/0.00	
Skandia UBS Diversified Fixed Income	1.75	1.95	0.05/0.05	
Skandia UBS Hybrid Income	1.90	2.10	0.15/0.15	
Global fixed interest				
Skandia Barclays Overseas Bond Index	1.55	1.75	0.10/0.00	
Skandia Credit Suisse Balanced Fixed Interest	1.75	1.95	0.07/0.07	
Skandia Credit Suisse Global Hybrid Income	1.90	2.10	0.175/0.175	
Skandia PIMCO Global Credit	1.75	1.95	0.00/0.00	
Cash				
Skandia UBS Cash	1.50	1.70	0.00/0.00	
Skandia UBS Credit Enhanced Cash	1.50	1.70	0.00/0.00	
Alternative investments				
Skandia Goldman Sachs JBWere Australian Infrastructure	1.95	2.15	0.30/0.30	
Skandia Macquarie International Infrastructure Securities	2.00	2.20	0.38/0.25	Yes
Skandia PIMCO Global CommodityRealReturn	1.75	1.95	0.00/0.00	
Multi-sector portfolios				
Skandia Barclays Balanced	1.90	2.10	0.25/0.25	
Skandia Goldman Sachs JBWere Diversified Growth	2.00	2.20	0.20/0.20	
Skandia ING Balanced	1.90	2.10	0.16/0.16	
Skandia ING Managed Growth	2.00	2.20	0.18/0.18	
Skandia Merrill Lynch Balanced*	1.90	2.10	0.175/0.175	
Skandia Perpetual Balanced Growth	2.05	2.25	0.31/0.00	
Skandia Schroder Balanced	1.95	2.15	0.22/0.22	
Skandia UBS Balanced Investment	2.00	2.20	0.15/0.15	
Skandia UBS Defensive Investment	1.95	2.15	0.10/0.10	
Skandia van Eyk Blueprint Balanced	1.85	2.05	0.20/0.20	Yes
Skandia van Eyk Blueprint Capital Stable	1.75	1.95	0.11/0.11	Yes
Skandia van Eyk Blueprint High Growth	2.00	2.20	0.25/0.25	Yes
Skandia Ventura Diversified 50	2.00	2.20	0.12/0.12	
Skandia Ventura Growth 70	2.06	2.26	0.18/0.18	
Skandia Zurich Managed Growth	2.10	2.30	0.15/0.15	

* The Merrill Lynch name and logo are trade marks of, and used under license from, Merrill Lynch & Co., Inc.

1. This fee is calculated daily on the net asset value of the Option. Please refer to the 'Management Fee' section in the 'Additional Explanation of Fees and Costs'. The management fee is an estimated investment management fee based on all reasonable information available at the time of publication.

other information

Other important information

The following pages provide you with additional information:

Cooling-off period	Page **58**
How is my investment valued?	Page **59**
How are unit prices determined?	Page **59**
Taxation	Page **60**
Regulatory	Page **63**
Terms and conditions	Page **65**
Direct Debit Request terms and conditions	Page **68**

cooling-off period

A 14-day cooling-off period applies to your initial investment in Skandia One Retirement Solutions. It does not apply to top-ups or regular contributions under an existing account. The cooling-off period gives you the right to cancel your initial investment if it does not meet your needs or if you change your mind.

During the 14-day period, you may cancel your initial investment by notifying us in writing. Your initial investment will be refunded after we make any adjustments for alterations in the value of your investment, reasonable administration and transaction costs incurred by us and any tax payable.

Your cooling-off period **start date** will be the earlier of:

- The date when your initial investment has been confirmed; or
- The fifth day after units are issued to you.

Your cooling-off period **end date** will be the earlier of:

- The 14th day after the cooling-off period start date (your confirmation statement will tell you the date the units were issued); or
- If, and when, you transact on your account.

The cooling-off period will not apply with respect to any initial investment in an illiquid Option. A separate cooling-off period may apply to insurance. Refer to page 42 for details.

how is my investment valued?

When you invest in one or more Options, your investment amount is used to purchase units in the selected Option(s). These units are a way of measuring your interest in each of the Option(s) in which you invest. However, purchasing units in one or more Options does not give you any interest, beneficial or otherwise, in any or all of the assets of any of the Options. Each unit represents an equal portion of the relevant Option's net asset value. The value of a unit (i.e. the unit price) is likely to be different for each Option you invest in. Your unit balance is therefore the total of your share of the value of the Option(s) in which you invest.

Example:

For an initial investment of $10,000, an entry unit price of $1.5500 and a contribution fee of 4%, your unit balance would be calculated as:
(Dollars invested ÷ entry unit price) = opening unit balance
= ($10,000 ÷ $1.5500) = 6,451.61 units

The contribution is calculated as:
Contribution fee% x dollars invested and is then deducted by a sale of units from your account. For example:
4% x $10,000 = $400
$400 ÷ $1.5500 = 258.06 units
To work out your closing unit balance, the calculation is:
6,451.61 – 258.06 = 6,193.55
To convert this back to a dollar value, the calculation is:
Unit balance x exit unit price = dollar value
6,193.55 x $1.5500 = $9,600

The example unit prices do not take into account the effects of any applicable buy/sell spread or market movements.

how are unit prices determined?

The **entry unit price** for an Option is calculated as the net asset value (gross assets minus liabilities) divided by the total number of units held by all members in that Option, plus any applicable buy spread.

The **exit unit price** for an Option is calculated as the net asset value (gross assets minus liabilities) divided by the total number of units held by all members in that Option, less any applicable sell spread.

The net market value of an Option's assets is calculated using a method of valuation determined by us in accordance with the Fund's Trust Deed. It will normally be based on the price of units in the underlying fund(s). However, we may use a different method of valuation.

For example, where a holiday occurs in the country in which an underlying fund is based, we may use the most recent price for that Option. Where the underlying fund does not calculate or provide a price daily (for example where it is calculating a distribution), we may use the previously calculated price, indexed according to the appropriate benchmark, the last available price or a daily unit price based on estimated valuations.

Our intention is generally to calculate and apply entry unit prices and exit unit prices each NSW business day. Skandia reserves the right to defer the calculation of unit prices in circumstances permitted by the Trust Deed, the

You can check the dollar value of your investment at any time by logging into Skandia Service Online at **www.australianskandia.com.au**. Note that the dollar value of your investment on Skandia Service Online is calculated using the exit unit price.

Your investment value will take into account any contribution fee payable.

If you wish to invest a set amount you should add the amount of the contribution fee. **For example:** Cheque amount = net investment amount ÷ [100% - contribution fee %].

Therefore, for an investment of $10,000 with a contribution fee of 4%, the amount to invest would be $10,416.67 being $10,000 ÷ [100% – 4%].

Buy/sell spread

Any difference between the entry unit price and the exit unit price of an Option at any given time is referred to as the buy/sell spread. Where applicable this difference relates to the transaction costs incurred when buying and selling the underlying assets of the Options when investments or withdrawals are made. Refer to page 52 for more details about buy/sell spreads.

relevant Option's Constitution and by law. For example, in cases where the underlying fund manager delays providing a unit price for the underlying fund, transactions requiring the purchase and/or sale of units in that Option may not be processed until the Option's unit price is determined.

The entry unit prices and exit unit prices displayed on our website are historic and may differ from the corresponding unit prices allocated to your investment, for example, due to the timing difference between when the displayed unit prices are obtained and when your units are allocated, or because of a delay in unit pricing as set out above.

The method Skandia uses to determine unit prices (including the situation when we may apply discretion) is set out in the Skandia Unit Pricing Policy. A copy of this Policy can be obtained by calling the Skandia Service Centre on 1300 300 088. For the latest unit prices, please visit our website at **www.australianskandia.com.au**

When are units issued?

Units will be issued for your investment in an Option when your application is processed and your payment is received at our head office.

Where your payment is dishonoured, any units issued in relation to the payment will be cancelled. Any transaction costs and other fees and expenses resulting from the dishonour will be charged to you.

Dealing with unapplied money

If we have received a contribution or rollover but are unable, for whatever reason, to issue any units in respect of that money, the money will be placed in a trust account established for this purpose until either:

- Units are issued; or
- The money is returned or otherwise dealt with as required by law.

taxation

The taxation (tax) information provided here is of a general nature only. As the Australian taxation system is complicated and subject to continual change, the following taxation information is intended as a brief guide only for Australian resident individual members. The information is based on tax law current as at the date of this PDS. **We recommend you discuss your financial situation with your financial adviser or a qualified tax adviser to ensure your superannuation investment is tailored to your needs.**

Members are strongly advised to seek professional tax advice in relation to their own personal situation.

Goods and Services Tax (GST)

GST will not apply to any contributions, rollovers or transfers to an Option. GST will apply to the fees and reimbursement of expenses charged to an Option by Skandia. The Option will receive an Input Tax Credit (ITC) and/or a Reduced Input Tax Credit (RITC) equal to at least 75% of the GST paid in respect of some of these expenses. The benefit of any ITCs to members will be reflected in the unit price of the Option as a whole.

Tax File Number (TFN)

You do not have to provide your TFN when investing with Skandia. However, if you do not provide your TFN, we will have to withhold tax at a rate of 46.5% on

all taxable payments made to you. Furthermore, we may be unable to accept non-concessional contributions from you and must pay 31.5% additional tax on your concessional contributions (i.e. total of 46.5%). The Fund is able to obtain an offset for the excess amount of tax paid on your concessional contributions if your TFN is provided within three years of the tax being deducted from your account. As a result the tax will be refunded to your account.

Taxation of death Benefits

Nominating a beneficiary to receive your superannuation or pension benefits in the case of your death can have tax implications and we recommend you speak with your financial adviser before making a selection.

For tax purposes, the following people are considered your death benefit dependants:

- Your current or former spouse or de-facto spouse;
- Your child if he/she is under the age of 18 years;
- A person with whom you are in an interdependency relationship; or
- Someone who is financially dependent on you.

Taxation of death benefits from superannuation in accumulation

Your superannuation can only be paid as a lump sum to your superannuation dependants (as defined on page 63 this is a broader definition to that of death benefit dependants) or your estate. If the beneficiary selected is also your death benefit dependant (see above), they will receive the payment tax free. If the beneficiary you selected is not your death benefit dependant, they will be taxed at the rate of 15% (or 30% on any untaxed element) plus the 1.5% Medicare levy on the amount received. Skandia will remit this amount to the ATO when the benefit is paid.

Taxation of death benefits from pensions

Your pension will be paid to your superannuation dependants as a lump sum upon your death (unless you have selected a reversionary beneficiary at the commencement of your pension) and provided your death benefit nomination is valid at the date of your death. Refer above for the tax consequences of a lump sum death benefit.

The reversionary beneficiary you have selected to receive your pension must be a reversionary death benefit dependant (see above). This requires the person to be your dependant and where the person is a child, a number of other conditions must be met. The taxation of the benefit is as follows:

- Where the deceased is aged 60 or over, the pension will be tax-free[1] regardless of the age of the reversionary beneficiary;
- Where the deceased is aged less than 60 and the recipient is aged 60 or more, the pension will be tax-free[1]; or
- Where the deceased and the recipient are both aged less than 60, the taxable component will be subject to tax at the recipient's marginal tax rate less a 15% tax offset[1].

From 1 July 2007, a reversionary pension can only be paid to a reversionary death benefit dependant (see above). Non-dependants for whom a reversionary pension commenced prior to 1 July 2007, will be taxed in the same manner as death benefit dependants.

1. If the death benefit pension includes an amount received under a life insurance policy held by the deceased there is likely to be an untaxed element in the pension. The untaxed element is subject to tax at the recipient's marginal tax rate. The recipient may be entitled to a tax offset of up to 10%. We recommend you contact your tax agent for further advice if this situation applies to you.

Two persons have an interdependency relationship if they have a close personal relationship, live together, one or each of them provides the other with financial support, or one or each of them provides the other with domestic support and personal care. There can also be an interdependency relationship if a close personal relationship exists but the other requirements for interdependency are not satisfied because of a physical, intellectual or psychiatric disability or the parties are temporarily living apart.

An interdependency relationship may also exist if two people have a close personal relationship, live together, and financial support is provided (as above) if support and care of a type and quality provided in a close personal relationship (rather than by mere friend or flatmate) is provided.

If the tax information changes during the life of this PDS, we will update the information through our Product Information Updates, which can be found on our website at **www.australianskandia.com.au**

Choosing your reversionary beneficiary can have tax and social security implications. We recommend you speak to your financial adviser regarding your choice of beneficiary and the consequences.

what happens on death?

Upon your death, your account balance plus any applicable insurance benefit will be paid to your dependents or estate as a lump sum or your pension will continue to your reversionary beneficiary if you selected one at the commencement of your pension.

Your options as to how your superannuation benefits are paid in the event of your death are:

- Leave the decision to the Trustee's Discretion by choosing a non-binding nomination or not making a nomination; or
- Make a binding nomination, which the Trustee must follow.
- Make a reversionary beneficiary nomination which the Trustee must follow. This option is available for pensions only.

We will advise you of your death benefit nomination selection each year on your Annual Periodic Member Benefit Statement.

Non-binding or no nomination

If you choose to make a non-binding nomination or do not make a nomination, the Trustee has ultimate discretion as to how and to whom the benefits are paid. The Trustee will consider all possible dependent beneficiaries, but if you have made a nomination the Trustee will be guided by that. In most cases, benefits may only be paid as a lump sum to your dependant(s) or your estate. You can make a non-binding nomination by completing a death benefit nomination form included with this PDS or found on our website **www.australianskandia.com.au**

Binding nomination

By making a binding nomination your benefits will be paid to your dependant(s) or your estate as nominated by you, provided your nomination is valid at the date of death. Benefits will only be paid as a lump sum. The Trustee is bound to pay your benefits in accordance with your nomination. Your binding nomination is binding for three years from the date you complete, confirm or amend it, after which time it will become non-binding (unless you revoke it and make a new nomination). You should therefore consider making a new binding nomination if your original nomination is no longer binding. Refer above for more details about non-binding nominations.

In order to make a new binding nomination, you must complete a death benefit nomination form included with this PIS or found on our website **www.australianskandia.com.au**

The form must be signed in the presence of two witnesses who are over 18 years of age and not nominated as beneficiaries of your benefit.

You can also confirm, amend or revoke your binding nomination using the death benefit nomination form on our website.

Reversionary beneficiary nomination (available for pensions only)

A reversionary beneficiary is someone you nominate to continue receiving your pension payments in the event of your death. You can only choose one reversionary beneficiary who must be your dependant and this must done at the time of your initial application. You cannot change your reversionary beneficiary once your pension commences.

Nominating a reversionary beneficiary is binding on the Trustee provided your reversionary beneficiary is a dependant at the commencement date of your pension and at the time of your death.

If your reversionary nomination is not valid, the Trustee will consider all possible dependent beneficiaries. Your death benefit may only be paid as a

lump sum to your dependant(s) or your estate. However, if no dependant(s) are found, then your benefits will generally be paid to your estate.

Who is a dependant?

Under superannuation law a dependant is:

- Your current spouse or defacto spouse;
- Your child including an adopted child (for the purposes of a reversionary beneficiary to a pension, you can not select a child under the age of 18);
- A person with whom you are in an interdependency relationship (see page 61); or
- Someone who is financially dependent on you.

If after making reasonable enquiries, we are unable to establish that there are any dependents or legal personal representatives (for your estate) we may pay the benefit to another person or in another manner, where permitted by law.

Where you have nominated more than two beneficiaries to receive your superannuation benefit in equal shares in the event of your death and the Trustee allocates your death benefit accordingly, the percentages may be rounded to two decimal places in our administration systems. For example, if you nominated three beneficiaries to receive 33 1/3% each, the system will display this as 33.33%, 33.33% and 33.34%. These are the figures that will be stated in your Annual Periodic Member Benefit Statement and displayed in your beneficiary details on Skandia Service Online.

Provided that in the Trustee's view your nomination remains valid at the time of payment and it is either a binding nomination or the Trustee exercises its discretion in accordance with your non-binding nomination, (where you have indicated that beneficiaries receive your benefit equally) your death benefit will be paid in **equal** shares to each of the nominated beneficiaries pursuant to your nomination.

The payment of your benefits may have tax and other financial implications. You should also review your death benefit nomination on a regular basis to ensure that it still meets your needs. We suggest you discuss this with your financial, legal or tax adviser in order to structure the payment in the most effective manner. Refer to page 61 for more information about taxation of death benefits.

regulatory

Social security

Your investment with Skandia may affect your entitlement to a social security benefit. Please consult your financial adviser or contact the Government's Centrelink office on 13 10 21 for further details.

The Trust Deed

Skandia One Retirement Solutions is governed by a Trust Deed. This Trust Deed, superannuation and tax laws govern our relationship with you and your rights as a member. We have the right to alter the Trust Deed. You will be given notice of an adverse alteration to the Trust Deed as required by law.

You may view a copy of the Trust Deed at our offices or request a copy by calling the Skandia Service Centre on 1300 300 088.

In the event of any inconsistency between the Trust Deed and this PIS, the terms of the Trust Deed will prevail (unless otherwise specified in the Trust Deed).

Family law

Under Government Legislation, your superannuation may be divided between you and your spouse in the event of marriage breakdown.

These rules are very complex and members and their spouses should seek separate independent legal and financial planning advice in the event of a marriage breakdown.

The Trustee may charge reasonable fees for any additional administration required in the case of a superannuation split or the provision of information in this regard.

Financial information

The Fund is subject to certain regular reporting and disclosure obligations. We will provide you with an annual report, containing information on the management, financial condition and performance of the Options offered in Skandia One Retirement Solutions.

You can view a copy of the annual report on our website at **www.australianskandia.com.au** as they become available. Alternatively, you can elect for us to send you an email when this information is available.

Your privacy

We recognise that your privacy is important, and are committed to safeguarding the privacy, accuracy and security of your personal information and to comply with all the requirements of privacy law. Skandia has a Privacy Policy that governs how we manage your personal information, a copy of which is available on request. We need to collect certain personal information from you in order to administer your account and provide you with the products and services you require as well as fulfil any legal requirements.

In servicing your account and where permitted by law, we may pass on your personal information to other organisations, such as information technology support, market research and bulk mailing services. We may also provide your details to third parties engaged to help us manage and improve our systems, products and services subject to the requirements of privacy law.

Your financial adviser will also be able to access your personal information unless you change your adviser or instruct us otherwise.

Your personal information may also be disclosed to certain other parties if required by legislation.

If you apply for insurance cover, you may be required to provide health information on the insurance personal statement form. This information is collected by us and provided to the Insurer so that the Insurer can assess your eligibility for insurance cover and administer your application and cover.

If you later make a claim for an insurance benefit, your health and other personal information may be disclosed to the Insurer, medical practitioners and other experts nominated by the Insurer or Skandia. If there is any dispute about your entitlement to a disability benefit, such information may also be disclosed to legal and other advisers. This includes any additional health or personal information provided by you in accordance with Skandia's or the Insurer's claim or dispute procedures.

We may, if requested, be required to provide information about a member's interest in the Fund to:

- Their spouse; or
- A person who intends to enter into an agreement with a member about splitting their superannuation interest in the event of separation of marriage.

This request must be in a form prescribed by law. In some cases, if required

by law, we are not permitted to inform you about the information request. For more information please see 'family law' on page 64.
From time to time, we may send you information about our other products and services or general marketing updates. You have the option of deciding whether or not you wish to have your name removed from our marketing lists. To opt out of these choices, you can contact our Skandia Service Centre on 1300 300 088, or write to the Privacy Officer, whose address is on this page. We aim to ensure that our record of your personal information is accurate, complete and up-to-date. If your personal information changes, please inform us as soon as possible.

You may access certain information we hold about you on our website at **www.australianskandia.com.au**. You may correct or update this information via the website, or by contacting the Skandia Service Centre on 1300 300 088 or notifying us in writing.

Skandia will provide you with access to your personal information at no charge, but reserves the right to charge a reasonable fee for this service in the future.

By signing the application form to invest in Skandia One Retirement Solutions, you consent to the use and disclosure of your personal information in the manner set out above.

How to contact us
If you have any questions in regard to your privacy, please write to the Privacy Officer at the address below:

The Privacy Officer
Skandia Service Centre
GPO Box 5442
SYDNEY NSW 2001

enquiries and complaints

Skandia has arrangements in place for handling enquiries or complaints. For enquiries, you may contact your financial adviser or the Skandia Service Centre on 1300 300 088 or in writing to:

The Complaints Officer
Skandia Service Centre
Reply Paid 5442
SYDNEY NSW 2001

If we are unable to resolve the complaint, or you are dissatisfied with the outcome, then you have the right to refer the complaint to the Superannuation Complaints Tribunal (SCT). The SCT is an independent body established by the Federal Government to review certain types of trustee decisions relating to superannuation fund members. You can contact the SCT on 1300 780 808 from anywhere in Australia.

terms and conditions

Declarations, conditions and acknowledgments
By completing the application form and applying for an investment in Skandia One Retirement Solutions**,** you:

- Declare that all details in the application form are true and correct.
- Confirm that you have read and understood the entire PDS to which the application relates.
- Agree to be bound by this PDS.
- Acknowledge that the terms and conditions in this PDS are subject to the provisions of the law and any changes to it.

- Acknowledge that you are bound by the Trust Deed of the Fund and that the Trust Deed prevails over this PDS in the event of any inconsistency.
- Acknowledge that Skandia reserves the right to change fund managers, change or terminate underlying funds, the Options or aspects of either.
- Consent to telephone conversations with Skandia being recorded and listened to for training purposes or to provide security for transactions.
- Acknowledge that any action taken or request given to Skandia cannot be revoked or changed without Skandia's consent.
- Authorise the use of your TFN in accordance with this PDS and tax legislation.
- Acknowledge that neither Skandia, other members of the Skandia or Old Mutual Groups or the managers of the underlying funds, guarantee the capital invested by members nor the performance of the Options offered in this PDS, or their underlying funds.
- Acknowledge that the managers of the underlying funds have not authorised or caused the issue of this PDS and therefore are not responsible for the extent of disclosure herein.
- Acknowledge that, for Skandia One Super Solutions members, if your total account balance falls below the required minimum balance Skandia can, at its discretion, transfer your investment to an Eligible Rollover Fund (ERF).
- Acknowledge that Skandia has the right to reject any applications and to defer the valuation of units and the processing of applications, top-ups, switches, withdrawals and other transactions in circumstances provided for in this PDS and in the Trust Deed of the Fund.
- Acknowledge that Skandia has the right to negotiate special arrangements with certain members in circumstances determined by us, where permitted by law.
- Consent, for the purposes of the Spam Act 2003, to receive emails from Skandia and that you will notify us if you do not wish to receive these communications.
- Agree that if you provide us with an email address in the application form, you elect to receive all communications we need to send you (including annual reports, product disclosure statements including changes, periodic statements, confirmations, product changes generally and other information you may request) electronically to the extent that the law permits. You also acknowledge that we may at our discretion either send them to the email address provided by you or make them available at our website **www.australianskandia.com.au** (whether or not you have provided us with an email address) or both, subject to satisfying any applicable legal requirements, and you consent to receiving or accessing these documents in this manner.
- Agree that, prior to instructing Skandia to make an additional acquisition in relation to an Option on your behalf, or switching to a new Option, you will have received or accessed on our website **www.australianskandia.com.au** a copy of the current PDS including any supplementary PDS/s.
- Acknowledge your financial adviser will also be able to access your personal information, including financial and health details, unless you change your financial adviser or instruct us otherwise. Your personal information may also be disclosed as provided in this PDS.
- Agree that in relation to any self-select Options you have selected, you will have accessed on our website **www.australianskandia.com.au** a copy of the current PDS and/or relevant disclosure documents for the underlying fund manager's investment option, or otherwise received a copy from your adviser, before you instruct Skandia to make an acquisition on your behalf in relation to those Options.

- Agree to receive any communications (including any confirmation of any transaction or dealing, notice of material changes and significant events and other information you may request), details of illiquid investments and documents (including PDS and other disclosure documents for the underlying managed investments and periodic reports) which Skandia is required or permitted to give, or have agreed to give, to you relating to your account via **www.australianskandia.com.au**, or any other electronic means chosen by Skandia (and for these purposes you agree you will be taken to have received the relevant information whether or not you access the information).
- Agree that changes to fees and costs, including fees and costs for Options, may be accessed by you through **www.australianskandia.com.au** and that you should only make an investment decision after accessing that information.
- Acknowledge that if Skandia continues to follow an instruction by you to invest your account in accordance with a particular Option, at the time of an additional investment in the Option, you may not have received:
  1. The current PDS for the relevant underlying fund; or
  2. Information about material changes and significant events that affect the relevant fund (that the underlying fund is required to give a person who acquired an interest in the underlying fund directly, unless an exception applies).

Investing pursuant to a Power of Attorney

- If the application form is signed under Power of Attorney, that the Power of Attorney confers, properly, the power to make such investment and the Attorney declares that he/she has not received notice of revocation of that power.
- The Attorney agrees to provide a certified copy of the Power of Attorney with the application unless it has already been provided to us.

Telephone, fax and electronic instructions

- You may, at Skandia's discretion, provide certain instructions to us by facsimile or by telephone.
- Certain instructions may not be accepted over the telephone or by facsimile. You must advise us in writing if you wish to discontinue sending us telephone or facsimile instructions or change any of your account details.
- Telephone and facsimile instructions are subject to the same cut-off times as written and online instructions (refer to page 25 for details).
- Skandia may cancel this arrangement or vary these conditions after giving you 14 days' notice.
- You, the member, bear the risk that someone who knows your account details may send us an instruction by telephone or facsimile. Any action by that person will be deemed to be taken by you. Keep your PIN safe.
- You, the member, release, discharge and agree to indemnify Skandia from and against all actions, proceedings, accounts, claims, costs, demands, charges and expenses, losses and liabilities however arising, that may be suffered by you or brought against Skandia, in respect of carrying out any of your instructions we receive via telephone, facsimile or online.

Skandia Service Online terms and conditions

By completing the application form, you are entitled to use Skandia Service Online and you agree to do so on the terms and conditions as displayed on our website.

Electronic documents

If you elect on your application form (or any other Skandia forms), to receive documents from us electronically, we may at our discretion send them to an

electronic address provided by you, or make them available on our website at **www.australianskandia.com.au** or both, subject to satisfying any applicable legal requirements.

Product Information Updates will be provided on our website and updated from time to time.

Appointment of an Authorised Nominee

If you have appointed an Authorised Nominee by completing the relevant section of the application form or appointment of Authorised Nominee form, the provisions on page 24 and the following terms and conditions will apply to the appointment, subject to applicable legal requirements:

- Skandia may, but is not obliged to, permit an Authorised Nominee to do any activities as referred to on page 24.
- You can only appoint one Authorised Nominee at any time.
- You can only appoint, as your Authorised Nominee, a financial services licensee, or their authorised representative, as defined in the Corporations Act, 2001.
- Your Authorised Nominee will have the power to carry out these specified activities, as detailed in this PDS, through Skandia Service Online or in writing.
- The exercise of any of the powers granted to an Authorised Nominee by the Authorised Nominee or by a person reasonably believed to be acting as your Authorised Nominee will be treated as if you had personally exercised those powers.
- **Skandia will treat your appointed Authorised Nominee as fully empowered to carry out a specified activity and will not accept, or be on notice of, any restriction on such power except as required by law.**
- **This arrangement will continue until written cancellation of the appointment is given to Skandia. Unless you provide such notice, you cannot later claim that your Authorised Nominee was not acting on your behalf. That person will still be able to operate your account unless you notify Skandia in writing that the person is no longer your Authorised Nominee**.
- Skandia may cancel this arrangement or vary these conditions after giving you 14 days notice.
- You agree to release, discharge and indemnify Skandia from and against all actions, proceedings, accounts, claims, costs, demands, charges and expenses, losses and liabilities however arising out of the use of this arrangement.

Direct Debit Request terms and conditions

This section outlines the terms and conditions of the Direct Debit Request (DDR) arrangement between yourself and Australian Skandia Limited [User ID 227659].

Initial terms of the arrangement

Australian Skandia Limited undertakes to periodically debit the bank account, as nominated in the Direct Debit Authorisation section of the application form (included with this PDS) or regular contribution form, for the amount and at the frequency, agreed to in the application form, for the purposes of your investment in Skandia One Retirement Solutions.

Debiting arrangements

- The first debit under this Direct Debit arrangement will occur on the day of the month you have specified in the application form or regular contribution form, after your direct debit request has been received and processed.

- If any debit falls due on a non-business day, we will debit the amount on the next business day following the scheduled debit date.
- We will give you at least 14 days notice in writing of any changes made to the initial terms of the arrangement. This notice will state the new amount, frequency, next debit date and any other changes to the initial terms.
- If you wish to discuss any changes to the initial terms, you can contact the Skandia Service Centre on 1300 300 088 or email us at auinvestorservice@skandia.com

Changes to the arrangement

If you wish to make changes to the DDR arrangement, please contact the Skandia Service Centre on 1300 300 088 or email us at auinvestorservice@skandia.com Please allow us at least five business days to process your request.

These changes may include:

- Changing the debit amount;
- Changing the frequency of debits;
- Deferring a debit;
- Stopping a debit;
- Suspending the DDR arrangement; or
- Cancelling the DDR arrangement completely.

If you wish to change the nominated bank account from which debits are made, you must provide the new bank account details in the **direct debit authorisation** section of the regular contribution form on our website.

Enquiries

Please direct all enquiries to us in the first instance, instead of your financial institution.

Your enquiry should be made at least five business days prior to the next scheduled debit date. All communications addressed to us should include the Contract number of the investment to which the DDR arrangement applies.

All personal information held by us will be kept confidential, except for the information provided to our financial institution to give effect to your DDR arrangement.

Disputes

If you believe that a debit has been processed incorrectly, please contact the Skandia Service Centre on 1300 300 088 during business hours or email us at auinvestorservice@skandia.com

You will receive a refund of the debited amount if we cannot substantiate the reason for the debit.

Your commitment to us

It is your responsibility to:

- Ensure that your nominated account can accept direct debits (your financial institution can confirm this);
- Ensure that on the debit date there are sufficient cleared funds in the nominated account; and
- Advise us if the nominated account is altered, transferred or closed.

If your debit is returned or dishonoured by your financial institution, we will advise you in writing and you will need to arrange an alternative payment. Any transaction fees payable by us in respect of the return or dishonour will be charged to your account.

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Skandia Service Centre:

Investor Service:
1300 300 088

Email:
auinvestorservice@skandia.com

Facsimile Number:
1300 851 115

Website:
www.australianskandia.com.au

Postal Address:
GPO Box 5442
SYDNEY NSW 2001

Head Office:
Level 18
1 Castlereagh Street
SYDNEY NSW 2000

Victorian Office:
Level 9
303 Collins Street
MELBOURNE VIC 3000

Queensland Office:
Christie Centre
320 Adelaide Street
BRISBANE QLD 4000

Western Australian Office:
45 Ventnor Avenue
WEST PERTH WA 6005

South Australian Office:
Level 1, Suite 5
213 Greenhill Road
EASTWOOD SA 5063

EMAS

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SORS-PDS1-0707

A Member of the OLD MUTUAL Group

Skandia

application form

Skandia One Super Solutions

UPDATED FOR THE SUPPLEMENTARY PRODUCT DISCLOSURE STATEMENT DATED 12 DECEMBER 2007

This application form accompanies the Skandia One Retirement Solutions Product Disclosure Statement (PDS) issued by Australian Skandia Limited (Skandia). Before you complete this application, Skandia or your financial adviser must provide you with a copy of the current PDS. The current PDS should be read before making a decision to invest. Please contact the Skandia Service Centre on 1300 300 088 with any questions.

APPLICATION FORM CHECKLIST

Use this checklist to ensure you have completed all relevant sections of your application form.

Check	I have:	Section(s) completed
☐	Completed my personal details	1 and if you are a new Skandia client, 2
☐	Provided my Tax File Number (TFN) details	3
☐	Created a password for telephone enquiries	4
☐	Specified my eligibility details	5
☐	Provided my rollover details (if applicable) and attached a completed rollover authority form and where available, a rollover benefits statement, for each rollover I wish to make	6 and completed the rollover authority form on page 41
☐	Provided my initial and regular contribution details, and checked that I am eligible to make these contributions	7, and relevant evidence if required
☐	Chosen how fees are to be deducted from my investment	8
☐	Specified my Investment Option choice, and selected allocation (which totals 100%)	9
	Where desired, I have requested the following:	
	☐ Drawdown order	9
	☐ Dollar cost averaging	9
	☐ Regular contribution plan	10 and 11
	☐ Auto rebalancing	12
	☐ Insurance	13 and completed the member's personal statement included with this application form
	☐ Beneficiary nomination	14 and completed the death benefit nomination form on page 35
	☐ Appointment of my adviser as the Authorised Nominee for my account	15 and 16
☐	Completed my adviser details and adviser service fees with my financial adviser	16 and 17
☐	Signed and dated the form	18
☐	Attached my payment if making contributions by cheque	7 and attach cheque

OFFICE USE ONLY

Contract number _____ Amount received $ _____

Date received _____ Processed by _____ Checked by _____

Australian Skandia Limited ABN 54 093 415 251, AFSL 234432, RSE L0001991, RSE registration number R1055641.

1. APPLICATION TYPE

Please complete in **BLACK INK** and use **CAPITAL LETTERS**. Mark appropriate answers with a **cross (X)** in boxes where applicable.

Do you have an existing Skandia account?

☐ Yes Client ID ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐ Start at **section 3** and complete all remaining sections.

☐ No *Go to **section 2***

2. MEMBER DETAILS

Write the full name that you wish to appear on your statements and other correspondence that we send you.

Title Mr ☐ Mrs ☐ Miss ☐ Ms ☐ Other

Surname

Given name(s)

Date of birth ☐☐☐☐☐☐☐☐ (D D M M Y Y Y Y) Gender **Male** ☐ **Female** ☐

Email address

Please provide your email address. We will email you updates regarding PDS changes, annual reports, periodic statements, confirmations, product changes generally and other information you may request – to the extent that the law permits or unless you state otherwise. If you do not wish to receive updates from us via email please let us know in writing.

We are required to send each member a copy of the relevant annual financial report. If you have not provided an email address, you will receive either a paper copy or CD-ROM of the Fund's annual report.

Mailing address

Please provide your mailing address, to which we will send all correspondence. If you provide an email address, we may email you unless you advise us otherwise in writing.

State ☐☐☐ Postcode ☐☐☐☐

Daytime phone ☐☐☐☐☐☐☐☐☐☐ Mobile ☐☐☐☐☐☐☐☐☐☐

3. TAX FILE NUMBER (TFN) DETAILS

You are not legally required to provide us with your TFN. However, if you have not provided us with your TFN, your superannuation contributions may be taxed at the top marginal tax rate plus Medicare levy, and we will not be able to accept any non-concessional contributions from you. For more information please speak to your financial adviser or refer to Part 1 of the PDS.

TFN ☐☐☐☐☐☐☐☐☐

4. ACCOUNT PASSWORD

It is important that you provide a unique password for the additional security and privacy of your account details when dealing with Skandia over the phone. We are committed to keeping your personal information secure and take all reasonable steps to protect the personal information you provide us from misuse and loss from unauthorised access, modification or disclosure. To make telephone enquiries about your account, you may be required to use a password. Your password must contain **6 to 10 characters** and may only include letters of the alphabet and/or numbers.

Please specify your password | | | | | | | | | | |

5. ELIGIBILITY DETAILS

Are you self-employed?
You may be considered self-employed if you derive no more than 10% of your assessable income, plus exempt income and Reportable Fringe Benefits, from employment from which employer superannuation is paid.

You may only claim a tax deduction for personal superannuation contributions if you meet the definition of an 'eligible person' under Tax law (generally self employed or substantially self-employed individuals). You should consult your tax adviser to determine whether you are eligible to claim a personal tax deduction.

☐ Yes – please ensure you complete the questions below and **section 7**.

☐ No – please complete the question below.

On what basis are you making this contribution?
Note: if you are over the age of 65 and not working, or over the age of 75 you are ineligible to make contributions to superannuation. You may however, rollover your benefit. Please contact your financial adviser for more information.

☐ I am aged 18 to 64 years – go to **section 6.**

☐ I am over the age of 75 and can no longer contribute to superannuation. I wish to rollover my benefits to Skandia One Super Solutions. Please complete your rollover details in **section 6**.

☐ I am aged 65 to 74 years – complete the question below.

Have you worked at least 40 hours in 30 consecutive days in the current financial year (1 July to 30 June)?

☐ Yes – go to **section 6**.

☐ No – we are unable to accept your contribution as you are ineligible to contribute to superannuation. You may however, rollover your benefit. Please tick the box below if you wish to rollover benefits to Skandia One Super Solutions.

☐ I am over the age of 65 and do not meet the work test for contributing to superannuation. I wish to rollover my benefits to Skandia One Super Solutions. Please complete your rollover details in **section 6**.

6. ROLLOVER DETAILS (OPTIONAL)

Complete this section if you wish to rollover superannuation monies from another superannuation fund to Skandia One Super Solutions.

Institution	Approximate amount
	$
	$
	$
	$
	$
	$
APPROXIMATE TOTAL OF ROLLOVERS	$

Please complete the following:

- Insert the approximate total of rollovers in **section 7** at (f).
- Complete a rollover authority form from page 41 for each rollover listed above.
- Please attach a rollover benefits statement, where available for each rollover.

7. CONTRIBUTION DETAILS

7a. CONTRIBUTION AMOUNTS

- Please provide details of your contributions below. If you make contributions over limits allowed under superannuation legislation, you may be charged excessive contributions tax. Refer to Part 1 of the PDS for details of the types of contributions you can make to superannuation, and the limits that apply.
- If you wish to make a personal non-concessional contribution under (b) below, you must provide us with your TFN in **section 3**.
- If you wish to set up a regular contribution plan, please complete the **regular contribution** amount column, and **sections 10 and 11**.

* We will treat all personal concessional contributions as non-concessional contributions unless we have received a completed S.290-170 notice from you, advising of your intention to claim a tax deduction for your contributions for the relevant financial year. Please speak to your tax or financial adviser for more information about claiming a tax deduction.

	Initial (lump sum) contribution amount	Regular contributions $ amount per payment (optional)
(a) Personal concessional contribution *** See note above**	$	$
(b) Personal non-concessional contribution	$	$
(c) Mandated employer contribution	$	$
(d) Non-mandated employer contribution (salary sacrifice)	$	$
(e) Contribution from spouse	$	$
(f) Total rollovers (from **section 6**)	$	

7. CONTRIBUTION AMOUNTS (continued)

	Initial (lump sum) contribution amount	Regular contributions $ amount per payment (optional)

(g) Other contributions

Please attach evidence of this and the relevant ATO forms, as set out on the ATO website www.ato.gov.au

- invalidity/personal injury payment $
- CGT exempt amount $
- small business concession $

Other, please specify $

Total contributions $ *(minimum $3,000)* $ *(minimum $100 per payment)*

7b. CONTRIBUTION DETAILS

How do you wish to send us your initial contribution?

☐ **BPAY**
Please refer to Part 1 of the PDS for details on making a payment using BPAY. Initial investments cannot be made via direct debit. Note that not all financial institutions may allow BPAY. We recommend you check this with your financial institution.

☐ **Electronic Funds Transfer**
Please refer to Part 1 of the PDS for details on making a payment through EFT. Initial investments cannot be made via direct debit.

☐ **Cheque**
Please make your cheque payable to **Skandia – SORS [member's name]**

Is the cheque attached to this application form? ☐ Yes ☐ No

8. FEE AND OTHER DEDUCTIONS

Please specify from which Options your adviser additional ongoing service fees and insurance premiums (if any) should be deducted. If you do not complete this section, we will make these deductions proportionally from all your Options. Refer to Part 1 of the PDS for more details.

☐ proportionally from all of my Options that I am invested in *(default)*

☐ from my nominated Options as per my drawdown order – please complete the drawdown order in **section 9.**

9. INVESTMENT CHOICE

Complete this section to instruct us where you would like your initial investment to be invested. If you do not specify your investment choice, we may invest your initial investment in the default option for Skandia One Retirement Solutions, as stated in Part 2 of the PDS.

The Options available may have changed since this form was produced (you can invest in new Options by completing the 'Other' section of the table below). To obtain a current copy of the PDS including supplementary documents and Product Information Updates and any available PDS/s for underlying managed funds, free of charge, visit our website **www.australianskandia.com.au** or contact the Skandia Service Centre on **1300 300 088**.

I. **Selected allocation.** For each Option you wish to invest in, write the percentage of your initial investment which should be invested in that Option in the selected allocation column. The sum of the percentages must equal 100%. Future regular contributions, auto rebalancing and certain other transactions will be made in accordance with your selected allocation. You can change your selected allocation at any time by advising us in writing.

II. **Monthly dollar cost averaging (optional).** Complete this column if you are investing in a cash Option and wish to set up a dollar cost averaging service for your account (minimum $250 per Option). **If you have dollar cost averaging in place, you cannot use auto rebalancing.**

III. **Drawdown order (optional).** Use this column to request the order in which additional ongoing service fees and insurance premiums (if any) are deducted from your selected Options. If you do not specify a drawdown order, any such deductions will be paid proportionately from all your Options. **If you have a drawdown order in place, you cannot use auto rebalancing.**

Enter '1' next to the Option from which you want your fees and insurance premiums first drawn until that Option's balance is zero, then '2' next to the second Option, until you have numbered all your Options.

Please refer to Part 1 of the PDS for more details about the above services.

Option name	Selected allocation (whole percentages only)	Monthly dollar cost averaging $250 per Option (optional)	Drawdown order (optional)	Office use only
Skandia Global Access Portfolios				
Skandia Defensive	___ .0%	$ _____	___	SKDEF
Skandia Conservative	___ .0%	$ _____	___	SKCON
Skandia Balanced	___ .0%	$ _____	___	SKBAL
Skandia Growth with Income	___ .0%	$ _____	___	SKGWI
Skandia Growth	___ .0%	$ _____	___	SKGWT
Skandia Aggressive Growth	___ .0%	$ _____	___	SKAGW
Skandia Blended Sector Portfolios				
Skandia Australian Shares High Alpha	___ .0%	$ _____	___	INASH
Skandia Blended Australian Shares	___ .0%	$ _____	___	SKBAS
^ Skandia Blended Australian Smaller Companies	___ .0%	$ _____	___	SKBSC
^ Skandia Blended Australian Geared Shares	___ .0%	$ _____	___	SKBGA
Skandia Blended Global Shares	___ .0%	$ _____	___	SKBGS
Skandia International Shares High Opportunities (Hedged)	___ .0%	$ _____	___	INHOH
Skandia International Shares High Opportunities (Unhedged)	___ .0%	$ _____	___	INHOU
Skandia Blended Property	___ .0%	$ _____	___	SKBPR
Skandia International Property Securities (Hedged)	___ .0%	$ _____	___	INIPS
Skandia International Bond Active (Hedged)	___ .0%	$ _____	___	INIBA

^ The Fund Trustee considers this Option to be of a higher risk nature and you should seek advice from your financial adviser to determine the amount of your portfolio that you invest in this Option. Refer to 'diversification warning' in Part 2 of the PDS.

Option name	Selected allocation (whole percentages only)	Monthly dollar cost averaging $250 per Option (optional)	Drawdown order (optional)	Office use only
Skandia Blended Sector Portfolios (continued)				
^ Skandia Absolute Return	.0%	$		SKABS
Australian shares				
Skandia Aberdeen Australian Equities	.0%	$		DHAEA
Skandia Ausbil Australian Active Equity	.0%	$		AUSLC
Skandia Ausbil Australian Emerging Leaders	.0%	$		AUSAE
Skandia Australian Equity *	.0%	$		MBAAE
Skandia AXA Wholesale Australian Equity Value	.0%	$		AXAAE
Skandia Barclays Australian Equity Index	.0%	$		BCAEI
Skandia Challenger Wholesale Australian Share	.0%	$		CHGAE
Skandia Colonial First State Imputation	.0%	$		COLIM
Skandia Custom Choice Australian Share	.0%	$		CCAEQ
Skandia Custom Choice Boutique Australian Share	.0%	$		CHGBO
Skandia Fidelity Australian Equities	.0%	$		FIDAE
Skandia Investors Mutual Industrial Share	.0%	$		INMIN
Skandia Lazard Australian Equity	.0%	$		LZDAS
Skandia MIR Absolute Return	.0%	$		MIRAR
Skandia Orion Australian Share	.0%	$		CHAOA
Skandia Perpetual Industrial Share	.0%	$		PERIS
Skandia Portfoilo Partners Australian Equity	.0%	$		PPAEQ
Skandia Portfolio Partners High Growth Shares	.0%	$		PPHGS
Skandia Prime Value Growth	.0%	$		PVGRW
Skandia Schroder Australian Equity	.0%	$		SCHAE
Skandia UBS Australian Share	.0%	$		UBSAS
Skandia Ventura Australian Opportunities	.0%	$		VNTAU
Global shares				
Skandia AXA Bernstein Global Equity Value	.0%	$		AXABG
Skandia Barclays Hedged World Equity Index	.0%	$		BCWEI
Skandia BT Wholesale International Share	.0%	$		BTWIS
Skandia Credit Suisse International Share	.0%	$		CRSIS
Skandia Custom Choice International Share	.0%	$		CCGEQ
Skandia Fidelity Global Equities	.0%	$		FIPGE

^ The Fund Trustee considers this Option to be of a higher risk nature and you should seek advice from your financial adviser to determine the amount of your portfolio that you invest in this Option. Refer to 'diversification warning' in Part 2 of the PDS.

* The investment manager of the underlying fund is Maple-Brown Abbott Limited.

Option name	Selected allocation (whole percentages only)	Monthly dollar cost averaging $250 per Option (optional)	Drawdown order (optional)	Office use only
Global shares (continued)				
^ Skandia Goldman Sachs JBWere Global Small Companies	.0%	$		JBGSC
Skandia GVI Global Industrial Share	.0%	$		GVIGI
Skandia Lazard Global Small Cap	.0%	$		LZGSC
Skandia Marvin & Palmer Global Equity	.0%	$		MAPAG
Skandia MFS *™ Hedged Global Equity	.0%	$		MFSHE
Skandia MFS *™ Unhedged Global Equity	.0%	$		MFSGE
Skandia Platinum International	.0%	$		PLATI
Skandia PM CAPITAL Absolute Performance	.0%	$		PMCAP
Skandia Templeton Global Equity	.0%	$		TEMGE
Skandia Walter Scott Global Equity	.0%	$		MWSGE
Regional shares – North America				
Skandia Gabelli All Cap Value	.0%	$		GSMCV
^ Skandia Gabelli Small Cap Value	.0%	$		GBSCV
^ Skandia Marsico Large Cap Growth	.0%	$		MARFS
Regional shares – Europe				
Skandia Fidelity Europe	.0%	$		FIPEU
Skandia Platinum Europe	.0%	$		PLAEU
Regional shares – Asia				
^ Skandia Fidelity Japan	.0%	$		FIPJA
^ Skandia Platinum Asia	.0%	$		PLAAS
Skandia Premium China	.0%	$		PRCHN
^ Skandia Schroder Asia Pacific	.0%	$		SCASP
Australian property securities				
Skandia APN Property for Income No. 2	.0%	$		APNPT
Skandia Barclays Listed Property Index	.0%	$		BCLPI
Skandia Colonial First State Property Securities	.0%	$		COLPS
Skandia Perpetual Property Securities	.0%	$		PERPR
Skandia Perennial Australian Listed Property Securities	.0%	$		PALPS
Skandia RREEF Paladin Property Securities	.0%	$		DHPRS
Skandia SG Hiscock Listed Property Securities	.0%	$		SHGLP

^ The Fund Trustee considers this Option to be of a higher risk nature and you should seek advice from your financial adviser to determine the amount of your portfolio that you invest in this Option. Refer to 'diversification warning' in Part 2 of the PDS.

* Registered in the European Community and the United States, among other countries.

Option name	Selected allocation (whole percentages only)	Monthly dollar cost averaging $250 per Option (optional)	Drawdown order (optional)	Office use only
Global property securities				
Skandia SGH LaSalle Global Listed Property Securities	.0%	$		LSGLP
Australian fixed interest				
Skandia Aberdeen Australian Bond	.0%	$		DEUAB
Skandia Australian Unity High Yield Mortgage	.0%	$		AUNHY
Skandia Australian Unity Mortgage Income	.0%	$		AUNMG
Skandia Barclays Australian Bond Index	.0%	$		BCABI
Skandia Colonial First State Wholesale Income	.0%	$		COLGM
Skandia Credit Suisse Australian Fixed Interest	.0%	$		CRSFI
Skandia Custom Choice Diversified Fixed Interest	.0%	$		CCDFI
Skandia Macquarie Diversified Fixed Interest	.0%	$		MQDFI
Skandia Macquarie Income Opportunities	.0%	$		MAQIO
Skandia Perpetual Income	.0%	$		PERMI
Skandia PIMCO Diversified Fixed Interest	.0%	$		PIMFI
Skandia UBS Australian Bond	.0%	$		UBSAB
Skandia UBS Diversified Fixed Income	.0%	$		UBDFI
Skandia UBS Hybrid Income	.0%	$		UBSHI
Global fixed interest				
Skandia Barclays Overseas Bond Interest	.0%	$		BCOBI
Skandia Credit Suisse Balanced Fixed Interest	.0%	$		CRBFI
Skandia Credit Suisse Global Hybrid Income	.0%	$		CRSGH
Skandia PIMCO Global Credit	.0%	$		PIMGC
Cash				
Skandia UBS Cash	.0%	$		UBSCA
Skandia UBS Credit Enhanced Cash	.0%	$		UBSCE
Alternative investments				
Skandia Goldman Sachs JBWere Australian Infrastructure	.0%	$		JBWAI
Skandia Macquarie International Infrastructure Securities	.0%	$		MAQGI
^ Skandia PIMCO Global CommodityRealReturn	.0%	$		PIMCR

^ The Fund Trustee considers this Option to be of a higher risk nature and you should seek advice from your financial adviser to determine the amount of your portfolio that you invest in this Option. Refer to 'diversification warning' in Part 2 of the PDS.

Option name	Selected allocation (whole percentages only)	Monthly dollar cost averaging $250 per Option	Drawdown order (optional)	Office use only
Multi-sector portfolios				
Skandia Barclays Balanced	.0%	$		BCADG
Skandia Goldman Sachs JBWere Diversified Growth	.0%	$		JBWDG
Skandia ING Balanced	.0%	$		INGBA
Skandia ING Managed Growth	.0%	$		INGGR
Skandia Merrill Lynch Balanced *	.0%	$		MRLBA
Skandia Perpetual Balanced Growth	.0%	$		PEWBG
Skandia Schroder Balanced	.0%	$		SCHBA
Skandia UBS Balanced Investment	.0%	$		UBSBL
Skandia UBS Defensive Investment	.0%	$		UBSDE
Skandia van Eyk Blueprint Balanced	.0%	$		VANBA
Skandia van Eyk Blueprint Capital Stable	.0%	$		VANCS
Skandia van Eyk Blueprint High Growth	.0%	$		VANHG
Skandia Ventura Diversified 50	.0%	$		VEDVS
Skandia Ventura Growth 70	.0%	$		VEGWT
Skandia Zurich Managed Growth	.0%	$		ZRHMG

* The Merrill Lynch name and logo are trademarks of, and used under license from, Merrill Lynch & Co., Inc.

Other – use this section to invest in Options which have become available for investment in Skandia One Retirement Solutions since this PDS was first issued.

	.0%	$	
	.0%	$	
	.0%	$	
	.0%	$	
	.0%	$	
	.0%	$	
TOTAL	**100.0%**		

10. REGULAR CONTRIBUTION DETAILS (optional)

If you set up a regular contribution plan, you cannot use auto rebalancing.

Please ensure you have completed the regular contribution amount column of the table in section 7.

How often do you wish to invest?

Monthly ☐ **Quarterly** ☐ **Half-yearly** ☐ **Annually** ☐

When do you wish your first payment to be made? ☐☐☐☐☐☐☐☐

D D M M Y Y Y Y

Please complete the Direct Debit Authorisation in **section 11.**

11. DIRECT DEBIT AUTHORISATION (for regular contributions)

You must complete this section if you are setting up a regular contribution plan.

Australian financial institution name

Branch

Account name

BSB - Account number

I/We request and authorise Australian Skandia Limited (User ID 227659) to arrange for funds to be debited through the Bulk Electronic Clearing System from the above account until further notice in writing. I/We have read the 'Direct Debit Service Agreement' provided in Part 1 of the PDS, and agree to be bound by its terms and conditions. I/We request this arrangement remain in force in accordance with the account identified above and in compliance with the 'Direct Debit Service Agreement'. I/We acknowledge that Skandia may, by prior arrangement or advice to me/us, vary the amount and/or frequency of future debits. I understand that from the date I turn age 75, I will be unable to contribute to superannuation and my direct debit will automatically cease from this date.

Member signature

X

Member name

Date

D D M M Y Y Y Y

12. AUTO REBALANCING SET-UP (OPTIONAL)

Complete this section to set up an auto rebalancing service. Your account will be rebalanced in accordance with your most recent selected allocation instructions as provided in **section 9. You cannot use auto rebalancing if you have a dollar cost averaging, drawdown or regular contribution service in place.** Refer to Part 1 of the PDS for more details.

☐ Every 6 months *(April and October)*

☐ Every 12 months *(April)*

13. INSURED BENEFITS

Do you wish to have insurance cover with your account?

Refer to Part 1 of the PDS for information about insurance cover and premiums.

☐ Yes – Please complete **the member's personal statement** included with this application form.

☐ No

14. BENEFICIARY NOMINATION

You can nominate one or more beneficiaries to receive the benefit from your superannuation and insurance (if any) in the event of your death, provided you have nominated a dependant as defined under superannuation law. Refer to Part 1 of the PDS for more information.

Do you wish to nominate a beneficiary?

☐ Yes - **please complete the death benefit nomination form on page 35.**

☐ No

15. APPOINTMENT OF AUTHORISED NOMINEE (OPTIONAL) To be completed with your financial adviser

You and your financial adviser must complete this section to appoint your financial adviser as an Authorised Nominee to operate your account, including requesting certain transactions on your behalf.

I have read, understood and agree to the terms and conditions of the appointment of an Authorised Nominee as detailed in Part 1 of the PDS.

Member's signature X Date D D M M Y Y Y Y

Authorised Nominee's signature (your financial adviser must sign here) X Date D D M M Y Y Y Y

Please complete **section 16**.

16. ADVISER DETAILS – To be completed with your financial adviser

Advisers: Please ensure that your dealer group has registered with us so that we can pay adviser remuneration on this account. You can obtain the registration form from our website at www.australianskandia.com.au or by calling Skandia Adviser Service on 1300 300 081.

Current adviser details

Adviser name

Skandia adviser ID

If you do not have a Skandia adviser ID, please complete the **new adviser registration** details below.
Otherwise go to **section 18.**

16a. NEW ADVISER REGISTRATION

Full name

Company name (if applicable)

Dealer group name

AFSL number

Authorised representative number

Mailing address

State

Postcode

Daytime Phone

Mobile

16a. NEW ADVISER REGISTRATION (continued)

Fax

Email address

Please provide your email address so we can respond more quickly to your requests.

You and your financial adviser must complete this section to appoint your financial adviser as an Authorised Nominee to operate your account, including requesting certain transactions, on your behalf.

17. ADVISER SERVICE FEES – To be completed with your financial adviser

Please specify the adviser service fees to be charged to this account. Refer to Part 1 of the PDS for details of the fees, including terms and conditions. The amounts stated below include GST where applicable. Fees will be deducted as specified by the member in **section 6.**

Are you registered for GST?

☐ Yes, please specify your ABN

☐ No

Initial investment (upfront service fee)

. % **OR** $

Percentage (maximum 4%) or one-off initial dollar fee (which may be more than 4%) on the **first** rollover or contribution amount as detailed in **section 7**.

Rollover/transfers

. **%** - for all subsequent rollovers (maximum 4%)

Contributions

. **%** - for all subsequent contributions (maximum 4%)

Additional ongoing service fee

. % **OR** $ per month

Insurance remuneration (including GST)

- to be included in the insurance premium
- if you do not select a percentage, we will pay adviser remuneration at the standard rate of 22%.

☐ 22% *(standard)* ☐ 0% ☐ 11% ☐ 33%

17a. ADVISER DIRECT CREDIT BANK ACCOUNT DETAILS

If your dealer group has authorised your fees from this investment to be directly credited to your account, please provide your account details.

Australian financial institution name

Branch

Account name

BSB - Account number

17b. INVESTMENT LINK INFORMATION (or similar)

ILGN (Group)

			/				/	

ILAN (Adviser)

			/				/	

ILCN (Client)

				/					/	

☐ Please tick this box if you require an electronic data feed for this client

Please state the type of data feed (eg. VISIPLAN, X Plan, Praemium, Coin)

17c. ADVISER DECLARATION AND SIGNATURE

I agree to be bound by the terms and conditions relating to adviser remuneration in Part 1 of this PDS.

Adviser Signature **X**

Date D D M M Y Y Y Y

Adviser Stamp

18. MEMBER DECLARATION AND SIGNATURE

By signing this application form, I confirm that:

- I have been provided with a copy and have read Parts 1 and 2 of the PDS for Skandia One Retirement Solutions dated 31 July 2007 issued by Australian Skandia Limited;
- The information I have provided is true and correct;
- I have read, understood and agree to the declarations, conditions and acknowledgments as detailed in Part 1 of the PDS;
- I have read, understood and agree to the handling of my personal information as outlined in the section 'your privacy' under 'other information' in Part 1 of the PDS.
- I acknowledge that past performance is not a guide to future performance.
- I agree that in relation to any self-select Option I have selected, I will have accessed on **www.australianskandia.com.au** a copy of the current Product Disclosure Statement and/or relevant disclosure documents for the underlying fund manager's investment option, or otherwise received a copy from my adviser, before I instruct Skandia to make an acquisition on my behalf in relation to that Option.
- I agree to receive any communications (including any confirmation of any transaction or dealing notice of material changes and significant events and other information I may request), details of illiquid investments and documents (including PDS and other disclosure documents for underlying managed investments and periodic reports) which Skandia is required or permitted to give, or have agreed to give, to me relating to my account via **www.australianskandia.com.au**, or any other electronic means chosen by Skandia (and for these purposes I agree I will be taken to have received the relevant information whether or not I access the information).
- I agree that changes to fees and costs, including fees and costs for the Options, may be accessed by me through **www.australianskandia.com.au** and that I should only make an investment decision after accessing that information.

18. MEMBER DECLARATION AND SIGNATURE (continued)

- I acknowledge that if Skandia continues to follow an instruction by me to invest my account in accordance with a particular Option, at the time of an additional acquisition of an interest in the underlying fund, I may not have received:
  - the current PDS for the relevant underlying fund; or
  - information about material changes and significant events that affect the relevant Option
- I acknowledge that my rights in relation to the Fund are governed by the terms of the Trust Deed dated 22 May 2002 as amended from time to time and I agree to be bound by such terms.
- If I provide an email address in this application form, I elect to receive all communications (including annual reports, product disclosure statements including changes, periodic statements, confirmations, product changes generally and other information you request) electronically to the extent that the law permits. I also acknowledge that Skandia may at its discretion either send them to the email address I have provided or make them available at Skandia's website **www.australianskandia.com.au** (whether or not I have provided an email address) or both, subject to satisfying any applicable legal requirements, and I consent to receiving or accessing these documents in this manner.
- I agree that, prior to instructing Skandia to make an additional acquisition in relation to an Option on my behalf, or switching to a new Option, I will have received or accessed on Skandia's website **www.australianskandia.com.au**, a copy of the current PDS including any supplementary PDS/s.

Member **X**

Date D D M M Y Y Y Y

Print member name

Capacity
For example: member, power of attorney, legal personal representative, whichever is applicable.

When signed and completed, return this form and all supporting documents to:

Skandia
Reply Paid 5442
SYDNEY NSW 2001

This page has been left blank intentionally.

Skandia

application form

Skandia One Pension Solutions

UPDATED FOR THE SUPPLEMENTARY PRODUCT DISCLOSURE STATEMENT DATED 12 DECEMBER 2007

This application form accompanies the Skandia One Retirement Solutions Product Disclosure Statement (PDS) issued by Australian Skandia Limited (Skandia). Before you complete this application, Skandia or your financial adviser must provide you with a copy of the current PDS. The current PDS should be read before making a decision to invest. Please contact the Skandia Service Centre on 1300 300 088 with any questions.

APPLICATION FORM CHECKLIST

Use this checklist to ensure you have completed all relevant sections of your application form.

Check	I have:	Section(s) completed
☐	Completed my personal details	1 and if you are a new Skandia client, 2
☐	Provided my Tax File Number (TFN) details	3 and completed the TFN declaration form included with this form
☐	Created a password for telephone enquiries	4
☐	Specified whether my pension is to be non-commutable	5
☐	Specified my eligibility details	6
☐	Provided my pre-retirement contribution details, and checked that I am eligible to make these contributions	7 and relevant evidence if required
☐	Provided my rollover details (if applicable) and attached a completed rollover authority form and where available, a rollover benefits statement, for each rollover I wish to make	8 and completed the rollover authority form on page 41
☐	Specified my initial investment details	9
☐	Chosen how pension payments and fees are to be deducted from my investment	10
☐	Specified my Investment Option choice, and selected allocation (which totals 100%)	11
	Where desired, I have requested the following:	
	☐ Auto rebalancing	12
	☐ Insurance	13 and complete the member's personal statement included with this application form
	☐ Beneficiary nomination	14 and 15 or complete the death benefit nomination form on page 35
	☐ Appointment of my adviser as the Authorised Nominee for my account	18 and 19
☐	Provided details for my pension payments to be made	16 and 17
☐	Completed my adviser details and adviser service fees with my financial adviser	19 and 20
☐	Signed and dated the application form	21
☐	Attached my payment if making contributions by cheque	7 and attach cheque

OFFICE USE ONLY

Contract number _____ Amount received $ _____

Date received _____ Processed by _____ Checked by _____

Australian Skandia Limited ABN 54 093 415 251, AFSL 234432, RSE L0001991, RSE registration number R1055641.

1. APPLICATION TYPE

Please complete in **BLACK INK** and use **CAPITAL LETTERS**. Mark appropriate answers with a **cross (X)** in boxes where applicable.

Do you have an existing Skandia account?

☐ Yes Client ID ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐ Start at **section 3** and complete all remaining sections.

☐ No *Go to **section 2***

2. MEMBER DETAILS

Write the full name that you wish to appear on your statements and other correspondence that we send you.

Title Mr ☐ Mrs ☐ Miss ☐ Ms ☐ Other ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐

Surname ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐

4. ACCOUNT PASSWORD

It is important that you provide a unique password for the additional security and privacy of your account details when dealing with Skandia over the phone. We are committed to keeping your personal information secure and take all reasonable steps to protect the personal information you provide us from misuse and loss from unauthorised access, modification or disclosure. To make telephone enquiries about your account, you may be required to use a password. Your password must contain **6 to 10 characters** and may only include letters of the alphabet and/or numbers.

Please specify your password ☐☐☐☐☐☐☐☐☐☐

5. NON-COMMUTABLE PENSION

Do you wish this account to be a non-commutable pension?
Refer to Part 1 of the PDS for information about non-commutable pensions.

☐ Yes

☐ No

6. ELIGIBILITY DETAILS

Do you wish to make a pre-retirement contribution?

☐ Yes – please ensure you complete the questions below.

☐ No *Go to **section 7.***

Are you self-employed?
You may be considered self-employed if you derive no more than 10% of your assessable income, plus exempt income and Reportable Fringe Benefits, from employment from which employer superannuation is paid.

You may only claim a tax deduction for personal superannuation contributions if you meet the definition of an 'eligible person' under Tax law (generally self employed or substantially self-employed individuals). You should consult your tax adviser to determine whether you are eligible to claim a personal tax deduction.

☐ Yes – please ensure you complete the questions below and **section 7**.

☐ No – please complete the question below.

On what basis are you making this pre-retirement contribution?
If you are over the age of 65 and not working, or over the age of 75 you are ineligible to make a pre-retirement contribution prior to commencing your pension. You may however, rollover your benefit. Please contact your financial adviser for more information.

☐ I am aged 18 to 64 years - go to **section 7.**

☐ I am over the age of 75 and can no longer contribute to superannuation. I wish to rollover my benefits to Skandia One Pension Solutions and then commence a pension. Please go to **section 8** and complete your rollover details.

☐ I am aged 65 to 74 years - complete the question below.

Have you worked at least 40 hours in 30 consecutive days in the current financial year (1 July to 30 June)?

☐ Yes - go to **section 7**.

☐ No – we are unable to accept your pre-retirement contribution as you are ineligible to contribute to superannuation prior to commencing your pension. You may however, rollover your benefit. Please tick the box below if you wish to rollover benefits before commencing your pension.

☐ I am over the age of 65 and do not meet the work test for contributing to superannuation. I wish to rollover my benefits to Skandia One Retirement Solutions and then commence a pension. Please go to **section 8** and complete your rollover details.

7. PRE-RETIREMENT CONTRIBUTION DETAILS (OPTIONAL, ELIGIBLE PERSONS ONLY)

Complete this section if you wish to, and are eligible (see **section 6**) to make 'pre-retirement' superannuation contributions to fund your pension. Please contact your financial adviser for more information, or refer to Part 1 of the PDS for information about contributions you may be able to make to superannuation.

* We will treat all personal concessional contributions as non-concessional contributions unless we have received a completed S.290-170 notice from you, advising of your intention to claim a tax deduction for your contributions for the relevant financial year. Please speak to your tax or financial adviser for more information about claiming a tax deduction.

Initial (lump sum) contribution amount

(a) Personal concessional contribution
*** see note above** $

(b) Personal non-concessional contribution $

(c) Mandated employer contribution $

(d) Non-mandated employer contribution (salary sacrifice) $

(e) Contribution from spouse $

(f) Other contributions

Please attach evidence of this and the relevant ATO forms, as set out on the ATO website www.ato.gov.au

- invalidity/personal injury payment $

- CGT exempt amount $

- small business concession $

(g) Other, please specify

$

TOTAL PRE-RETIREMENT CONTRIBUTIONS $

Insert the amount of **total pre-retirement contributions** in **section 9** at (a).

How do you wish to send us your pre-retirement contributions?

☐ **BPAY**
Please refer to Part 1 of the PDS for details on making a BPAY payment. Initial investments cannot be made via direct debit. Note that not all financial institutions may allow BPAY. We recommend you check this with your financial institution.

☐ **Electronic Funds Transfer (EFT)**
Please refer to Part 1 of the PDS for details on making a payment through EFT.

☐ **Cheque**
Please make your cheque payable to **Skandia – SORS [member's name]**

Is the cheque attached to this application form? Yes ☐ No ☐

8. ROLLOVER DETAILS

Complete this section to rollover superannuation monies from another superannuation fund to commence your pension.

Institution	Approximate amount
	$
	$
	$
	$
	$
	$
APPROXIMATE TOTAL OF ROLLOVERS	$

Please complete the following:

- Insert the approximate total of rollovers in **section 9** at (b).
- Complete a rollover authority form from page 41 for each rollover listed above.
- Please attach a rollover benefits statement, where available for each rollover.

9. INITIAL INVESTMENT AMOUNT

(a) Total pre-retirement contributions
Enter the total amount from **section 7** $

(b) Total rollover amount
Enter the total amount from **section 8** $

Total amount of initial investment
Add together the two amounts from above. $

(minimum $30,000)

10. FEE AND OTHER DEDUCTIONS

Please specify from which Options your pension payments, adviser additional ongoing service fees and insurance premiums (if any) should be deducted. If you do not complete this section, we will make these deductions proportionally from all your Options. Refer to Part 1 of the PDS for more details

☐ Proportionally from all of my Options that I am invested in

☐ From my nominated Options as per my drawdown order – please complete the drawdown order in **section 11**.

11. INVESTMENT CHOICE

Complete this section to instruct us where you would like your initial investment to be invested. If you do not specify your investment choice, we may invest your initial investment in the default option for Skandia One Retirement Solutions, as stated in Part 2 of the PDS.

The Options available may have changed since this form was produced (you can invest in new Options by completing the 'Other' section of the table below). To obtain a current copy of the PDS including supplementary documents and Product Information Updates and any available PDS/s for underlying managed funds, free of charge, visit our website **www.australianskandia.com.au** or contact the Skandia Service Centre on **1300 300 088**.

I. Selected allocation. For each Option you wish to invest in, write the percentage of your initial investment which should be invested in that Option in the selected allocation column. The sum of the percentages must equal 100%. Auto rebalancing and certain other transactions will be made in accordance with your selected allocation. You can change your selected allocation at any time by advising us in writing.

II. Drawdown order (optional). Use this column to request the order in which any pension payments, fees and insurance premiums are deducted from your selected Options. If you do not specify a drawdown order, any such deductions will be paid proportionately from all your Options. **If you have a drawdown order in place, you cannot use auto rebalancing**. To specify a drawdown order, enter '1' next to the Option from which you want your payments first drawn until that Option's balance is zero, then '2' next to the second Option, until you have numbered all your Options.

Please refer to Part 1 of the PDS for more details about the above services.

Option name	Selected allocation (whole percentages only)	Drawdown order (optional)	Office use only
Skandia Global Access Portfolios			
Skandia Defensive	.0%		SKDEF
Skandia Conservative	.0%		SKCON
Skandia Balanced	.0%		SKBAL
Skandia Growth with Income	.0%		SKGWI
Skandia Growth	.0%		SKGWT
Skandia Aggressive Growth	.0%		SKAGW
Skandia Blended Sector Portfolios			
Skandia Australian Shares High Alpha	.0%		INASH
Skandia Blended Australian Shares	.0%		SKBAS
^ Skandia Blended Australian Smaller Companies	.0%		SKBSC
^ Skandia Blended Australian Geared Shares	.0%		SKBGA
Skandia Blended Global Shares	.0%		SKBGS
Skandia International Shares High Opportunities (Hedged)	.0%		INHOH
Skandia International Shares High Opportunities (unhedged)	.0%		INHOU
Skandia Blended Property	.0%		SKBPR
Skandia International Property Securities (Hedged)	.0%		INIPS
Skandia International Bond Active (Hedged)	.0%		INIBA

^ The Fund Trustee considers this Option to be of a higher risk nature and you should seek advice from your financial adviser to determine the amount of your portfolio that you invest in this Option. Refer to 'diversification warning' in Part 2 of the PDS.

Option name	Selected allocation (whole percentages only)	Drawdown order (optional)	Office use only
Skandia Blended Sector Portfolios (continued)			
^ Skandia Absolute Return	.0%		SKABS
Australian shares			
Skandia Aberdeen Australian Equities	.0%		DHAEA
Skandia Ausbil Australian Active Equity	.0%		AUSLC
Skandia Ausbil Australian Emerging Leaders	.0%		AUSAE
Skandia Australian Equity *	.0%		MBAAE
Skandia AXA Wholesale Australian Equity Value	.0%		AXAAE
Skandia Barclays Australian Equity Index	.0%		BCAEI
Skandia Challenger Wholesale Australian Share	.0%		CHGAE
Skandia Colonial First State Imputation	.0%		COLIM
Skandia Custom Choice Australian Share	.0%		CCAEQ
Skandia Custom Choice Boutique Australian Share	.0%		CHGBO
Skandia Fidelity Australian Equities	.0%		FIDAE
Skandia Investors Mutual Industrial Share	.0%		INMIN
Skandia Lazard Australian Equity	.0%		LZDAS
Skandia MIR Absolute Return	.0%		MIRAR
Skandia Orion Australian Share	.0%		CHAOA
Skandia Perpetual Industrial Share	.0%		PERIS
Skandia Portfoilo Partners Australian Equity	.0%		PPAEQ
Skandia Portfolio Partners High Growth Shares	.0%		PPHGS
Skandia Prime Value Growth	.0%		PVGRW
Skandia Schroder Australian Equity	.0%		SCHAE
Skandia UBS Australian Share	.0%		UBSAS
Skandia Ventura Australian Opportunities	.0%		VNTAU
Global shares			
Skandia AXA Bernstein Global Equity Value	.0%		AXABG
Skandia Barclays Hedged World Equity Index	.0%		BCWEI
Skandia BT Wholesale International Share	.0%		BTWIS
Skandia Credit Suisse International Share	.0%		CRSIS
Skandia Custom Choice International Share	.0%		CCGEQ
Skandia Fidelity Global Equities	.0%		FIPGE

^ The Fund Trustee considers this Option to be of a higher risk nature and you should seek advice from your financial adviser to determine the amount of your portfolio that you invest in this Option. Refer to 'diversification warning' in Part 2 of the PDS.

* The investment manager of the underlying fund is Maple-Brown Abbott Limited.

Option name	Selected allocation (whole percentages only)	Drawdown order (optional)	Office use only
Global shares (continued)			
^ Skandia Goldman Sachs JBWere Global Small Companies	.0%		JBGSC
Skandia GVI Global Industrial Share	.0%		GVIGI
Skandia Lazard Global Small Cap	.0%		LZGSC
Skandia Marvin & Palmer Global Equity	.0%		MAPAG
Skandia MFS *™ Hedged Global Equity	.0%		MFSHE
Skandia MFS *™ Unhedged Global Equity	.0%		MFSGE
Skandia Platinum International	.0%		PLATI
Skandia PM CAPITAL Absolute Performance	.0%		PMCAP
Skandia Templeton Global Equity	.0%		TEMGE
Skandia Walter Scott Global Equity	.0%		MWSGE
Regional shares – North America			
Skandia Gabelli All Cap Value	.0%		GSMCV
^ Skandia Gabelli Small Cap Value	.0%		GBSCV
^ Skandia Marsico Large Cap Growth	.0%		MARFS
Regional shares – Europe			
Skandia Fidelity Europe	.0%		FIPEU
Skandia Platinum Europe	.0%		PLAEU
Regional shares – Asia			
^ Skandia Fidelity Japan	.0%		FIPJA
^ Skandia Platinum Asia	.0%		PLAAS
Skandia Premium China	.0%		PRCHN
^ Skandia Schroder Asia Pacific	.0%		SCASP
Australian property securities			
Skandia APN Property for Income No. 2	.0%		APNPT
Skandia Barclays Listed Property Index	.0%		BCLPI
Skandia Colonial First State Property Securities	.0%		COLPS
Skandia Perpetual Property Securities	.0%		PERPR
Skandia Perennial Australian Listed Property Securities	.0%		PALPS
Skandia RREEF Paladin Property Securities	.0%		DHPRS
Skandia SG Hiscock Listed Property Securities	.0%		SHGLP

^ The Fund Trustee considers this Option to be of a higher risk nature and you should seek advice from your financial adviser to determine the amount of your portfolio that you invest in this Option. Refer to 'diversification warning' in Part 2 of the PDS.

* Registered in the European Community and the United States, among other countries.

Option name	Selected allocation (whole percentages only)	Drawdown order (optional)	Office use only
Global property securities			
Skandia SGH LaSalle Global Listed Property Securities	.0%		LSGLP
Australian fixed interest			
Skandia Aberdeen Australian Bond	.0%		DEUAB
Skandia Australian Unity High Yield Mortgage	.0%		AUNHY
Skandia Australian Unity Mortgage Income	.0%		AUNMG
Skandia Barclays Australian Bond Index	.0%		BCABI
Skandia Colonial First State Wholesale Income	.0%		COLGM
Skandia Credit Suisse Australian Fixed Interest	.0%		CRSFI
Skandia Custom Choice Diversified Fixed Interest	.0%		CCDFI
Skandia Macquarie Diversified Fixed Interest	.0%		MQDFI
Skandia Macquarie Income Opportunities	.0%		MARQIO
Skandia Perpetual Income	.0%		PERMI
Skandia PIMCO Diversified Fixed Interest	.0%		PIMFI
Skandia UBS Australian Bond	.0%		UBSAB
Skandia UBS Diversified Fixed Income	.0%		UBDFI
Skandia UBS Hybrid Income	.0%		UBSHI
Global fixed interest			
Skandia Barclays Overseas Bond Index	.0%		BCOBI
Skandia Credit Suisse Balanced Fixed Interest	.0%		CRBFI
Skandia Credit Suisse Global Hybrid Income	.0%		CRSGH
Skandia PIMCO Global Credit	.0%		PIMGC
Cash			
Skandia UBS Cash	.0%		UBSCA
Skandia UBS Credit Enhanced Cash	.0%		UBSCE
Alternative investments			
Skandia Goldman Sachs JBWere Australian Infrastructure	.0%		JBWAI
Skandia Macquarie International Infrastructure Securities	.0%		MAQGI
^ Skandia PIMCO Global CommodityRealReturn	.0%		PIMCR

^ The Fund Trustee considers this Option to be of a higher risk nature and you should seek advice from your financial adviser to determine the amount of your portfolio that you invest in this Option. Refer to 'diversification warning' in Part 2 of the PDS.

Option name	Selected allocation (whole percentages only)	Drawdown order (optional)	Office use only
Multi-sector portfolios			
Skandia Barclays Balanced	.0%		BCADG
Skandia Goldman Sachs JBWere Diversified Growth	.0%		JBWDG
Skandia ING Balanced	.0%		INGBA
Skandia ING Managed Growth	.0%		INGGR
Skandia Merrill Lynch Balanced *	.0%		MRLBA
Skandia Perpetual Balanced Growth	.0%		PEWBG
Skandia Schroder Balanced	.0%		SCHBA
Skandia UBS Balanced Investment	.0%		UBSBL
Skandia UBS Defensive Investment	.0%		UBSDE
Skandia van Eyk Blueprint Balanced	.0%		VANBA
Skandia van Eyk Blueprint Capital Stable	.0%		VANCS
Skandia van Eyk Blueprint High Growth	.0%		VANHG
Skandia Ventura Diversified 50	.0%		VEDVS
Skandia Ventura Growth 70	.0%		VEGWT
Skandia Zurich Managed Growth	.0%		ZRHMG

* The Merrill Lynch name and logo are trademarks of, and used under license from, Merrill Lynch & Co., Inc.

Other – use this section to invest in Options which have become available for investment in Skandia One Retirement Solutions since this PDS was first issued.

	.0%	
	.0%	
	.0%	
	.0%	
	.0%	
	.0%	
TOTAL	**100.0%**	

12. AUTO REBALANCING SET-UP (OPTIONAL)

Complete this section to set up an auto rebalancing service. Your account will be rebalanced in accordance with your most recent selected allocation instructions as provided in **section 11. You cannot use auto rebalancing if you have a drawdown order in place.** Refer to Part 1 of the PDS for more details.

☐ **Every 6 months** *(April and October)*

☐ **Every 12 months** *(April)*

13. INSURED BENEFITS – (DEATH ONLY COVER)

Do you wish to have Death only insurance cover with your pension?

Refer to Part 1 of the PDS for information about insurance cover and premiums.

☐ Yes - **Please complete the member's personal statement included with this application form.**

☐ No

14. BENEFICIARY NOMINATION

You can nominate one or more beneficiaries to receive the benefit from your pension and insurance (if any) in the event of your death, provided you have nominated a dependant as defined under superannuation law. Refer to Part 1 of the PDS for more information.

Do you wish to nominate a beneficiary?

☐ No - Go to ***section 16.***

☐ Yes - complete the next question

Do you wish to nominate a reversionary beneficiary?

Note: You cannot nominate a reversionary beneficiary once your pension has commenced. For more information about reversionary beneficiaries including who you can nominate, refer to Part 1 of the PDS.

☐ No - please complete the **death benefit nomination form on page 35,** then go to **section 16**.

☐ Yes - please complete **section 15.**

Important information about making a reversionary beneficiary nomination:

- The longer of you or your reversionary beneficiary's life expectancies will be used to calculate the deductible amount for the purposes of assessing your eligibility for Social Security benefits.
- You may only nominate a tax dependant as your reversionary beneficiary. Please see Part 1 of the PDS for more information or speak to your financial adviser.
- At the date of your death, the person you select must meet the description you have specified below. For example, your spouse must still be your spouse at the date of your death. Unless your nominated beneficiary meets that description we will not automatically pay a benefit to them even if they qualify on another ground, for example, as being a financial dependant.
- There may be tax implications involved in nominating eligible dependants. Please speak to your financial adviser.
- Refer to 'What happens on death?' in Part 1 of the PDS for more information.

15. REVERSIONARY BENEFICIARY DETAILS

Title Mr ☐ Mrs ☐ Miss ☐ Ms ☐ Other

Surname

Given name(s)

Date of birth (D D M M Y Y Y Y)

Gender **Male** ☐ **Female** ☐

Relationship to self **Spouse** ☐ **Child** ☐ **Financial Dependant** ☐ **Interdependant** ☐

(Including de facto)

Share of benefit . %

Email address

Mailing address

State Postcode Country (if not Australia)

16. PENSION PAYMENT DETAILS

If you commence your pension in the middle of a financial year (between 1 July and 30 June), your annual pension amount will be pro-rated. Income will be adjusted to remain within Government limits. Refer to Part 1 of the PDS for details about pension payments. We recommend you discuss the amount with your financial adviser.

16a. STANDARD PENSION

Complete this question if you ticked 'No' in response to the question in **section 5.**

How much income do you wish to receive from your pension per payment?

☐ The minimum amount

☐ The amount nominated by me below

$

Please specify the amount per payment (this must be at least the minimum amount)

Would you like your pension payments to be indexed (increased) annually by the CPI?

The Consumer Price Index (CPI) is used to measure inflation through any increase in average prices. This increase will occur during July.

☐ Yes

☐ No

Go to **section 16c.**

Skandia will use its best endeavours to meet the first payment date subject to the date this application is received.

16b. NON-COMMUTABLE PENSION

Complete this question if you ticked 'Yes' in response to the question in **section 5.**

How much income do you wish to receive from your pension per payment?

☐ The minimum amount

☐ The maximum amount

An amount (between the minimum and maximum amounts) nominated by me below.

$ ☐☐☐☐☐☐

Please specify the amount per payment

Would you like your pension payments to be indexed (increased) annually by the CPI?

The CPI (Consumer Price Index) is used to measure inflation through an increase in average prices. This increase will occur during July.

☐ Yes ☐ No

Go to **section 16c.**

Skandia will use its best endeavours to meet the first payment date subject to the date this application is received.

16c. PENSION PAYMENT DATE AND FREQUENCY

How often do you wish to receive your pension payments?

☐ monthly ☐ quarterly *(every 3 months)*

☐ half yearly *(every 6 months)* ☐ annually *(every 12 months)*

On which day would you like your pension payments to be made (in the month in which it is paid)?

☐ 10th day of the month **OR** ☐ 20th day of the month

When would you like to start receiving your pension payments? ☐☐☐☐☐☐

M M Y Y Y Y

Please complete **section 17** to specify where you wish us to send your pension payments.

17. DIRECT CREDIT DETAILS

You must complete this section to instruct us where to make your pension payments.

Australian financial institution name

This is the bank or other financial institution account to which we will pay your pension payments.

Branch

Account name

BSB ☐☐☐ - ☐☐☐ Account number ☐☐☐☐☐☐☐☐

18. APPOINTMENT OF AUTHORISED NOMINEE (OPTIONAL) To be completed with your financial adviser

You and your financial adviser must complete this section to appoint your financial adviser as an Authorised Nominee to operate your account, including requesting certain transactions, on your behalf.

I have read, understood and agree to the terms and conditions of the appointment of an Authorised Nominee as detailed in Part 1 of the PDS.

Member's signature X

Authorised Nominee's signature (your financial adviser must sign here) X

Please complete **section 19**.

19. ADVISER DETAILS – To be completed with your financial adviser

Advisers: Please ensure that your dealer group has registered with us so that we can pay adviser remuneration on this account. You can obtain the registration form from our website at www.australianskandia.com.au or by calling Skandia Adviser Service on 1300 300 081.

Current adviser details

Adviser name

Skandia adviser ID

If you do not have a Skandia adviser ID, please complete the **new adviser registration** details below. Otherwise go to **section 20.**

New adviser registration

Full name

Company name (if applicable)

Dealer group name

AFSL number

Authorised representative number

Mailing address

State

Postcode

Daytime phone

Mobile

Fax

Email address

Please provide your email address so we can respond more quickly to your requests.

20. ADVISER SERVICE FEES – To be completed with your financial adviser

Please specify the adviser service fees to be charged to this account. Refer to Part 1 of the PDS for details of the fees, including terms and conditions. The amounts stated below include GST where applicable. Fees will be deducted proportionally from the member's selected Options unless they have specified a drawdown order in **section 11.**

Are you registered for GST?

☐ No ☐ Yes, please specify your ABN

Upfront service fee

Initial investment

. % **OR** $

Percentage (maximum 4%) or one-off initial dollar fee (which may be more than 4%) on the rollover or contribution amount as detailed in **section 9**.

Additional ongoing service fee

. % per annum **OR** $ per month

Insurance remuneration (including GST)

- to be included in the insurance premium
- if you do not select a percentage, we will pay adviser remuneration at the standard rate of 22%.

☐ 22% *(standard)* ☐ 0% ☐ 11% ☐ 33%

20a. ADVISER DIRECT CREDIT BANK ACCOUNT DETAILS

If your dealer group has authorised your fees from this investment to be directly credited to your account, please provide your account details.

Australian financial institution name

Branch

Account name

BSB - Account number

20b. INVESTMENT LINK INFORMATION (or similar)

ILGN (Group)

/ /

ILAN (Adviser)

/ /

ILCN (Client)

/ /

☐ Please tick this box if you require an electronic data feed for this client.

Please state the type of data feed (e.g. VISIPLAN, X Plan, Praemium, Coin)

20c. ADVISER DECLARATION AND SIGNATURE

I agree to be bound by the terms and conditions relating to adviser remuneration in Part 1 of the PDS.

Adviser Signature

X

Date

D D M M Y Y Y Y

Adviser Stamp

21. MEMBER DECLARATION AND SIGNATURE

By signing this Application Form, I confirm that:

- I have been provided with a copy and have read Parts 1 and 2 of the PDS for Skandia One Retirement Solutions dated 31 July 2007 issued by Australian Skandia Limited;
- The information I have provided is true and correct;
- I have read, understood and agree to the declarations, conditions and acknowledgments as detailed in Part 1 of the PDS;
- I have read, understood and agree to the handling of my personal information as outlined in the section 'your privacy' under 'other information' in Part 1 of the PDS.
- I acknowledge that past performance is not a guide to future performance.
- I have met a condition of release and am eligible to receive pension payments:

  ☐ Yes ☐ No, I wish for this pension to be non-commutable as indicated in **section 5.**

- I agree that in relation to any self-select Option I have selected, I will have accessed on **www.australianskandia.com.au** a copy of the current Product Disclosure Statement and/or relevant disclosure documents for the underlying fund manager's investment option, or otherwise received a copy from my adviser, before I instruct Skandia to make an acquisition on my behalf in relation to that Option.
- I agree to receive any communications (including any confirmation of any transaction or dealing notice of material changes and significant events and other information I may request), details of illiquid investments and documents (including PDS and other disclosure documents for underlying managed investments and periodic reports) which Skandia is required or permitted to give, or have agreed to give, to me relating to my account via **www.australianskandia.com.au**, or any other electronic means chosen by Skandia (and for these purposes I agree I will be taken to have received the relevant information whether or not I access the information).
- I agree that changes to fees and costs, including fees and costs for the Options, may be accessed by me through **www.australianskandia.com.au** and that I should only make an investment decision after accessing that information.
- I acknowledge that if Skandia continues to follow an instruction by me to invest my account in accordance with a particular Option, at the time of an additional acquisition of an interest in the underlying fund, I may not have received:
  - the current PDS for the relevant underlying fund; or
  - information about material changes and significant events that affect the relevant Option
- I acknowledge that my rights in relation to the Fund are governed by the terms of the Trust Deed dated 22 May 2002 as amended from time to time and I agree to be bound by such terms.
- If I provide an email address in this application form, I elect to receive all communications (including annual reports, product disclosure statements including changes, periodic statements, confirmations, product changes generally and other information you request) electronically to the extent that the law permits. I also acknowledge that Skandia may at its discretion either send them to the email address I have provided or make them available at Skandia's website **www.australianskandia.com.au** (whether or not I have provided an email address) or both, subject to satisfying any applicable legal requirements, and I consent to receiving or accessing these documents in this manner.
- I agree that, prior to instructing Skandia to make an additional acquisition in relation to an Option on my behalf, or switching to a new Option, I will have received or accessed on Skandia's website **www.australianskandia.com.au**, a copy of the current PDS including any supplementary PDS/s.

21. MEMBER DECLARATION AND SIGNATURE (continued)

Member

X

Date

D D M M Y Y Y Y

Print member name

Capacity

For example: member, power of attorney, legal personal representative, whichever is applicable.

When signed and completed, return this form and all supporting documents to:

Skandia
Reply Paid 5442
SYDNEY NSW 2001

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Skandia death benefit nomination form

Use this form to make a binding or non-binding nomination for one or more beneficiaries to receive your superannuation benefit (including insurance) in the event of your death, or to replace, confirm or revoke a current beneficiary nomination. This form must be signed by the member, and cannot be signed by an Authorised Nominee.

Making a death benefit nomination is an important decision. **Before making a beneficiary nomination, read the instructions on this form carefully and refer to 'What happens upon death' in Part 1 of the PDS for information about death benefit nominations and payments.** Alternatively, contact the Skandia Service Centre on 1300 300 088 if you have any questions. You may wish to consult your financial adviser and/or a legal or tax adviser to discuss any potential legal or taxation implications for your estate or beneficiaries.

If you have more than one superannuation or pension account with Skandia, please complete one form for each of your contracts. You can obtain additional forms on our website www.australianskandia.com.au or by calling the Skandia Service Centre on 1300 300 088.

Complete this form using black ink and CAPITAL letters. The Trustee will not accept forms on which there are any corrections unless you cross out the mistake and initial the correction (and have your witnesses initial the correction if making a binding nomination).

1. MEMBER DETAILS

If you are an exisitng Skandia client, please state your client ID and contract number.

Contract number

Client ID

Title Mr ☐ Mrs ☐ Miss ☐ Ms ☐ Other

Surname

Given name(s)

Contact details Daytime Phone

Mobile

2. REQUEST TYPE

Please select one only:

☐ Making a new death benefit nomination **OR** replacing your current death benefit nomination with a new nomination – go to **section 3** and complete the remaining sections.

☐ Confirming your current death benefit nomination (available for binding nominations only) – go to **section 5** and complete it.

☐ Revoking your current death benefit nomination – go to **section 5** and complete the remaining sections.

Australian Skandia Limited ABN 54 093 415 251, AFSL 234432, RSE L0001991, RSE registration number R1055641.

3. NOMINATION TYPE

☐ **Binding death benefit nomination** - please ensure that you sign this form in front of two witnesses, whose details must be completed in **section 6.**

The binding death benefit nomination will remain binding for three years from the date you sign it, confirm or amend it, after which time it will become non-binding unless you have previously revoked it. You can confirm your nomination, thus extending its binding status for another three years, by giving signed and dated written notice to Skandia. To the extent that a binding nomination is not valid (wholly or partially), it will not bind the Trustee. The Trustee will then have discretion as to whom your death benefit will be paid, taking into account your nomination.

☐ **Non-binding death benefit nomination -** The Trustee will have discretion as to whom your death benefit will be paid, taking into account your nomination.

4. NOMINATED BENEFICIARY DETAILS

You may only nominate eligible dependants in accordance with superannuation legislation and/or your estate.

An eligible dependant is:

- Your spouse (including de facto);
- Your child (including adopted, step, ex-nuptial and adult children) regardless of age;
- Any person financially dependant on you at the time of your death; and
- A person with whom you have an interdependency relationship.

Two persons have an interdependency relationship if they: have a close personal relationship; live together; one or each of them provides the other with financial support; and one or each of them provides the other with domestic support and personal care. An interdependency relationship can also exist if a close personal relationship exists but the other requirements are not satisfied due to a physical, intellectual or psychiatric disability or the parties are temporarily living apart.

An interdependency relationship may also exist if two people have a close personal relationship, live together and financial support is provided (as above) if support and care of a type and quality provided in a close personal relationship (rather than by mere friend or flatmate) is provided.

Please also note:

- At the date of your death, your nominated beneficiaries must meet the description you have specified below for your nomination to be valid. For example, your spouse must still be your spouse at the date of death. Make sure you review your death benefit nomination whenever your circumstances change (and at least every three years). Circumstances that may be relevant include marriage, divorce, the birth of children, and the death or change of name of a nominated beneficiary.
- There may be tax or financial implications involved in nominating eligible dependants directly rather than nominating your estate. Please speak to your financial adviser.
- If you have nominated more than two beneficiaries to receive the death benefit in equal shares, the percentages may be rounded to two decimal places in our administration systems. For example, if you nominated three beneficiaries to receive a third of the benefit each, the system will display this as 33.33%, 33.33% and 33.34%. These are the figures that will be stated in your Annual Periodic Member Benefit Statement and displayed in your beneficiary details on Skandia Service Online. Provided that your nomination remains valid at the time of payment, your death benefit will be paid in **equal shares** to each of the beneficiaries you have nominated.

1. Dependant

Surname

Given name(s)

Date of birth (D D M M Y Y Y Y)

Gender ☐ Male ☐ Female

Relationship to self ☐ Spouse (Including de facto) ☐ Child ☐ Financial Dependant ☐ Interdependant

Share of benefit ___ . __ %

Mailing Address

State

Postcode

Country (if not Australia)

4. NOMINATED BENEFICIARY DETAILS (continued)

2. Dependant

Surname

Given name(s)

Date of birth

D D M M Y Y Y Y

Gender **Male** **Female**

Relationship to self **Spouse** **Child** **Financial Dependant** **Interdependant**

(Including de facto)

Share of benefit . %

Mailing Address

State Postcode Country (if not Australia)

3. Dependant

Surname

Given name(s)

Date of birth

D D M M Y Y Y Y

Gender **Male** **Female**

Relationship to self **Spouse** **Child** **Financial Dependant** **Interdependant**

(Including de facto)

Share of benefit . %

Mailing Address

State Postcode Country (if not Australia)

4. My estate

Share of benefit . %

TOTAL (must equal 100%) **100%**

5. MEMBER DECLARATION

I have read the relevant PDS and understand that:

- This nomination revokes any previous nomination I may have made for this account (as per the contract number stated in **section 1**).

For binding death benefit nominations:

- If I have made a valid binding nomination, in the event of my death, Skandia will pay my death benefit in accordance with this nomination;
- If I have made a binding nomination, it will no longer be binding after three years, unless I confirm it before it expires.

For non-binding death benefit nominations:

- The nomination is not binding on the Trustee, but the Trustee will consider it in exercising its discretion.

Member's signature X

Date D D M M Y Y Y Y

Print Name

If you are making a binding death benefit nomination, you must sign this form in the presence of two witnesses aged 18 years or older, who must complete their details in **section 6** below.

6. WITNESSES' DECLARATION — binding nominations only

If you are making or replacing a binding death benefit nomination, you MUST have two witnesses complete this section. The witnesses MUST sign and date the form when you sign, otherwise your nomination will be invalid. The names of the witnesses must be legible.

We declare that:

- We are aged 18 years or older and are not nominated as beneficiaries in **section 4** of this form; and
- This form was signed by the member in our presence.

Witness 1

Surname

Given name(s)

Date of birth D D M M Y Y Y Y

Signature X

Date D D M M Y Y Y Y

6. WITNESSES' DECLARATION – binding nominations only (continued)

Witness 2

Surname

Given name(s)

Date of birth

D D M M Y Y Y Y

Signature

X

Date

D D M M Y Y Y Y

When signed and completed, return this form to:
Skandia
Reply Paid 5442
SYDNEY NSW 2001

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Skandia

rollover authority form

Skandia One Retirement Solutions

Use this form to request the transfer of your other superannuation balances to your Skandia account. Please send us a separate form for each institution that holds your superannuation money, and we will arrange the transfers for you. You can obtain additional copies from our website www.australianskandia.com.au or call the Skandia Service Centre on 1300 300 088.

Complete this form using black ink and CAPITAL letters.

1. MEMBER DETAILS - These are your Skandia member details

If you are an exisiting Skandia client, please state your client ID and contract number.

Client ID

Contract Number

Title Mr ☐ Mrs ☐ Miss ☐ Ms ☐ Other

Surname

Given name(s)

Date of birth

D D M M Y Y Y Y

Mailing Address

State Postcode

2. ROLLOVER FUND DETAILS

These are the details of the fund **FROM** which you wish to transfer your superannuation monies.

Member/ policy number

Fund name

Fund address

State Postcode

Fund fax number

Fund daytime phone number

Australian Skandia Limited ABN 54 093 415 251, AFSL 234432, RSE L0001991, RSE registration number R1055641.

Skandia

rollover authority form

3. MEMBER INSTRUCTIONS AND SIGNATURE

I hereby instruct the fund named in **section 2** of this form to transfer **FROM** my account named in **section 2:**

☐ the balance of my account

OR

☐ the amount specified by me

$ ☐☐☐☐ , ☐☐☐ , ☐☐☐ . ☐☐

TO my Skandia account named in **section 1**, which forms part of Skandia Global Retirement Solutions (Fund ABN 61 512 320 039), as constituted by a Trust Deed dated 22 May 2002, as amended.

I authorise you to provide Australian Skandia Limited as Trustee of Skandia Global Retirement Solutions with all relevant details and documentation in relation to this transfer. I understand that the trustee of my former fund is discharged from liability in relation to the amount transferred. I approve the deduction from the transferred benefit of any legally allowable exit fees and taxes that may apply.

Signature **X** _____

Date ☐☐☐☐☐☐☐☐ D D M M Y Y Y Y

Print name ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐

If you are completing an application form for your investment with Skandia, please attach this form (including page 43) to your application.

When signed and completed, return this form and all supporting documents to:

Skandia
Reply Paid 5442
SYDNEY NSW 2001

Skandia

rollover authority form

31 July 2007

To whom it may concern,

Skandia Global Retirement Solutions
(Fund ABN 61 512 320 039) / (SFN 510/010/021)

Skandia Global Retirement Solutions (Fund) is a complying, resident, regulated superannuation fund under the Superannuation Industry (Supervision) Act 1993 (SIS Act) and is constituted under a Trust Deed dated 22 May 2002. The Trustee is Australian Skandia Limited ABN 54 093 415 251 AFSL 234432, RSL L0001991 (Trustee).

In the event that the Fund's complying status is revoked, the Trustee would receive notice to that effect under section 63 of the SIS Act. This would mean the Fund could not receive any further contributions to it. The Trustee confirms it has not received nor does it expect to receive any such notice.

FUND DETAILS

Fund Name:	Skandia Global Retirement Solutions
Australian Business Number (ABN)	**61 512 320 039**
Superannuation Product Identification number (SPIN):	Skandia One Super Solutions (SPIN ASK0226AU) Skandia One Pension Solutions (SPIN ASK0225AU)
RSE registration number	R1055641
Fund contact details:	Level 18, 1 Castlereagh Street Sydney NSW 2000 Phone: +61 2 8022 2800 Fax: 1300 851 115 Web: **www.australianskandia.com.au**

The Fund can accept contributions from employers on behalf of their employees as well as transfers and rollovers of preserved and non-preserved benefits in accordance with the SIS Act and related legislation.

Skandia Global Retirement Solutions enables you to process and pay your employee's superannuation contributions in a number of convenient ways, as set out below.

PAYMENT METHOD	HOW TO PAY
EFT OR BPAY	Contact the Skandia Service Centre on 1300 300 088 to obtain the Customer Reference Number (CRN).
Cheque	Send the remittance and cheque made payable to: **"Skandia-SORS (member name)"** The remittance advice must include the member/ employee's name, date of birth, Skandia contract number and contribution type.

Yours faithfully,

Stacey Watson
Head of Operations
Australian Skandia Limited

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INDIVIDUALS	TAXPAYERS	INSTRUCTIONS AND FORM	NAT 3092-07.2007
SEGMENT	AUDIENCE	FORMAT	PRODUCT ID

Australian Government
Australian Taxation Office

Tax file number declaration

The information you provide in this declaration will enable your payer to work out how much to withhold from payments made to you.

Complete a *Tax file number declaration* before you start to receive payments from a new payer, for example, when you start a new job or become entitled to a superannuation pension. Your payer must notify the Tax Office within 14 days of the start of the new arrangement.

You do not need to complete a new *Tax file number declaration* if you have a current one with your payer (or an *Employment declaration* or *Annuity and superannuation pension declaration* completed before 1 July 2000).

This declaration covers:

- payments for work and services, including payments to employees, company directors and office holders; payments under return-to-work schemes and labour hire arrangements; and payments specified by regulation
- benefit and compensation payments, and
- superannuation benefits.

The information in these instructions is current to 30 June 2008.

You do not need to complete a new declaration unless your situation changes. You must lodge a new declaration if:

- you leave your current payer and start to receive payments from a new payer, or
- your circumstances change.

YOU MAY NEED OTHER FORMS AS WELL

You also need to complete a *Withholding declaration* (NAT 3093) if you want to:

- advise of a change to your tax offset or family tax benefit entitlement
- claim the tax-free threshold with a new payer and discontinue claiming the threshold with other payers
- advise that you have become, or are no longer, an Australian resident for tax purposes, or
- advise your payer of Higher Education Loan Programme (HELP) or Financial Supplement repayment obligations or changes.

If you qualify for a reduced rate of Medicare levy or are liable for the Medicare levy surcharge, you can vary the amount your payer withholds from your payments by completing a *Medicare levy variation declaration* (NAT 0929) (see 'More information for payees' on page 5).

THIS IS NOT A TFN APPLICATION FORM

This declaration is not an application for a tax file number (TFN). If you have never had a TFN and want to provide your payer with a TFN, you will need to complete a *Tax file number application or enquiry for an individual* (NAT 1432).

If you need more information or help, you can:

- visit **www.ato.gov.au** or
- phone **13 28 61** between 8.00am and 6.00pm, Monday to Friday.

HOW TO COMPLETE THE *TAX FILE NUMBER DECLARATION*

Section A: To be completed by the PAYEE

QUESTION 1:
What is your tax file number (TFN)?
It is not an offence not to quote your TFN. However, if you do not provide your payer with your TFN or claim an exemption from quoting it, your payer must withhold an amount at the top marginal rate of tax plus Medicare levy (46.5% for 2007–08) from any payments to you.

> When you complete a TFN declaration or you otherwise quote your TFN to your payer for superannuation purposes, your payer must pass your TFN to the superannuation fund to which the payer is making contributions.

Provision of your TFN to your superannuation fund
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(s)
- the tax on contributions to your superannuation account(s) 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 super when you retire.

Under the *Superannuation Industry (Supervision) Act 1994*, your superannuation fund is authorised to collect your TFN, which will only be used for lawful purposes. These purposes may change in the future as a result of legislative change. The 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 may not be disclosed to any other trustee.

> NEED TO KNOW YOUR TFN?
> You will find your TFN on:
> - your income tax notice of assessment
> - correspondence sent to you by the Tax Office, or
> - a payment summary issued by your payer.
>
> If you have a tax agent, they may also be able to tell you your TFN.
>
> If you cannot find your TFN or are not sure you have one phone **13 28 61** between 8.00am and 6.00pm, Monday to Friday. You will be asked for information about your identity and, if you have a TFN, we will tell you what it is.
>
> If you have never had a TFN (or are not sure if you have one), you can also complete a *Tax file number application or enquiry for an individual* (NAT 1432).

Print X in the appropriate box if you:

- have lodged a *Tax file number application or enquiry for an individual* or made a phone or counter enquiry to obtain your TFN. Your payer will withhold at the standard rate but, if they do not have your TFN after 28 days, they will withhold an amount at the top marginal rate of tax plus Medicare levy (46.5% for 2007–08) from future payments, or
- are claiming an exemption from quoting a TFN. You are exempt from quoting your TFN if you:
  - are under 18 years of age and do not earn enough to pay tax, or
  - receive certain Centrelink pensions, benefits or allowances or a service pension from the Department of Veterans' Affairs. However, you are not exempt from quoting your TFN if you receive Newstart, sickness allowance, special benefit or partner allowance.

> For more information about privacy and TFNs, see 'Privacy of information' on page 6.

QUESTIONS 2, 3, 4 and 5:
Fill in your personal information.

QUESTION 6:
On what basis are you paid?
Check with your payer if you are not sure of the basis of your payment.

QUESTION 7:
Are you an Australian resident for tax purposes?
Generally, the Tax Office considers you to be an Australian resident for tax purposes if you:

- have always lived in Australia or you have come to Australia and now live here permanently
- are an overseas student doing a course that takes more than six months to complete
- have been in Australia continuously for six months or more and for most of that time you worked in the one job and lived in the same place, or
- will be or have been in Australia for more than half of 2007–08 (unless your usual home is overseas and you do not intend to live in Australia).

If you go overseas temporarily and do not set up a permanent home in another country, you may continue to be treated as an Australian resident for tax purposes.

The criteria the Tax Office uses to determine your residency status are not the same as those used by the Department of Immigration and Citizenship or Centrelink.

> NON-RESIDENT RATES ARE DIFFERENT
> It is against the law to claim the tax-free threshold and tax offsets (with the exception of zone or overseas forces tax offsets) if you are a non-resident of Australia for tax purposes.

> If you need help deciding whether you are an Australian resident for tax purposes:
> - visit **www.ato.gov.au** and select 'Individuals', or
> - phone **13 28 61** between 8.00am and 6.00pm, Monday to Friday.

If you are not an Australian resident for tax purposes, you must answer NO at questions 8 and 10 (unless you are entitled to a zone or overseas forces tax offset).

QUESTION 8:
Do you want to claim the tax-free threshold from this payer?

The tax-free threshold is the amount of income you can earn each year that is not taxed (currently, the first $6,000 of your annual income).

It is available only to people who are Australian residents for tax purposes (that is, people who answered YES at question 7).

Answer YES at question 8 if you:

- are an Australian resident for tax purposes
- are not currently claiming the tax-free threshold from another payer, and
- want to claim the tax-free threshold.

If you want to change the payer you are currently claiming the tax-free threshold from, you must also give them a *Withholding declaration* (NAT 3093) to advise them that you no longer want to claim the tax-free threshold from them.

> **DO YOU HAVE MORE THAN ONE JOB OR PAYER?**
>
> You can claim the tax-free threshold from only one payer at a time. Generally, you should claim it from the payer you expect to pay you the most during the income year.
>
> If you receive any taxable Centrelink payments or allowances such as Newstart, Austudy or Youth Allowance, you are probably already claiming the tax-free threshold with Centrelink. If you are, you cannot also claim it from another payer.
>
> If you expect to earn more than $16,500 from the job where you have claimed the tax-free threshold, you may end up with a tax debt at the end of the income year.
>
> To avoid having a debt, you should ask one or more of your payers to withhold additional amounts by completing a *Withholding declaration – upwards variation* (NAT 5367).

> If you need help deciding whether you can claim the tax-free threshold, or which payer you should claim it from:
>
> - visit **www.ato.gov.au** and select 'Individuals', or
> - phone **13 28 61** between 8.00am and 6.00pm, Monday to Friday.
>
> For more information about varying your withholding rate, phone **1300 360 221** between 8.00am and 6.00pm, Monday to Friday.

QUESTION 9:
Do you want to claim family tax benefit or the senior Australians tax offset by reducing the amount withheld from payments made to you?

> **CLAIM BENEFITS AND TAX OFFSETS WITH ONLY ONE PAYER**
>
> It is against the law to reduce your withholdings, or claim the senior Australians tax offset, with more than one payer at the same time.

Family tax benefit

What is family tax benefit?

Family tax benefit is a payment to help with the cost of raising dependent children. It has two parts:

- Part A helps with the cost of raising children, and
- Part B provides extra help to families with one main income, including single parent families.

You may be eligible for Part A, Part B, or both.

Are you eligible to claim family tax benefit?

To be eligible to claim family tax benefit you must:

- be an Australian resident for family assistance purposes, which means:
  - you reside in Australia on a permanent basis, and
  - satisfy one of the following:
    - you are an Australian citizen
    - you hold a permanent visa
    - you are a New Zealand citizen who entered Australia under a special category visa, or
    - you hold a certain class of temporary visa
- have provided care to a dependent child. Care means that you had the responsibility for the day-to-day care, welfare and development of the child, and
- have cared for a dependent child for a minimum of 10% of the assessment period, if you shared the care of a dependent child with another person who is not your current spouse (for example, if you shared the care for a dependent child, this must have been for at least 37 nights of the 2007-08 income year).

> If you are unsure of your residency status, visit the Family Assistance Office website at **www.familyassist.gov.au** or phone **13 61 50** between 8.00am and 8.00pm, Monday to Friday.

Two ways you can claim family tax benefit

If you are eligible for family tax benefit, you can claim it either:

1. as a fortnightly payment from the Family Assistance Office, or
2. through the tax system from the Tax Office:
   - as an end-of-year lump sum through the tax system, or
   - by reducing the amount withheld from payments made to you during the year.

> **FAMILY ASSISTANCE OFFICE CLIENTS**
>
> If you are receiving an income support payment from the Family Assistance Office, you cannot claim family tax benefit by reducing the amount withheld from payments made to you.

Answer NO at this question if you choose to receive family tax benefit as:

- a fortnightly payment from the Family Assistance Office, or
- an end-of-year lump sum through the tax system.

Answer YES at this question if you choose to claim family tax benefit by reducing the amount withheld from payments made to you during the year. You need to also complete a *Withholding declaration* (NAT 3093) and a *Withholding declaration – family tax benefit worksheet* (NAT 7089). Your payer may have copies of these forms or see 'More information for payees' on page 5.

Senior Australians tax offset

> If your income comes from more than one source, do not complete this question for any of your payers. For advice, phone **1300 360 221** between 8.00am and 6.00pm, Monday to Friday.

To be eligible for the senior Australians tax offset, you must meet conditions 1, 2, 3 and 4 explained below.

Condition 1: Age

To meet this condition, on 30 June 2008 you must be a:

- male aged 65 years or more OR a female aged 63.5 years or more, or
- male veteran or war widower aged 60 years or more OR a female veteran or war widow aged 58.5 years or more who meets the veteran pension age test.

> If you are not sure whether you meet the veteran pension age test, visit the Department of Veterans' Affairs website at **www.dva.gov.au** or phone **13 32 54**.

Condition 2: Eligibility for an Australian Government age pension or similar type of payment

To meet this condition, you must fit into one of the following categories:

A You received an Australian Government age pension, or a pension allowance or benefit from the Department of Veterans' Affairs, at any time during the 2007–08 income year.

B You would be eligible for an Australian Government age pension, but are not receiving one because you have not made a claim or because of the application of the income test or the assets test.

C You are a veteran with eligible war service or a Commonwealth veteran, allied veteran or allied mariner with qualifying service and you are eligible for a pension, allowance or benefit from the Department of Veterans' Affairs, but are not receiving it because you have not made a claim or because of the application of the income test or the assets test.

If you need help working out your eligibility for a social security or Centrelink pension, phone Centrelink on **13 23 00**. If you are a veteran and not sure if you are eligible for a payment, visit **www.dva.gov.au** or phone **13 32 54**. For all other enquiries about the senior Australians tax offset, phone the Tax Office on **13 28 61** between 8.00am and 6.00pm, Monday to Friday.

Condition 3: Taxable income threshold

To meet this condition for the 2007–08 income year, you must satisfy one of these income thresholds:

- You do not have a spouse (married or de facto) and your taxable income will be less than $43,707.
- You have a spouse (married or de facto) and you and your spouse's combined taxable income will be less than $68,992.
- You have a spouse (married or de facto), and for some or all of the income year you have to live apart due to illness or because one of you is in a nursing home, and you and your spouse's combined taxable income will be less than $81,840.

The threshold amounts shown here relate to determining your eligibility for the senior Australians tax offset – they are not tax-free thresholds.

'Had to live apart due to illness' is a term used to describe a situation where the living expenses of you and your spouse (married or de facto) are increased because you cannot live together in your home because of the indefinitely continuing illness or infirmity of one or both of you.

Condition 4: Not in jail

To meet this condition, you must not be in jail for the whole income year.

How your income affects the amount of your tax offset

If you meet conditions 1, 2, 3 and 4 above, you are eligible for the senior Australians tax offset. Being eligible means that you are entitled to the senior Australians tax offset but it does not mean you will automatically get an amount of senior Australians tax offset. Your own taxable income will be used to work out the amount of your tax offset. The combined income amounts set out in condition 3 are used for eligibility purposes – not for working out the amount of your entitlement.

Answer NO if you are not eligible for the senior Australians tax offset or you want to claim your entitlement to the tax offset as a lump sum in your end-of-year assessment.

Answer YES if you choose to receive the senior Australians tax offset by reducing the amount withheld from payments made to you during the year. You also need to complete a *Withholding declaration* (NAT 3093).

QUESTION 10:
Do you want to claim a zone, overseas forces, dependent spouse or special tax offset by reducing the amount withheld from payments made to you?

CLAIM TAX OFFSETS WITH ONLY ONE PAYER

It is against the law to claim tax offsets from more than one payer at the same time.

You may be entitled to:

- a zone tax offset if you live or work in certain remote or isolated areas of Australia
- an overseas forces tax offset if you serve overseas as a member of Australia's Defence Force or a United Nations armed force
- a dependent spouse (married or de facto) tax offset if your spouse's separate net income is expected to be less than $8,682 for the income year ended June 2008, or
- a special tax offset for a dependent invalid relative, dependent parent, housekeeper caring for an invalid spouse or a dependent child-housekeeper.

Answer NO at this question if you choose to receive any of these tax offsets as an end-of-year lump sum through the tax system.

Answer YES at this question if you choose to receive any of these tax offsets by reducing the amount withheld from payments made to you. You also have to complete a *Withholding declaration* (NAT 3093).

If you are not sure whether you are eligible for the zone, overseas forces, dependent spouse or special tax offset:

- visit **www.ato.gov.au** and select 'Individuals', or
- phone **13 28 61** between 8.00am and 6.00pm, Monday to Friday.

QUESTION 11(a):
Do you have an accumulated Higher Education Loan Programme (HELP) debt?

Answer YES if you have an accumulated HELP debt.

Answer NO if you do not have an accumulated HELP debt, or you have repaid all your HELP debt.

If you had a Higher Education Contribution Scheme (HECS) debt it became an accumulated HELP debt on 1 June 2006.

HELP

The Higher Education Loan Programme (HELP) was introduced on 1 January 2005, replacing the HECS.

HELP consists of:

- HECS-HELP – for eligible students enrolled in Commonwealth supported places. A HECS-HELP loan will cover all or part of their student contribution.
- FEE-HELP – for eligible fee-paying students enrolled at an approved eligible higher education provider. FEE-HELP provides students with a loan to cover up to the full amount of their tuition fees to a limit of $80,000, and $100,000 for dentistry, medicine or veterinary science courses. These limits are indexed each year.
- OS-HELP – for eligible Commonwealth supported students who wish to study overseas. OS-HELP provides students with a cash loan to cover expenses such as accommodation and travel.

If the Australian Government lends you money under any of these schemes you will have a HELP debt.

Repaying your HELP debt
You must start repaying your debt when your repayment income is above the minimum threshold. The minimum threshold for 2007–08 is $39,824. We will calculate your compulsory repayment for the year and include it on your income tax notice of assessment.

If your annual income is likely to be above the minimum repayment threshold, your payer will regularly withhold additional amounts to cover any compulsory repayment that may be calculated.

If you have claimed the tax-free threshold, the additional withholding for repaying your debt will commence at weekly earnings of $765. If you have not claimed the tax-free threshold, the additional withholding will commence at weekly earnings of $448.

Do you have more than one job and a HELP debt?
If your payments from all jobs add up to more than the repayment threshold for the income year, you will have a compulsory repayment included in your next income tax notice of assessment. You can ask one or more of your payers to withhold additional amounts to cover your compulsory repayment.

HAVE YOU REPAID THIS DEBT?
When you have repaid your accumulated HELP debt, you must complete a new *Withholding declaration* (NAT 3093).

For more information about HELP debts, obtain a copy of our guide *Repaying your HELP debt in 2007–08* (NAT 3913) from **www.ato.gov.au** or phone **1300 720 092**.

QUESTION 11(b):
Do you have an accumulated Financial Supplement debt?
Answer YES if you have an accumulated Financial Supplement debt.

The Student Financial Supplement Scheme closed on 31 December 2003 and new loans are no longer being issued. Existing Financial Supplement debts will continue to be collected through the tax system as before.

Answer NO if you do not have an accumulated Financial Supplement debt, or you have repaid all your Financial Supplement debt.

Repaying your Financial Supplement debt
You must start repaying your Financial Supplement debt when your repayment income is above the minimum threshold. The minimum threshold for 2007–08 is $39,824. We will calculate your compulsory repayment for the year and include it on your income tax notice of assessment.

If your annual income is likely to be above the minimum repayment threshold, your payer will regularly withhold additional amounts to cover any compulsory repayment that may be calculated.

If you have claimed the tax-free threshold, the additional withholding for repaying your debt will commence at weekly earnings of $765. If you have not claimed the tax-free threshold, the additional withholding will commence at weekly earnings of $448.

HAVE YOU REPAID THIS DEBT?
When you have repaid your accumulated Financial Supplement debt, you must complete a *Withholding declaration* (NAT 3093).

For more information about Financial Supplement debts, obtain a copy of our guide *Repaying your Financial Supplement loan 2007–08* (NAT 2789) from **www.ato.gov.au** or phone **1300 720 092**.

WHAT HAPPENS TO THE ADDITIONAL AMOUNTS WITHHELD?
The additional amounts withheld by your payer are not credited to your HELP or Financial Supplement account during the year but form part of the amount shown on your annual *PAYG payment summary* at **total tax withheld** and on your income tax notice of assessment at **PAYG withholding credits**. If you had too much withheld during the year and you have no other outstanding debts, we will refund the excess to you.

SIGN AND DATE THE DECLARATION
Make sure you have answered all the questions in section A and have signed and dated the declaration. Give your completed declaration to your payer.

MORE INFORMATION FOR PAYEES
For a copy of the *Withholding declaration* (NAT 3093), the *Withholding declaration – family tax benefit worksheet* (NAT 7089) or other Tax Office products, you can:
- visit **www.ato.gov.au** – online ordering
- obtain a fax by phoning **13 28 60**, or
- phone **1300 720 092**.

These services are available 24 hours a day, seven days a week.

You can phone:
- **13 28 61** for help completing the *Tax file number declaration*
- **1300 360 221** for information on varying the standard withholding rate
- **13 32 54** for the Department of Veterans' Affairs
- **13 61 50** for the Family Assistance Office, or
- **13 23 00** for Centrelink.

If you do not speak English well and want to talk to a tax officer, phone the Translating and Interpreting Service on **13 14 50** for help with your call.

If you have a hearing or speech impairment and have access to appropriate TTY or modem equipment, phone **13 36 77**. If you do not have access to TTY or modem equipment, phone the Speech to Speech Relay Service on **1300 555 727**.

Section B: To be completed by the PAYER
The following information will help you comply with your pay as you go (PAYG) obligations.

Tax file number declarations
If you withhold amounts from payments to an employee or other payee, or are likely to withhold amounts, the payee may give you a completed *Tax file number declaration*. The amount you withhold from payments you make to a payee depends on the answers the payee gives on this declaration.

A *Tax file number declaration* applies to payments made after the declaration is provided to you. If the payee gives you a later declaration, this overrides the earlier one.

This declaration replaces the *Employment declaration* and *Annuity and superannuation pension declaration* from 1 July 2000. However, employment declarations and annuity and superannuation pension declarations that were valid at 30 June 2000 continue to be valid as tax file number (TFN) declarations under PAYG.

When a payee gives you a completed *Tax file number declaration,* you must:
- complete section B and send the original to the Tax Office within 14 days, and
- retain the payer's copy for your records.

Provision of payee's TFN to the payee's superannuation fund

If you make a superannuation contribution for your payee, you need to give your payee's TFN to their superannuation fund within 14 days of receiving the payee's *Tax file number declaration* form. But if you do not make a contribution for the payee in that period, you may pass the payee's TFN on to their superannuation fund at the time when you make such a contribution.

What if a payee advises you that they have applied for a TFN, or enquired about their existing TFN?

If a payee states at question 1 on the *Tax file number declaration* that they have applied for an individual TFN, or enquired about their existing TFN, they have 28 days to give you their TFN. If they do not give you their TFN within this time (and unless the Tax Office tells you not to), you must withhold an amount at the top marginal rate of tax plus the Medicare levy (46.5% for 2007–08) from:

- the payee's payments
- all leave loading payments
- leave payments on termination of employment (that is, holiday pay, unused annual leave and long service leave), and
- the taxable component of an employment termination payment.

What if a payee does not give you a completed *Tax file number declaration*?

If a payee does not give you a completed *Tax file number declaration* you must withhold an amount at the highest marginal rate of tax plus the Medicare levy (46.5% for 2007–08) from any payment to that payee. Within 14 days of the start of the withholding obligation, you must notify the Tax Office. You do this by completing as much of the *Tax file number declaration* as you can. Make sure you:

- complete questions 1 to 8 of section A as well as you can
- print **PAYER** in the signature box of section A
- complete section B
- send the original copy to the Tax Office within 14 days
- retain the payer's copy for your records, and
- withhold an amount at the top marginal rate of tax plus the Medicare levy (46.5% for 2007–08) from any payments to the payee.

Storing and disposing of TFN declarations

Under the TFN guidelines in the *Privacy Act 1988*, you must use secure methods when storing and disposing of TFN information. Under tax laws, if a payee submits a new *Tax file number declaration* or leaves your employment, you must still keep this declaration for the current and next financial year.

Penalties

You may incur a penalty if you do not:

- forward original copies of completed TFN declarations to the Tax Office
- keep the payer copy of completed TFN declarations for your records, or
- provide the payee's TFN to the payee's superannuation fund.

MORE INFORMATION FOR PAYERS

Lodging TFN declaration reports online

If you use payroll software, you can lodge TFN declaration reports online through the Electronic commerce interface (ECI). Visit **www.ato.gov.au/onlineservices** to learn about ECI.

Australian business number (ABN)

Apply for an ABN at **www.abr.gov.au**

Withholding payer number

If you require a withholding payer number (if not in business) phone **13 28 66**, between 8.00am and 6.00pm, Monday to Friday.

Order publications

Order TFN declarations, withholding declarations, family tax benefit worksheets and PAYG withholding tax tables:

- visit **www.ato.gov.au** – online ordering
- phone **1300 720 092**

If you do not speak English well and want to talk to a tax officer, phone the Translating and Interpreting Service on **13 14 50** for help with your call.

If you have a hearing or speech impairment and have access to appropriate TTY or modem equipment, phone **13 36 77**. If you do not have access to TTY or modem equipment, phone the Speech to Speech Relay Service on **1300 555 727**.

SEND COMPLETED DECLARATIONS TO:

For WA, SA, NT, VIC or TAS
Australian Taxation Office
PO Box 795
ALBURY NSW 2640

For NSW, QLD or ACT
Australian Taxation Office
PO Box 9004
PENRITH NSW 2740

OUR COMMITMENT TO YOU

We are committed to providing you with advice and information you can rely on.

If you feel this publication does not fully cover your circumstances, please seek help from the Tax Office or a professional adviser.

The information in this publication is current at July 2007. We regularly revise our publications to take account of any changes to the law, so make sure that you have the latest information. If you are unsure, you can check for a more recent version on our website at **www.ato.gov.au** or contact us.

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PUBLISHED BY

Australian Taxation Office
Canberra
July 2007

JS 8590

PRIVACY OF INFORMATION

The Tax Office is authorised by the *Income Tax Assessment Act 1936* to ask for the information on this declaration. We need this information to help us administer the pay as you go (PAYG) system. Where authorised by law to do so, we may give this information to other government agencies. These agencies could include Centrelink, the Australian Federal Police, the Child Support Agency, the Departments of Families, Community Services and Indigenous Affairs, Veterans' Affairs, and Education, Science and Training.

Only certain people and organisations can ask for your TFN. These include employers, some Australian Government agencies, trustees for superannuation funds, payers under the PAYG system, higher education providers, the Child Support Agency and investment bodies such as banks. The Tax Office is authorised by the *Taxation Administration Act 1953* to collect your TFN. It is not an offence not to provide your TFN. However, failure to provide your TFN may result in you having extra tax withheld.

If you need more information about how the tax laws protect your personal information, or have any concerns about how the Tax Office has handled your personal information, phone **13 28 61** between 8.00am and 6.00pm, Monday to Friday.

ORIGINAL – Tax Office copy

Australian Government
Australian Taxation Office

Tax file number declaration

This declaration is NOT an application for a tax file number.

- Please print neatly in BLOCK LETTERS and use a BLACK pen.
- Print X in the appropriate boxes.
- Make sure you read all the instructions before you complete this declaration.

30920707

www.ato.gov.au

Section A: To be completed by the PAYEE

1 What is your tax file number (TFN)?

See *Privacy of information* on page 6.

OR I have made a separate application/enquiry to the Tax Office for a new or existing TFN. ☐

OR I am claiming an exemption because I am under 18 years of age and do not earn enough to pay tax. ☐

OR I am claiming an exemption because I am a pensioner. ☐

2 What is your name? Title: Mr ☐ Mrs ☐ Miss ☐ Ms ☐

Surname or family name

First given name

Other given names

3 If you have changed your name since you last dealt with the Tax Office, show your previous family name

4 What is your date of birth? Day / Month / Year

5 What is your home address in Australia?

Suburb or town

State Postcode

6 On what basis are you paid? (Select only one.)

Full-time employment ☐ Part-time employment ☐ Labour hire ☐ Superannuation income stream ☐ Casual employment ☐

7 Are you an Australian resident for tax purposes? Yes ☐ No ☐ You must answer **No** at question 8.

8 Do you want to claim the tax-free threshold from this payer?

ONLY CLAIM THE TAX-FREE THRESHOLD FROM ONE PAYER.

If you have more than one source of income and currently claim the tax-free threshold from another payer, **do not** claim it now.

Yes ☐ No ☐ Answer **No** at questions 9 and 10 unless you are a non-resident claiming a senior Australians, zone or overseas forces tax offset.

9 Do you want to claim family tax benefit or the senior Australians tax offset by reducing the amount withheld from payments made to you?

Yes ☐ Complete a *Withholding declaration*, but only if you are claiming the tax-free threshold from this payer. If you have more than one payer, see page 3. No ☐

10 Do you want to claim a zone, overseas forces, dependent spouse or special tax offset by reducing the amount withheld from payments made to you?

Yes ☐ Complete a *Withholding declaration*. No ☐

11 (a) Do you have an accumulated Higher Education Loan Programme (HELP) debt?

Yes ☐ Your payer will withhold additional amounts to cover any compulsory repayments. No ☐

(b) Do you have an accumulated Financial Supplement debt?

Yes ☐ Your payer will withhold additional amounts to cover any compulsory repayments. No ☐

DECLARATION by payee: *I declare that the information I have given is true and correct.*

Signature

Date Day / Month / Year

There are penalties for deliberately making a false or misleading statement.

Once this form is completed and signed, send the original to the Tax Office and keep your copy in a secure place.

Section B: To be completed by the PAYER

1 What is your Australian business number (ABN) (or your withholding payer number if you are not in business)?

61 512 320 039

Branch number (if applicable)

2 If you don't have an ABN or withholding payer number, have you applied for one?

Yes ☐ No ☐ See 'More information for payers' on page 6.

3 What is your registered business name or trading name (or your individual name if not in business)

AUSTRALIAN SKANDIA LTD

DECLARATION by payer: *I declare that the information I have given is true and correct.*

Signature of payer

Date Day / Month / Year

There are penalties for deliberately making a false or misleading statement.

4 What is your business address?

GPO BOX 5442

Suburb or town

SYDNEY

State NSW Postcode 2001

5 Who is your contact person?

ADMINISTRATION

Business phone number 0280222800

6 If you no longer make payments to this payee, print X in this box ☐

Return completed original Tax Office copy to:

For WA, SA, NT, VIC or TAS
Australian Taxation Office
PO Box 795
ALBURY NSW 2640

For NSW, QLD or ACT
Australian Taxation Office
PO Box 9004
PENRITH NSW 2740

TAXPAYER-IN-CONFIDENCE (when completed)

IS YOUR EMPLOYEE ENTITLED TO WORK IN AUSTRALIA?

It is a criminal offence to knowingly or recklessly allow someone to work, or to refer someone for work, where that person is from overseas and is either in Australia illegally or is working in breach of their visa conditions.

People or companies convicted of these offences may face fines and/or imprisonment. To avoid penalties you should make sure your prospective employee has a valid visa to work in Australia before you employ them. You can check a visa holder's status online at the Department of Immigration and Citizenship (DIAC) website at **www.immi.gov.au/evo**

For more information call DIAC on **1800 040 070** between 8.30am and 4.30pm, Monday to Friday, or visit **www.immi.gov.au**

STORAGE AND DISPOSAL OF TFN INFORMATION

Privacy Act 1988 – Under the TFN guidelines in the Privacy Act, you must use secure methods when storing and disposing of TFN information.

Retaining declarations – Under tax laws, if a payee submits a new *Tax file number declaration* or leaves your employment, you must still keep this declaration for the current and next financial year.

PAYER'S copy

Australian Government
Australian Taxation Office

www.ato.gov.au

Tax file number declaration

This declaration is NOT an application for a tax file number.

- Please print neatly in BLOCK LETTERS and use a BLACK pen.
- Print X in the appropriate boxes.
- Make sure you read all the instructions before you complete this declaration.

Section A: To be completed by the PAYEE

1 What is your tax file number (TFN)?

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OR I have made a separate application/enquiry to the Tax Office for a new or existing TFN. ☐

OR I am claiming an exemption because I am under 18 years of age and do not earn enough to pay tax. ☐

OR I am claiming an exemption because I am a pensioner. ☐

2 What is your name? Title: Mr ☐ Mrs ☐ Miss ☐ Ms ☐

Surname or family name

First given name

Other given names

3 If you have changed your name since you last dealt with the Tax Office, show your previous family name

4 What is your date of birth? Day / Month / Year

5 What is your home address in Australia?

Suburb or town

State Postcode

6 On what basis are you paid? (Select only one.)

Full-time employment ☐ Part-time employment ☐ Labour hire ☐ Superannuation income stream ☐ Casual employment ☐

7 Are you an Australian resident for tax purposes? Yes ☐ No ☐ You must answer **No** at question 8.

8 Do you want to claim the tax-free threshold from this payer?

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Yes ☐ Your payer will withhold additional amounts to cover any compulsory repayments. No ☐

DECLARATION by payee: *I declare that the information I have given is true and correct.*

Signature

Date Day / Month / Year

There are penalties for deliberately making a false or misleading statement.

Once this form is completed and signed, send the original to the Tax Office and keep your copy in a secure place.

Section B: To be completed by the PAYER

1 What is your Australian business number (ABN) (or your withholding payer number if you are not in business)?

61 512 320 039

Branch number (if applicable)

2 If you don't have an ABN or withholding payer number, have you applied for one?

Yes ☐ No ☐ See 'More information for payers' on page 6.

3 What is your registered business name or trading name (or your individual name if not in business)

AUSTRALIAN SKANDIA LTD

DECLARATION by payer: *I declare that the information I have given is true and correct.*

Signature of payer

Date Day / Month / Year

There are penalties for deliberately making a false or misleading statement.

4 What is your business address?

GPO BOX 5442

Suburb or town

SYDNEY

State NSW Postcode 2001

5 Who is your contact person?

ADMINISTRATION

Business phone number 02 8022 2800

6 If you no longer make payments to this payee, print X in this box ☐

Return completed original Tax Office copy to:

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ALBURY NSW 2640

For NSW, QLD or ACT
Australian Taxation Office
PO Box 9004
PENRITH NSW 2740

TAXPAYER-IN-CONFIDENCE (when completed)

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Skandia
ABN 54 093 415 251 AFSL 234 432 RSE L0001991

TOWER

MEMBER'S PERSONAL STATEMENT

| Group Risk Insurance |

OFFICE USE ONLY	
	POLICY NUMBER
	SKANDIA CONTRACT NUMBER (IF EXISTING SKANDIA CLIENT)
	PLAN ADMINISTRATOR

Please address correspondence to:
SKANDIA
GPO Box 5442
Sydney NSW 2001

YOUR DUTY OF DISCLOSURE

Before you enter into a contract of life insurance with an insurer, you have a duty under the Insurance Contracts Act 1984, to disclose to the insurer every matter that you know, or could reasonably be expected to know, is relevant to the insurer's decision whether to accept the risk of insurance and, if so, on what terms.

You have the same duty to disclose those matters to us before you extend, vary or reinstate a contract of life insurance. Your duty however, does not require disclosure of a matter:

- That diminishes the risk to be undertaken by the insurer
- That is of common knowledge
- That your insurer knows or, in the ordinary course of his business, ought to know
- Disclosure of which is waived by the insurer

The duty of disclosure applies even after this Application is completed until TOWER advises acceptance of insurance.

Non-Disclosure

If you fail to comply with your duty of disclosure and the insurer would not have entered into the contract on any terms if the failure had not occurred, the insurer may avoid the contract within three years of entering into it. If your non-disclosure is fraudulent, the insurer may avoid the contract at any time.

An insurer who is entitled to avoid a contract of life insurance may, within three years of entering into it, elect not to avoid it but to reduce the sum that you have been insured for in accordance with a formula that takes into account the premium that would have been payable if you had disclosed all relevant matters to the insurer.

All questions on this Personal Statement are relevant as to whether or not TOWER accepts the risk and, if so, on what terms.

Consequently, all questions must be answered correctly and completely. A dot or dash is not acceptable.
Please complete using BLOCK letters.

01 PERSONAL DETAILS

Name of Plan	Contract Number
Surname	Given Names
Gender ☐ Male ☐ Female	Date of Birth / /

May TOWER contact you directly to clarify or gather information in relation to this application? ☐ No ☐ Yes
(If yes, specify daytime contact number and best time of day to call)

02 OCCUPATION DETAILS

2.1 ☐ Self-Employed *or* ☐ Employee	☐ Full Time *or* ☐ Part Time	hours p/week	weeks p/year
2.2 Your Occupation	Industry		
2.3 Duties Performed and percentage of time spent on each duty			
2.4 Annual Salary *(includes packaged items but excludes Bonuses/Commission)*			

03 TYPE OF COVER REQUESTED

Death Sum Insured

Total and Permanent Disablement (TPD) Sum Insured

Salary Continuance Insurance (SCI) Monthly Income Benefit

Waiting Period (SCI) ☐ 30 days ☐ 60 days ☐ 90 days Benefit Period = 2 Years

3.1 Is this an increase? ☐ No ☐ Yes

3.2 Have you ever held or applied for any life, disability, accident & sickness or trauma insurance, that was declined, postponed, premium increased or modified, or had a current policy cancelled or renewal refused? ☐ No ☐ Yes

3.3 Have you claimed on any type of disability, trauma, accident and sickness or such benefits as Workers' Compensation or Motor Vehicle Third Party? ☐ No ☐ Yes

3.4 Do you have, or are you applying for, any other life TPD, salary continuance or income protection insurance? ☐ No ☐ Yes

If Yes to 3.2, 3.3 and or 3.4, please provide full details below.

Name of Company	Cover Type	Sum Insured	Date of Application	Accepted/Loaded Exclusion/Declined	To be Replaced?
			/ /		☐ No ☐ Yes
			/ /		☐ No ☐ Yes
			/ /		☐ No ☐ Yes

04 HABITS AND ACTIVITIES

4.1 Do you drink alcohol? ☐ No ☐ Yes
If YES, state type and daily quantity

4.2 Have you smoked in the past 12 months? ☐ No ☐ Yes
If YES, state form and daily quantity

4.3 Have you ever used or injected yourself with any drug not prescribed by a doctor, or received counselling or treatment for the use of alcohol or drugs? ☐ No ☐ Yes
If YES, Please provide full details

4.4 Do you currently, or do you intend to engage in any hazardous pastime and/or sporting activity such as aviation (other than as a fare paying passenger travelling over recognised routes), motor racing, diving, football, parachuting, hang-gliding or any other extreme sport? ☐ No ☐ Yes
If YES, Please complete a sports and pastimes statement (available from Skandia's website, www.australianskandia.com.au or by calling Skandia on 1300 300 088.)

4.5 Do you intend travelling outside Australia within the next 2 years? ☐ No ☐ Yes
If YES, please provide details below (where, when, duration and reason)

4.6 Are you an Australian or New Zealand Citizen? ☐ No ☐ Yes

4.7 Do you hold an Australian Permanent Resident's Visa? ☐ No ☐ Yes

If NO to 4.6 and 4.7, please provide details

05 PERSONAL STATEMENT

5.1 Please state your:	Height (cm)	Weight (kg)

5.2 Name, address and phone number of your usual Doctor

5.3 Details of last medical consultation with your usual doctor.

Date / /

Reason

Outcome/Results

5.4 If you have attended that Doctor for less than 12 months, name, address and phone number of previous Doctor

5.5 a) Within the LAST THREE YEARS have you consulted, been examined, treated by, or received advice from any doctor, psychologist, psychiatrist, counsellor, chiropractor, physiotherapist or any other health care professional (naturopath, etc) or been in a hospital or been advised to have an operation or taken any medication, drugs, stimulants, sedatives or tranquilisers? ☐ No ☐ Yes

b) Have you EVER had an ECG, X-ray, transfusion, mammogram, surgery or any other investigation? ☐ No ☐ Yes

c) Have you EVER had any blood tests which revealed an abnormality eg. raised blood sugar, liver function, renal function results, or anaemia etc? ☐ No ☐ Yes

d) Do you contemplate seeking any medical examination, advice, treatment or surgery, in the future? ☐ No ☐ Yes

Please provide full details for all 5.5 Yes answers

Question	Dates (From/To)	Name/Address of Doctor, Hospital or clinic	Condition, Medications, Treatment & Time off work	Recovery %

Please provide details for all Yes answers in the GENERAL MEDICAL QUESTIONNAIRE ON PAGE 5

06 PERSONAL STATEMENT *(continued)*

6.1 Have you ever had, been advised that you had, or received advice or treatment for any of the following:

a) High blood pressure, raised cholesterol, chest pain, heart attack, rheumatic fever, stroke or circulatory disorder?	☐ No ☐ Yes
b) Bowel, stomach or intestinal problem, gallbladder or liver disease?	☐ No ☐ Yes
c) Epilepsy, stroke, paralysis, multiple sclerosis, fainting attacks?	☐ No ☐ Yes
d) Depression, anxiety, panic attacks, stress, chronic fatigue or any mental or nervous condition?	☐ No ☐ Yes
e) Diabetes, sugar in urine, pancreatic or thyroid problem?	☐ No ☐ Yes
f) Cancer, tumour, melanoma, sunspots, mole or growth of any kind?	☐ No ☐ Yes
g) Disease, injury or disorder of joints, neck, back or bones, gout, arthritis or a repetitive strain injury or tendonitis?	☐ No ☐ Yes
h) Impairment of sight, hearing or speech?	☐ No ☐ Yes
i) Asthma, bronchitis, any lung complaint?	☐ No ☐ Yes
j) Leukaemia, haemochromatosis, any blood problems?	☐ No ☐ Yes
k) Kidney, bladder problems?	☐ No ☐ Yes
l) Psoriasis, eczema, any skin problem?	☐ No ☐ Yes
m) Any other disability, congenital abnormality, deformity or symptoms of ill health, illness or injury?	☐ No ☐ Yes
n) To the best of your knowledge, do you, or any of your current or past sexual partners, have HIV/AIDS, or are you experiencing any unexplained night sweats or unintentional weight loss, or do you/have you engaged in any activity/ies reasonably accepted as having an increased risk of exposure to the virus?	☐ No ☐ Yes
FEMALES ONLY	
o) Have you ever had any gynaecological conditions (eg endometriosis, abnormal pap smear, etc.)?	☐ No ☐ Yes
p) Have you ever had any complications of pregnancy or childbirth?	☐ No ☐ Yes
q) Are you currently pregnant? *If 'Yes' what is the expected delivery date* / /	☐ No ☐ Yes
r) Have you ever had a breast lump (even if you have not seen a doctor about it)?	☐ No ☐ Yes

Please provide details for all Yes answers in the GENERAL MEDICAL QUESTIONNAIRE ON PAGE 5

6.2 Family History. *Please give details of your family medical history*

Relative	**Living Relatives**		**Deceased Relatives**	
	Current Age	**Specify current state of health**	**Age at Death**	**Specify cause of death**
Mother				
Father				
Sisters				
Brothers				

6.3 Have any of your immediate family (living or deceased) suffered from diabetes, heart disease, cancer, kidney disease, high blood pressure, mental problems or breakdown, haemophilia, Huntington's Chorea or any hereditary disease? ☐ No ☐ Yes

If YES, Please provide full details

07 GENERAL MEDICAL QUESTIONNAIRE

Please provide details for all Yes answers in 6.1 a to r. Please complete on a separate sheet if required

Question No.	Q.	Q.	Q.	Q.
Specific Condition				
A. Date symptoms first started and description of symptoms?				
B. What was the condition and which part and side of the body was affected?				
C. What was the medical diagnosis including results of x-rays and investigations?				
D. What was the frequency (daily, weekly, etc) of attacks or symptoms?				
E. What was the severity (mild/moderate/ severe) and duration of attacks or symptoms?				
F. How long were you unable to work or perform your normal duties/activities?				
G. If a hospital visit was required, please provide date and duration of your stay.				
H. What advice/treatment did you receive?				
I. Are you still receiving treatment? If so, please advise nature and frequency of treatment?				
J. Date treatment/ medication ceased.				
K. When did you last suffer from any symptoms?				
L. Degree of recovery (%)				
M. Please supply the name and address of all doctors, hospitals or other practitioners consulted.				

08 PRIVACY STATEMENT

Privacy laws protect your privacy. The way in which we collect, use, disclose and handle your information is described in the TOWER Privacy Statement. Please be aware that the duty of disclosure explained on page 1 applies to the information you have submitted. If you fail to comply with this duty you may be in breach of it. The consequences of this are explained on page 1.

We may collect and use or disclose your personal information (including health and sensitive information) to assess, verify and process your application.

We may collect or disclose information relating to you or your application to or from a range of services including: reinsurers, superannuation trustees, past or present medical practitioners, health professionals, hospitals, government department(s) which retain health records or as part of our regulatory requirements, personal accountants or current or former employers or lawyers. You have a right of access to any personal information held about you unless we are legally entitled to deny access. If you want to know more about our approach to privacy please telephone: (02) 9448-9416.

09 DECLARATION

I acknowledge that I have read the notice of my duty of disclosure above and understand that this duty also applies until formal notifcation of acceptance.

I have read and checked any answers not completed in my handwriting and to the best of my knowledge and belief all the answers to the questions in this application and any supplementary application or personal statement which relate to me are true and correct and no information material to the assessment of this insurance has been withheld.

I, the Member, authorise and direct any medical or other practitioner to divulge at any time to TOWER Australia Limited or to any lawfully constituted tribunal any and all information concerning my state of health and medical history, acquired in the course of professional attendance or consultation. A photocopy of this authority is as valid as the original. To this extent, all professional confidence and privilege is waived.

I consent to my personal information (including health and sensitive information) being collected, used or disclosed by TOWER Australia Limited to its external service providers/contractors as contemplated in this form, including collecting it from or disclosing it to any medical practitioner or third party as required to assess, verify or process my application. This consent applies to any health and sensitive information TOWER Australia Limited collects on this form or future forms in relation to this insurance.

FULL NAME OF MEMBER

SIGNATURE OF MEMBER ✘ **DATE** / /

10 MEDICAL AUTHORITY

I agree that any Medical Practitioner or any other person who has been or may hereafter be consulted by me whether named by me or not will be hereby authorised and directed by me to divulge to TOWER Australia Limited or any legal tribunal all medical or surgical information he/she may have acquired with regard to myself. A copy of this authorisation shall be considered as effective and valid as the original.

FULL NAME OF MEMBER

SIGNATURE OF MEMBER ✘ **DATE** / /

11 ADVISER REMUNERATION

Select one box only (X). If no remuneration is selected, the standard default of 22% will apply.

ADVISER NAME | ADVISER ID:

Adviser remuneration (including GST) to be included in insurance premiums:

☐ 22% standard ☐ 0% ☐ 11% ☐ 33%

SIGNATURE OF MEMBER ✘ **DATE** / /