

**SUPER**

# RETIREMENT SAVINGS

**ACCOUNT**

Product Disclosure Statement

Effective from 1 May 2016



**Queensland**  
COUNTRY  
CREDIT UNION

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## **YOUR QUEENSLAND COUNTRY CREDIT UNION LIMITED PRODUCT DISCLOSURE STATEMENT**

This Product Disclosure Statement (PDS) provides information about the Queensland Country Credit Union Limited ('Queensland Country') Retirement Savings Account called the Super Retirement Savings Account (Super RSA) and is intended to help you make an informed decision on whether to place a Queensland Country Super RSA deposit with us.

### **PRODUCT ISSUER DETAILS**

Queensland Country Credit Union Limited  
ABN 77 087 651 027 | AFSL 244 533

Queensland Country's Super RSA is issued by Queensland Country Credit Union Limited, an approved RSA Institution.

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This PDS is dated 1 May 2016.

### **FINANCIAL SERVICES GUIDE**

For information on our full range of products and services, please refer to our Financial Services Guide.

Details on our Constitution and how to join Queensland Country Credit Union are available on request at any Queensland Country branch.

## **MEMBER CARE STATEMENT**

The terms and conditions of this PDS will apply immediately to any person who acquires a Queensland Country Super RSA, and for persons who already have one of these products, 30 days after notification is given.

In addition to this PDS, other terms and conditions apply, including those implied by statute and common law. To the extent permitted by law, this PDS shall prevail in the event of any inconsistency.

If the law implies terms and conditions which cannot be excluded, our liability under those implied terms and conditions exists regardless of any express statements to the contrary.

The relevant provisions of the Customer Owned Banking Code of Practice apply to the Queensland Country Super RSA to the extent that applicable Commonwealth, State and Territory laws permit and subject to common law obligations. Relevant provisions of the ePayments Code of Conduct, may also apply to deposits to and withdrawals from a Queensland Country Super RSA.

**Please read your PDS carefully and retain a copy for your records.**

# Welcome to the Queensland Country Credit Union Super Retirement Savings Account

With the continuing changes to superannuation and the associated complexity, many people are confused and have been discouraged from investing in superannuation funding for their retirement.

We believe Queensland Country Credit Union's Super RSA makes superannuation less complicated for employers and employees. The self-employed will also find the Queensland Country Super RSA particularly helpful as it can be tailored to meet your personal and business needs.

Your Queensland Country Super RSA streamlines superannuation and retirement savings, and offers taxation concessions on the investment earnings credited to your Queensland Country Super RSA. The Queensland Country Super RSA is a superannuation investment facility designed especially to help you meet your financial needs in retirement.

Any person considering acquiring this product should consider the appropriateness of the investment. Investors in this product should have regard to the effect of the lower-risk/lower-return nature of the product on possible benefits in the long term, as there are other superannuation or financial arrangements that may provide a greater return over the long term. We recommend that you obtain professional advice before investing in this product.



**Aileen Cull**  
CEO

*Queensland Country Credit Union Limited*

# RETIREMENT SAVINGS ACCOUNT PRODUCT SUMMARY

Queensland Country invites you to invest in our Super RSA.

We are the issuer of this PDS and of the Queensland Country Super RSA.

This PDS describes the main features of the Queensland Country Super RSA.

If this PDS is provided to an employee by their employer, it should be noted that if the employer is not a financial services licensee or is not an authorised representative, the employer cannot give financial product advice about the product or recommend the product.

Any advice contained in this PDS is of a general nature and has been prepared without taking into account your personal objectives, financial situation or needs. Before acting on any information in this PDS, Queensland Country Credit Union Limited recommends that you consider whether it is appropriate for your objectives, financial situation and/or needs. You should consider obtaining advice from a financial services licensee or an authorised representative before making any financial decisions.

This PDS should be read before making a decision to acquire the product.

Choosing the right superannuation product as part of your investment strategy can be a very effective way of achieving your financial goals. No two superannuation products are the same. This PDS will help you to understand the main features of this Super RSA.

**Superannuation is a long term investment. We recommend that you consult your preferred financial planner before investing in our Super RSA.**

If you need help about investing generally, Queensland Country Credit Union Limited may be able to assist by providing contact details of a preferred licensed Financial Planner.

Tax concessions apply to eligible contributions to Retirement Savings Accounts (RSA) which, like this one, comply with rules set out in superannuation law. Tax deductions are available for some contributions. Tax concessions also apply to account earnings and to benefit payments. Refer to the section titled *Taxation Implications* for further details.

Generally you can only withdraw your investment in an RSA (called a 'benefit') when you retire or reach the age of 65. Benefits can also be paid if a RSA holder dies, becomes totally and permanently disabled or where a terminal medical condition exists in relation to the RSA holder. Further details are in the section titled *Benefits*.

Subject to any notice period, the balance from an RSA may be transferred at any time. The circumstances in which this can occur are detailed in the section titled *Benefits – Preservation and Conditions of Release*.

The following is a summary of the features, benefits and the risks associated with the Queensland Country Super RSA.

## **WHAT IS THE SUPER RSA AND WHO DOES IT BEST SUIT?**

The Super RSA is a low cost, simple and relatively secure investment account which is suitable for individuals who are looking for an easy way to save and build their nest egg for their retirement.

## **Our Super RSA is best suited for individuals who are looking:**

- to grow their superannuation savings in a low risk, less volatile, capital guaranteed environment
  - for a low maintenance super account that offers some flexibility with financial security
  - to consolidate multiple superannuation funds into one easy to manage low cost account
  - to start a post retirement income stream via an account based pension
  - to make their own contributions or receive contributions made by their spouse on their behalf towards their retirement savings
  - for an account that has the same tax-effectiveness as a traditional super fund
- capital guaranteed by Queensland Country Credit Union Limited and may be covered by the Australian Government Guarantee Scheme (for further information please refer to the section titled Super RSAs and Investment Risk)
  - Ability to transfer current superannuation accounts with other entities into the Queensland Country Super RSA without incurring entry fees
  - Funds are accessible on retirement from the workplace on or after reaching a preservation age (please refer to the Benefits section of this PDS)
  - Once funds are accessible they can be withdrawn as a lump sum, an account based pension or a combination of both

## **QUEENSLAND COUNTRY SUPER RSA FEATURES**

- Designed specifically for retirement savings
- The choice of variable rate and/or Fixed Term Deposit investment options
- Interest is calculated daily and is credited to the account annually at 30 June on the variable balance
- Interest is calculated daily and paid at the end of each term on Fixed Term Deposit balances
- Optional life insurance cover
- No administration fees\*

*\* Fees and Charges (unrelated to administration costs) may apply. Please refer to the Fees and Charges section of this PDS.*

## **QUEENSLAND COUNTRY SUPER RSA BENEFITS**

- Low risk investment and less exposure to market fluctuations or unpredictable market conditions
- Fixed term options to help you safeguard against market downturns
- All funds deposited within the account are

## **QUEENSLAND COUNTRY SUPER RSA RISKS**

- Changes in interest rates and prevailing economic conditions may have a positive or negative impact on investment returns
- Changes are frequently made to superannuation law, which may or may not affect your ability to access your investment
- Changes can occur to the taxation of superannuation, which may affect the value of your investment
- A Queensland Country Super RSA holder who leaves the fund within a few years of joining may get back less than the amount of contributions paid because of the level of taxes, Government charges, exit fees and, if applicable, the cost of any insurance cover debited from the Super RSA
- A minimal risk that, if Queensland Country Credit Union Limited suffers severe financial difficulty and is forced to wind up its operations, there may be a reduction in the capital investment

# CAPITAL GUARANTEE

The investment objective of Queensland Country Credit Union is to ensure that the assets of Queensland Country Super RSA holders are protected, whilst offering sound long term investment returns.

Your investment is backed by the assets of Queensland Country Credit Union Limited. Interest rates that apply to your Queensland Country Super RSA may vary upwards or downwards from time to time in line with the general movements in interest rates in the marketplace.

Past interest rates applying to the Queensland Country Super RSA are not an indication of future rates of interest that may apply.

Superannuation laws require that an RSA must be capital guaranteed. Capital guaranteed means that the balance of an RSA held with Queensland Country cannot be reduced by the posting of negative interest. However, balances may be reduced by taxes and insurance premiums.

Further information regarding capital guaranteed products can be obtained by contacting your preferred Financial Planner.

# RSA AND INVESTMENT RISK

The returns on your Queensland Country Super RSA are reflective of the low investment risk associated with this form of retirement savings.

Due to this low risk approach, there may be other superannuation arrangements available that may provide a greater return on your savings over the longer term. However, the risks associated with these investments may be higher than the risk applying to your Queensland Country Super RSA.

Queensland Country Credit Union Limited is regulated by the Australian Prudential Regulatory Authority (APRA), which monitors the capital adequacy of all Australian Authorised Deposit-taking Institutions.

We are required to regularly report to APRA and to ensure that we have sufficient capital reserves to meet deposits and capital invested by Members with Queensland Country Credit Union Limited. In the unlikely event Queensland Country Credit Union Limited was no longer able to operate, all Members would receive repayment of the value of paid up share capital, then repayment of deposits and capital investments before payments would be made to any creditors.

We cannot provide a guarantee that capital would be repaid in full however, it is very unlikely that we would reach this type of financial position due to the risk management strategies that we use and the monitoring of our capital adequacy by APRA.

This type of retirement investment is among the lowest risk investments in the market.

Under the Australian Government's Financial Claims Scheme (the FCS) - up to \$250,000 of your total eligible deposit account balances held in an eligible Authorised Deposit-taking Institution (ADI) are covered by the FCS free of charge. Queensland Country Credit Union Limited is an eligible ADI and our Super RSA balance is included in the list of deposit accounts that have been approved for access to the FCS. For more information, please contact any Queensland Country Credit Union branch or visit APRA's website at [www.apra.gov.au](http://www.apra.gov.au) or phone them on 1300 55 88.

RSAs are generally considered to be one of the safest investments in the superannuation market today.

Your investment is locked in until your retirement from the workforce on or after reaching the preservation age.

## **BENEFIT PROTECTION**

The statutory benefit protection guidelines for account balances under \$1,000 apply to RSA's. This means that administration levies (if any) which apply to RSA accounts will not exceed the amount of interest earned by the RSA in any one financial year to 30 June. Administration levies do not include contribution taxes or insurance charges that may apply to your Super RSA.

Member benefit protection only applies where your account balance includes, or has included, Superannuation Guarantee or award contributions from your employer.

# SUPER RSA INVESTMENT OPTIONS

The Queensland Country Super RSA provides two investment options:

- 1 Variable rate option; and
- 2 Fixed Term Deposit option.

Super RSA holders will be able to choose their preferred investment mix. Members who open a Super RSA will automatically receive the variable rate option ('Standard Super RSA') but will also be given the option to open a Super RSA Fixed Term Deposit ('FTD option').

If no clear selection of the Super RSA Fixed Term Deposit is evident on the application document, all contributions by default will be credited to the Super RSA variable rate option.

## SUPER RSA VARIABLE RATE OPTION

### Interest Rates

This option offers a tiered variable interest rate and details of the various tier levels are set out in our *Super RSA Interest Rates schedule* which forms part of the PDS for the Queensland Country Super RSA.

The applicable interest rate depends on the balance of the investment held in the Super RSA. Interest is calculated daily on the Super RSA balance and is credited to the Super RSA variable rate account annually at 30 June. The rates of interest shown are net of all administration fees (if applicable) and before taxes and government charges.

### Investment Amount

Minimum investment amount for our Super RSA under the variable rate option is \$1.00 and there is no maximum investment amount.

## SUPER RSA FIXED TERM DEPOSIT OPTION

Fixed terms of 6 and 12 months are available.

## Interest Rates

Interest rates for the Super RSA Fixed Term Deposit are tiered and the interest rate applicable is dependent on the balance of Fixed Term Deposit. The investment interest rate is set at the time Queensland Country accepts the funds and is fixed for the agreed investment term.

Interest on the Super RSA FTD option is calculated daily and is paid at maturity. Any interest paid is credited to the standard Super RSA option and the applicable variable rate of interest will apply.

## Investment Amount

The minimum investment amount for a Super RSA Fixed Term Deposit is \$10,000 and there is no maximum investment amount.

## Reinvestment and additional deposits

On maturity of the Super RSA Fixed Term Deposit the full balance will be paid into the standard Super RSA and the applicable variable rate of interest will apply. The Member will then have the option to set up a new Super RSA Fixed Term Deposit or remain under the Standard Super RSA.

Additional deposits cannot be added during the fixed term period.

Queensland Country reserves the right to accept or refuse any application made in relation to the Super RSA Fixed Term Deposit Product.

# PRIOR YEAR EARNINGS OF THE SUPER RSA

For net interest rates applied and compound averages for the previous five years, please refer to the *Super RSA Interest Rate Flyer*.

# FEES AND CHARGES

The fees and charges applicable to the Queensland Country Super RSA are detailed in the adjacent table. This table sets out the fees you may be charged. These fees are deducted from your account balance. You should read all of the information about fees, as it is important to understand their impact on your investment in our Super RSA.

Financial Synergy Pty Limited (ABN 27 005 484 391) is the administrator of Queensland Country's Super RSA product and charges a fee for administration services which is paid by Queensland Country Credit Union Limited. Queensland Country Credit Union Limited takes into account the expenses of operating its business (including fees payable to Financial Synergy Pty Limited) when setting the interest rates for Queensland Country products, including the Queensland Country Super RSA. No administration fees or management costs are levied against your Queensland Country Super RSA account.

If you choose to take insurance cover, premiums are deducted from your account monthly. Further information concerning the premiums payable on the insurance cover is provided in this PDS in the section titled *Insurance Cover*.

## **SUPER RSA FTD EARLY REDEMPTION FEE**

A Member can apply to redeem a Super RSA Fixed Term Deposit before maturity. If we agree to the request, an early redemption fee will apply. An early redemption deduction rate of 2.00% per annum may be applied to the invested interest rate when a Super RSA FTD is redeemed prior to the maturity date. The reduced interest rate is applied from the initial investment date.

The Early Redemption Fee is calculated as follows:

Early Redemption Interest Calculation is  
**Principal x (Early Redemption Deduction Rate) x (days invested/365)**

Fee	Description of fees	Amount Paid
Entry Fee	This is the fee to set up a Super RSA	Nil
Exit Fee / Withdrawal Fee	This is the fee for a withdrawal or transfer from a Super RSA at your request	\$35.00
Administration Fee	This is a fee to cover the general administration of a Super RSA	Nil
Early Redemption Fee (applicable to Fixed Term Deposit option only)	This fee is charged when the term deposit is redeemed prior to the expiry of the agreed fixed term	Refer to the section Super RSA FTD Early Redemption Fee

The interest payable on a Super RSA Fixed Term Deposit where the Early Redemption Fee is applied is calculated as follows:

**Principal x (Agreed Rate – Early Redemption Deduction Rate) x (days invested/365)**

## To find out more

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

# WHO IS ELIGIBLE TO OPEN AND CONTRIBUTE TO A SUPER RSA?

## UNDER 65 YEARS

Any person is eligible to open a Queensland Country Super RSA.

## 65 TO 74 YEARS

To be eligible to open a Queensland Country Super RSA you must have worked at least 40 hours during a continuous 30 day period during the financial year) in which the contribution is made (the work test). Or you must roll superannuation or Retirement Savings Account funds to the Queensland Country Super RSA.

## 75 YEARS AND OVER

If you are aged 75 years or over to be eligible to open a Queensland Country Super RSA you must be in receipt of mandated employer contributions and/or roll superannuation or Retirement Savings Account funds to the Super RSA. You cannot make personal contributions to the RSA.

# HOW TO OPEN A QUEENSLAND COUNTRY CREDIT UNION LIMITED SUPER RSA

A Queensland Country Super RSA is an investment account with Queensland Country Credit Union Limited and as such, to open a Queensland Country Super RSA, you must first become a Member of Queensland Country Credit Union Limited.

If you are already a Member of Queensland Country, to open a Queensland Country Super RSA, all you will need to do is complete the Super

RSA Application form (available in branch or online) and return it to your nearest Queensland Country branch.

If you are not a Member, you should first visit your nearest Queensland Country branch and enquire about becoming a Member.

Once your Super RSA application has been accepted, you can contribute to your Queensland Country Super RSA and your employer can also make superannuation guarantee, non-superannuation guarantee or award related contributions to your Queensland Country Super RSA.

If you are self-employed you may also apply to open a Queensland Country Super RSA.

You can also open a Queensland Country Super RSA and rollover or transfer funds to it.

When you open a Queensland Country Super RSA, you will be given a Super RSA number. You should always refer to this number when contacting us in regards to your Queensland Country Super RSA to help us respond promptly to your enquiry.

Applications to open a Queensland Country Super RSA must be made on the Super RSA Application form. Photocopies are not acceptable.

## PROOF OF IDENTITY

Queensland Country is required to comply with the Anti-Money Laundering and Counter-Terrorism Financing Laws which were established to combat money laundering and the financing of terrorism. As a result, you may be required to provide proof of identification and other information from time to time including when you open a Super RSA account and before being able to access your benefits in cash (lump sum or pension payments) or purchase a superannuation pension. You will be notified of any requirements when applicable. If you do not comply with customer identification and verification requirements there may be consequences for you, for example, a delay in the payment of your benefits.

Queensland Country may be required to report personal and other information about you and your

account to the Australian Transaction Reports and Analysis Centre (AUSTRAC) and other relevant authorities and we may not be able to advise you when this occurs. Queensland Country may also be required to delay, block, freeze or refuse to process a transaction, due to legislative or regulatory requirements. This may have an impact on your investment.

## MAKING CONTRIBUTIONS AND ELIGIBILITY

Legislation imposes limits on the amount that can be contributed to a superannuation account or RSA without incurring additional tax.

Superannuation contributions comprise of two broad categories, concessional and non-concessional contributions, depending upon whether the contribution comes from 'before tax' or 'after tax' income. If the person making the contribution is able to claim an income tax deduction for the contribution, the contribution effectively comes from their before tax income.

## CONCESSIONAL CONTRIBUTIONS

A concessional ('before tax' or 'deductible') contribution is a contribution that is made by or on behalf of an RSA holder and is subject to contributions tax which is paid by the RSA provider.

Concessional contributions include the following:

- Employer contributions such as:
  - Compulsory Super Guarantee contributions
  - Salary sacrifice contributions
  - Any additional (or 'voluntary') employer contributions
- Personal contributions by an eligible person (e.g. self-employed person) that are allowed as an income tax deduction

# CONTRIBUTIONS BY EMPLOYER(S)

Employer contributions may be made in satisfaction of the statutory superannuation guarantee requirements or an industrial award or certified agreement (mandated).

Salary sacrifice contributions occur where you and your employer have in place a valid agreement to pay some of your future before-tax salary or wages into your superannuation account or RSA. If you want to make salary sacrifice contributions you should discuss this with your employer to confirm whether your employer is prepared to enter into a salary sacrifice arrangement. Salary sacrificing reduces your assessable income and your employer is therefore entitled to make super guarantee contributions based on your new reduced wage or salary. **You should seek appropriate financial advice before entering into a salary sacrifice arrangement.**

All employees, for whom an employer contributes to a Queensland Country Super RSA, must be a Super RSA holder at the time the contribution is made.

# CONTRIBUTIONS BY SELF-EMPLOYED PERSONS

If you are self-employed (i.e. a sole trader or a partner in a partnership) you may wish to make contributions to your superannuation account or RSA. Self-employed persons may be able to claim a full tax deduction on amounts they contribute to their RSA. These contributions are subject to the same limits as apply to employer contributions and count towards your concessional contributions cap. For further information on the taxation of contributions and the concessional contributions cap please refer to the section *Taxation of Contributions - Concessional Contributions Cap*.

Self-employed persons may be eligible for the super co-contribution on contributions that they make to their superannuation account or RSA for which they don't claim a deduction. These contributions will form part of their non-concessional contributions cap.

Further information on Tax Deductions and the Government Co-contribution are provided in the sections *Tax Deductions on Contributions and Super Co-contributions*.

### **NON-CONCESSIONAL CONTRIBUTIONS**

A non-concessional contribution is a contribution made by or on behalf of an RSA holder from 'after-tax' income and as such the person making the contribution is not able to claim a tax deduction.

Non-concessional contributions include the following:

- Contributions made by the RSA holder
- Eligible spouse contributions
- Contributions made by any other (non-employer) third party, such as a friend or relative of the RSA holder
- Contributions in excess of the concessional contributions cap for the year

# SPOUSE CONTRIBUTIONS

If your spouse is under 70 years of age, and qualifies for spouse contributions, you can contribute towards your spouse's retirement by making contributions to his/her superannuation account or RSA. Depending on the contributing spouse's assessable income, he or she may be able to claim a rebate on the contributions they make to their spouse's superannuation account or RSA. This is discussed further in the section *Rebate on Contributions For Your Spouse*.

The table on the following page summarises the Retirement Savings Accounts Regulations 1997 (Cth) provisions for acceptance of contributions. It should be used as a guide only and you should obtain professional advice in respect of your eligibility to contribute or receive superannuation contributions.



## Rules for making contributions by member's age

Age of Member in years	Concessional Contributions	Non-Concessional Contributions		
	Mandated Employer Contributions <sup>1</sup>	Voluntary Employee Contributions	RSA Holder Contributions	Eligible Spouse Contributions
Less than 65	Yes	Yes	Yes	Yes
65 – 69	Yes	Yes – conditional <sub>2</sub>	Yes – conditional <sub>2</sub>	Yes – conditional <sub>2</sub>
70 – 74	Yes	Yes – conditional <sub>3</sub>	Yes – conditional <sub>3</sub>	No
75 or older	Yes	No	No	No

- 1** Mandated employer contributions are contributions made by an employer for the benefit of the account holder that are:
- i. contributions to reduce the employer's potential liability to the superannuation guarantee charge;
  - ii. Superannuation guarantee shortfall components – that is, superannuation guarantee charge payments sent to a fund from the Tax Office after the Tax Office has obtained payment of the charge from the employer;
  - iii. contributions made in order to satisfy an obligation under an industrial award or agreement.

Where Members have an effective arrangement in place with their employer to salary sacrifice to superannuation, all superannuation contributions are considered to be made by the employer. However, only those contributions to the superannuation guarantee level (currently 9.5%) or the industrial award or agreement level (if higher than the superannuation guarantee level) will be classed as 'mandated employer contributions'.

- 2** Can be accepted provided the Member was gainfully employed for at least 40 hours in 30 consecutive days during the current financial year in which the contributions are made.

- 3** Can be accepted provided the Member was gainfully employed for at least 40 hours in 30 consecutive days and within 28 days after the end of the month that the member turns 75.

## POOLING YOUR SUPER OVER YOUR WORKING LIFE

If you have other RSA or superannuation accounts, you may be able to transfer these into your Queensland Country Super RSA. The ability to move your superannuation benefits to the superannuation fund or RSA provider of your choice is referred to as portability. Queensland Country does not levy an entry fee on these transfers and credits interest at the full rate from the day the transfer is credited to your Queensland Country Super RSA. Not only will this save you multiple administration charges that may apply if you have more than one superannuation account, it will also be easier for you to manage your growing retirement benefit throughout your working life and into retirement.

To facilitate the transfer of your superannuation benefits to your Queensland Country Super RSA a Super RSA Transfer Authority form is available online or in branch. This form provides the information to assist the fund or RSA you are transferring from to action your request to transfer the whole or partial balance of your existing superannuation account or RSA to your Queensland Country Super RSA. You will need to complete a separate form for each RSA or superannuation fund account you wish to transfer into your Queensland Country Super RSA. Photocopies of this Super RSA Transfer Authority form may be accepted provided the form is copied in full including the Statement of Compliance.

Before requesting a transfer of benefits you can ask the RSA Provider or trustee for any information you reasonably require for the purpose of understanding your entitlements including fees and costs that may be incurred and the effect of the transfer on your benefits (for example, insurance).

## BENEFITS

Your Queensland Country Super RSA is a long-term investment. The Commonwealth Government has placed restrictions on when you can have access to benefits, in that generally you cannot have access until you reach age 65 or the preservation age, as defined in the Retirement Savings Accounts Regulations 1997 (Cth) and have retired.

The benefits payable under your Queensland Country Super RSA will be your account balance.

Your account balance includes all contributions made to your Queensland Country Super RSA including your own personal contributions, those made by your employer on your behalf, those made by your contributing spouse on your behalf, transfers rolled over from other RSAs or superannuation funds and interest credited less any taxes, government charges, administration charges (if any) and the cost of any insurance cover (if applicable).

The preservation age is as follows:

Date of birth	Preservation age
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 1 July 1964	60

### PRESERVATION

Under the laws applying to superannuation and RSAs, your accumulated benefits cannot be paid to you in cash until you satisfy a condition of release. This is referred to as 'preservation' of your entitlements. The objective of preservation is to ensure that your Queensland Country Super RSA benefits are used for their intended purpose – to provide for your financial security in your retirement.

Until such time as a condition of release is satisfied, your preserved and restricted non-preserved benefits must generally remain within the superannuation system. Your Queensland Country Super RSA annual statement will clearly show how much of your entitlement is a preserved component, a restricted non-preserved component or an unrestricted non-preserved component.

### PRESERVATION AND CONDITIONS OF RELEASE

The table on the following page provides the conditions under which you may withdraw preserved amounts from your Queensland Country Super RSA and the corresponding requirements you must fulfill to enable us to pay your preserved benefits.

Conditions of Release	Requirements
Retirement of a person aged 55 to 59	An arrangement under which the RSA holder was gainfully employed has come to an end and Queensland Country is reasonably satisfied that the RSA holder intends never to again become gainfully employed, either on a full-time or part time basis after having reached their 'preservation age'.
Retirement of person aged 60 or more	An arrangement under which the RSA holder was gainfully employed has come to an end on or after the RSA holder has attained the age of 60 years and Queensland Country is reasonably satisfied that the RSA holder intends never to again become gainfully employed, either on a full time or part time basis.
Attaining age 65	The benefits of a RSA holder become payable on request.
Permanent incapacity	Queensland Country is reasonably satisfied that the RSA holder is unlikely, because of physical or mental ill-health, ever again to engage in gainful employment for which the RSA holder is reasonably qualified by education, training or experience.
Terminal Medical Condition	The Credit Union has received certifications from two registered medical practitioners that the RSA holder suffers from an illness, or has incurred an injury, that is likely to result in the death of the person within a period not exceeding 24 months from the date of the certifications. At least one of the registered medical practitioners must be a specialist practicing in an area related to the illness or injury suffered by the RSA holder.
Temporary Residents permanent departure from Australia	To be eligible for payment of your benefits, the RSA holder must have worked in Australia while visiting on an eligible temporary resident visa and have left Australia after starting to be the holder of that visa. Note: if the RSA holder is an Australian or New Zealand citizen or a permanent resident of Australia, the RSA holder is not eligible for the payment. The RSA holder may apply for the departing Australia superannuation payment (DASP) via the Australian Taxation Office (ATO) online payment system or by submitting a paper application and attaching the relevant documents in support of the application. The documentation required will depend on the RSA holder's RSA balance. For payments less than \$5,000 a certified copy of an eligible temporary resident visa showing that it has expired or been cancelled and a copy of a passport showing the RSA holder's photograph and identification pages, together with the page showing the RSA holder's departure stamp from Australia, are required. For amounts of \$5,000 or more, a written statement from the Department of Immigration and Citizenship, stating that the RSA holder was the holder of an eligible temporary resident visa that has ceased to be in effect and the RSA holder has permanently departed Australia is required.
Termination of gainful employment – preserved benefit under \$200	Restricted non-preserved benefits become unrestricted. All benefits can then be cashed.
Termination of gainful employment – preserved benefit \$200 or more	Restricted non-preserved benefits become unrestricted and can be cashed. Preserved benefits cannot be cashed.
Benefits payable to the ATO under the Superannuation (Unclaimed Money and Lost Members) Act 1999	The Credit Union is required to pay an amount to the ATO in respect of a person's interest in the RSA.

Conditions of Release	Requirements
Compassionate grounds	<p>RSA holder satisfies the criteria for the early release of superannuation benefits on compassionate grounds. An application for early release of superannuation benefits is required to be lodged with the Department of Human Services (DHS). The reasons that DHS can approve the early release of superannuation benefits on compassionate grounds are limited and include the following:</p> <ul style="list-style-type: none"> <li>▪ Pay for medical or dental treatment for the RSA holder or a dependant of the RSA holder – where treatment is not readily available through the public health system or covered by health insurance;</li> <li>▪ Pay for transport for medical or dental treatment for the RSA holder or a dependant of the RSA holder;</li> <li>▪ Pay arrears on the RSA holder's mortgage to prevent mortgagee exercising power of sale</li> </ul>
Severe financial hardship	<ul style="list-style-type: none"> <li>▪ Be in receipt of a Commonwealth Income Support Payment for a continuous period of 26 weeks and satisfy the Credit Union that there is severe financial hardship;</li> <li>▪ Be of age 55 years and 39 weeks or more, in receipt of a Commonwealth Income Support Payment for a cumulative period of 39 weeks after turning age 55 years, and not gainfully employed on a full-time or part-time basis.</li> </ul> <p>Only one payment in each 12 month period is permitted under the grounds of financial hardship.</p> <p>The payment will take the form of a single lump sum not less than \$1,000 (except where the RSA holder's balance is less than that amount) and not exceeding \$10,000.</p>
Member requesting cashing – no other condition of release satisfied	Only unrestricted non-preserved benefits can be cashed.
Any other condition expressed to be a condition of release in an approval under paragraph 15(4)(d) of the Retirement Savings Accounts Act 1997.	Cashing restrictions contained in APRA approval.

*When you satisfy a condition of release, some or all of your benefits may become unrestricted non-preserved benefits. You can withdraw unrestricted non-preserved amounts in cash at any time.*



# ACCOUNT BASED PENSION

Queensland Country offers an account based (allocated) pension facility for Members who have retired. An account based pension is a form of income stream providing a regular income benefit payable from your Queensland Country Super RSA. To be eligible to apply for the account based pension facility, you must be able to withdraw your benefit (refer to the section titled *Preservation*). Generally a minimum balance of \$100,000 is required to commence an Account Based Pension. An application form is available at any Queensland Country Credit Union Branch.

When applying to take your Super RSA benefit as an account based pension, it is a condition of approval that you have a sufficient amount invested in a Super RSA variable rate option to ensure that Queensland Country can make the required periodic payments during a financial year without you requiring to redeem any part of your Super RSA Fixed Term Deposit(s) early. You are required to retain the minimum annual payment necessary to meet your account based pension allocated payments in the variable rate component of the Super RSA. Queensland Country reserves the right to reject or decline any application for an account based pension if the above conditions are not met. Any lump sum withdrawals you anticipate making should also be held in the variable rate option of the Super RSA.

Once you commence to draw an income stream benefit from your Queensland Country Super RSA, tax is no longer paid on the interest earnings credited to your Queensland Country Super RSA. This is reflected in a higher net rate of interest being credited to your Queensland Country Super RSA.

You can vary the amount of the income payments from year to year to suit your circumstances subject to the statutory limits. You may also withdraw lump sum payments from your account based pension, however by doing so your income streams will be affected.

We recommend you seek professional advice before making a decision to either vary or make lump sum withdrawals from your income stream. An account based pension may not provide an income stream for the rest of your life as it is

dependent upon the amount of money remaining in your Queensland Country Super RSA.

While there is a great deal of flexibility provided by income streams, they do qualify for taxation concessions and, accordingly, have to satisfy certain conditions. For instance there is a requirement that a minimum annual payment is made. The minimum payment requirements as set out in legislation are illustrated in the following table.

## Age minimum percentage and minimum annual payment for each \$100,000 in the Queensland Country Super RSA account

Depending on your age your account balance as at

Under 65	4%	\$4,000
65 – 74	5%	\$5,000
75 – 79	6%	\$6,000
80 – 84	7%	\$7,000
85 – 89	9%	\$9,000
90 – 94	11%	\$11,000
95+	14%	\$14,000

1 July each financial year (or upon commencement of the income stream) will be multiplied by the percentage factor to arrive at your annual minimum income amount.

The minimum annual payment is pro-rated for the first year of the Income Stream Facility unless the facility commences on 1 July.

## Important Note

Income stream payments cease when, and if, your account balance has fallen to zero. This means that your income stream payments will continue longer if you decide to receive the minimum level of payment. The level and duration of payments will also depend on the interest credited to your account over time.

If you achieve higher than expected interest rates your payments will last longer than you expected, while lower than expected interest rates can lead to a shorter than expected period of receiving payments.

Any lump sum withdrawals also will affect the amount of your future income stream payments and how many years they are paid.

It is important to remember that your income stream payment may not provide you with an income for the rest of your life. When your account balance is fully paid out your account will close.

## WHAT HAPPENS TO YOUR QUEENSLAND COUNTRY SUPER RSA INCOME STREAM WHEN YOU DIE?

If you have nominated a reversionary pension, or wish to establish one, the nominated dependant must be your dependant (e.g. dependant child or spouse) at the time of your death in order to be a reversionary pensioner. Upon your death your pension will continue to be paid to your nominated dependant. However, where your nominated dependant is, at the time of your death, a dependant child, the balance in the account must be paid as a lump sum when the dependant child turns 25, unless the dependant child has a disability of the kind described in subsection 8(1) of the Disability Services Act 1986.

## IF YOU HAVE A COMPLAINT

### INTERNAL COMPLAINTS RESOLUTION

Queensland Country Credit Union Limited has an internal complaints resolution scheme which has been established to resolve any complaints about our products and services or the complaints handling process itself, where a response or resolution is expected. Any complaint you may have concerning Queensland Country or its authorised representatives should be directed to us. If the person you are dealing with cannot resolve the issue, please ask to speak with their manager. If the issue is still not resolved, we encourage you to complete a Notification of Complaint form, available

at any Queensland Country branch, although such notification is not required to be provided in writing.

Queensland Country is committed to resolving complaints in a timely manner and will endeavour to provide a satisfactory resolution immediately upon receipt of the complaint. Where we are unable to resolve your complaint within 24 hours of receipt, we will contact you to advise the procedures that will be followed in responding to your complaint. Depending on the nature of your complaint this communication will be either in writing or by telephone and will occur within three days of receiving the initial complaint.

We will communicate with you throughout the complaint handling process. This will include a written response provided to you within 21 days of receiving your complaint. The purpose of this correspondence is to advise you of the final outcome, or if a final response cannot be made at this time, the reasons for the delay.

### EXTERNAL COMPLAINTS RESOLUTION

If we have made a formal proposal to resolve your complaint and you have told us that the proposal is not acceptable to you; or at least 45 days has elapsed since you made your complaint (whichever occurs sooner), you are entitled to have your complaint resolved free of charge by the Credit and Investments Ombudsman ABN 59 104 961 882. This is an external dispute resolution scheme of which Queensland Country is a member. We will provide you with information on how you may access this scheme. If you have any complaints or disputes concerning the services provided by third parties or our business partners (including insurers or service providers) we encourage you to make enquiries direct with these third parties. Please contact us direct if you have any problems with the handling of third party complaints.

### THE SUPERANNUATION COMPLAINTS TRIBUNAL (TRIBUNAL)

If you are not satisfied with our handling of your complaint or the decision, you may contact the Superannuation Complaints Tribunal. The Tribunal is an independent body set up by the Federal Government to assist RSA holders and their estates to resolve certain types of complaints with a RSA Institution (or RSA provider).

The Tribunal may be able to assist you to resolve your complaint, but only if you and the RSA institution have made a genuine effort to resolve the dispute through the institution's own complaint process. The Tribunal's address is:

**The Superannuation Complaints Tribunal,  
Locked Mail Bag 3060,  
Melbourne Vic 3001**

**Phone** 1300 884 114  
**Fax** 03 8635 5588  
**Email** info@sct.gov.au

## PRIVACY

We will collect personal information about you when you apply for membership, open a deposit account or establish any other products and services offered by Queensland Country. We will use the personal information you provide to process your application and assist us in providing you with the required product or service.

If you are unable to provide us with the personal information requested then we may be unable to process your application and provide the product and service requested.

We may also use personal information collected from you in order to tell you about other products and services. We may engage third party service providers to assist in the provision of products and services to you. When we provide you with information on other products and services we will identify the issuer(s) of those products and services; if a PDS is available for the product or service, how this may be obtained and that it should be considered when deciding whether to purchase or hold the product or service.

As outlined in the section titled Other important information concerning your Super RSA we may be required by law to provide information concerning your Queensland Country Super RSA to an 'eligible person' and may be prohibited in certain circumstances from informing you that we have done so.

Queensland Country Credit Union Limited has adopted and abides by the Customer Owned Banking Code (the Code). A copy of our Privacy Policy and the Code is available from our website or any Queensland Country Branch.

# OTHER IMPORTANT INFORMATION CONCERNING YOUR SUPER RSA

## COOLING OFF PERIOD

You have 14 days from the earlier of the date of receipt of your welcome letter and the end of the fifth day on which your account opened during which time you have the right to close your Queensland Country Super RSA. In this circumstance, you can transfer the balance in your Queensland Country Super RSA to another RSA or superannuation fund of your choice.

If you close your Queensland Country Super RSA within this period, no fees will be deducted however taxes and government charges may be deducted.

## FAMILY LAW

Under the superannuation payment splitting laws, married couples are able to enter into a superannuation agreement concerning how any superannuation interests either party has are to be split in the event of a marriage breakdown. Alternatively, the court is able to make an order about how a separating married couple's superannuation interests are to be split. As a RSA provider, we are required by law to act on a binding financial superannuation agreement or court order made in respect of the superannuation benefits of an RSA holder. In so doing, we may be required to make a benefit payment from the Super RSA to a non-member spouse, transfer benefits held by a Super RSA holder to another RSA or superannuation account held by a non-member spouse or to a new Super RSA created for the non-member spouse.

We are also required to abide by a binding superannuation flagging agreement or flagging order, by imposing a payment flag on the benefits held by an RSA holder which prevents us from making any benefit payments or transfers in respect of the RSA holder.

In fulfilling our obligations under the legislation we may be required to provide information concerning an RSA holders' benefits to an 'eligible person' (i.e. the Super RSA holder, spouse of the Super RSA holder or a person who intends to enter into a superannuation agreement with the Super RSA holder). Where the application for information is made by an 'eligible person', other than the Super RSA holder, we are prohibited by law from informing the Super RSA holder of the application for information. In providing information to an 'eligible person', we will act in accordance with all legislative requirements. We will only provide information which we are required to provide and will do so only if the request is made in the required form.

It is important to note that superannuation benefits that are split as a result of marriage breakdown will retain their preservation status and will be subject to relevant legislation governing the payment and taxation of superannuation benefits.

## LOST MEMBERS

In the event that you become a 'Lost Member' your Super RSA balance may be transferred to our nominated Eligible Rollover Fund (ERF), AMP Life Limited Eligible Rollover Fund.

Queensland Country Credit Union Limited is required to treat you as a 'Lost Member' if at least one of the following criteria is satisfied:

- 1 You are **uncontactable**, that is:
  - (a) two items of written communication sent to your last known address have been returned unclaimed; or
  - (b) Queensland Country was never provided with your address or is unable to contact you;
- 2 You become an **"inactive RSA holder"** because:
  - (a) you have held an RSA for more than two years; and
  - (b) Queensland Country has not received a contribution or rollover from you, or on your behalf within the last five years;

**Unless** one of the following apply:

- (i) within the last two years, Queensland Country has verified that the RSA holder's address is correct and has no reason to

believe that the address is now incorrect; or

- (ii) the RSA holder is permanently excluded from being a lost RSA holder.

If your benefit is transferred to AMP Life Limited Eligible Rollover Fund you will need to contact them directly in order to deal with your investment. The contact details are as follows:

**AMP Life Limited Eligible Rollover Fund Administration**  
**Locked Bag 5400**  
**Parramatta NSW 1741**

**Phone** 1300 653 456

Queensland Country reserves the right to change its ERF at any time. If we should do so, all Members will be notified within 30 days.

It is important that you inform us of any changes to your address details so that you are not transferred to the ERF unnecessarily.

Your benefit may also be transferred to the ERF if your balance in the Queensland Country Super RSA is less than \$1,000 and no contributions have been received for you over the past 12 months.

## EFFECT OF BEING TRANSFERRED TO THE ERF

It is important for you to understand the effect of having your benefit transferred to the ERF in the circumstances set out above, and following is a list of the major consequences:

- You will no longer be a Member of the Queensland Country Super RSA and will cease to have rights against the issuer of the Queensland Country Super RSA.
- Any insurance cover provided through the Queensland Country Super RSA for you will cease as the ERF does not offer insured benefits in the event of death or disablement.
- You will be unable to make contributions to the ERF.

## LOST MEMBERS REGISTER

The Lost Members Register (LMR) is a central register of lost super fund members and lost RSA holders maintained by the Australian Taxation Office (ATO)

Queensland Country is required to lodge regular reports with the ATO providing details of lost, inactive, found and transferred members. The ATO updates the LMR with this information.

## **UNCLAIMED SUPERANNUATION MONIES**

There are certain circumstances when a RSA holder's benefits are required to be dealt with as unclaimed superannuation and transferred to the ATO.

The following persons may have unclaimed superannuation:

### **Super RSA holder aged 65 years and older**

- Queensland Country has not received an amount for the RSA holder in the last two years; and
- After a period of five years since Queensland Country last had contact with the RSA holder, Queensland Country has been unable to contact the RSA holder again, after making reasonable efforts.

### **Spouse of an RSA holder**

- under the Family Law legislation an agreement or court order is in place requiring the RSA holder to split their RSA interest with their non-RSA holder spouse (referred to as a payment split); and
- as a result of the payment split, the non-RSA holder spouse (or their legal personal representative if they have died) is entitled to be paid an amount; and
- after making reasonable efforts and after a reasonable period has passed, Queensland Country is unable to ensure that the non-RSA holder spouse or their legal personal representative will receive the amount.

### **Deceased RSA holder**

- RSA holder is deceased; and
- Queensland Country determines that by operation of law, a benefit (other than a pension or annuity) is immediately payable in respect of the RSA holder; and

- Queensland Country has not received an amount in respect of the RSA holder within the last two years; and
- After making reasonable efforts and after a reasonable period has passed, Queensland Country is unable to ensure that the benefit is received by the person who is entitled to receive the benefit.

### **Former temporary residents**

- Queensland Country receives a notice from the ATO advising that a former temporary resident has superannuation benefits in the Queensland Country Super RSA and instructs Queensland Country to transfer these funds to the ATO as unclaimed superannuation benefits on behalf of the RSA holder.

## **BENEFICIARIES OF YOUR SUPER RSA**

Should you die whilst a holder of a Queensland Country Super RSA, your account balance will be paid to your executor or legal personal representative.

'Legal Personal Representative' means the executor of the Will or administrator of the estate of a deceased person.

It is therefore recommended that all Queensland Country Super RSA holders consider having a Will and update it with any changes that may occur in their personal circumstances in the future.

## **DEPOSITS AND BALANCES**

Queensland Country Credit Union Limited reserves the right to decline new Super RSA applications for deposits of less than \$1,000 and also, the right to pay out the remaining balance where withdrawal of an entitlement reduces the Super RSA balance to less than \$1,000. Super RSA holders will be advised in writing if your Queensland Country Super RSA is affected.



# TAXATION

The following is a brief summary of the way in which RSAs and superannuation are currently taxed. This summary is a statement of facts and should not be taken as advice.

If you require specialist financial or taxation advice we recommend that you consult with a professional in these fields.

Further information regarding taxation of RSAs can be obtained by contacting your preferred Financial Planner or the Australian Taxation Office ([www.ato.gov.au](http://www.ato.gov.au)).

## TAXATION OF CONTRIBUTIONS

The amount of tax payable on superannuation contributions depends on whether the contributions are concessional (or 'before tax') or non-concessional (or 'after tax') contributions.

## CONCESSIONAL CONTRIBUTIONS CAP

Concessional contributions within the prescribed caps are included in the RSA's taxable income and subject to a tax rate of up to 15%.

## NON-CONCESSIONAL CONTRIBUTIONS CAP

If contributions are received for a Member that exceeds these annual caps then, the amount of the contribution that exceeds the cap is taxed at 49% and will be counted towards the non-concessional cap amount.

Non-concessional contributions within the prescribed caps are not subject to tax. If contributions are received for a Member that exceeds these annual caps then the amount of the contribution that exceeds the cap is taxed at 49%. Contributions tax that may be payable on contributions made to your account will be deducted upon the allocation of the contribution to your Queensland Country Super RSA.

## EXCESS CONTRIBUTIONS TAX

Where you exceed your concessional or non-concessional contribution cap additional tax must be paid.

The ATO will issue notices of assessment to Members who have exceeded their cap. Accompanying this assessment notice is called a Release Authority (RA). This RA allows the Member to withdraw money from their superannuation account to pay the excess contributions tax.

## EXCESS CONCESSIONAL CONTRIBUTIONS

You may give the RA to the RSA within 90 days after the date of the RA. You may wish to pay the excess contributions tax yourself. If you choose to ask us to pay the excess contributions tax, send the RA to us. We are required to release the amount to meet the excess contributions tax within 30 days of receiving the authority.

## EXCESS NON-CONCESSIONAL CONTRIBUTIONS

You must give the RA to us within 21 days after the date of the RA. We must release the amount to meet the excess contributions tax within 30 days of receiving the authority.

Please contact the ATO or your financial adviser for further information.

Please refer to ATO website [www.ato.gov.au](http://www.ato.gov.au) for further information on exceeding non-concessional and concessional caps.

## TAXATION OF EARNINGS

Interest earned is taxed at 15%. Interest earned on an income stream account is tax free.

## PROVIDING YOUR TAX FILE NUMBER

Providing your Tax File Number (TFN) to your RSA provider or superannuation fund assists the Australian Taxation Office (ATO) in reuniting any lost superannuation amounts with their rightful owner.

When you quote your TFN for employment purposes, it will automatically be taken to be quoted for superannuation purposes and the TFN is required to be passed on to the ATO.

## What happens if I do not quote my TFN?

**The implications of not providing your TFN may include:**

- Tax will be deducted from all concessional contributions at the top marginal rate plus

Medicare levy. (In some circumstances you may be able to lodge a claim for the additional tax to be credited back to your account if you subsequently supply your TFN.)

- The Super RSA will not be able to accept non-concessional contributions made by you or on your behalf by your spouse.
- You may not receive super co-contributions, even if otherwise eligible, should we have to return non-concessional contributions we are not permitted to accept.

If additional tax has been deducted from your concessional contribution, you can quote your TFN to your fund within the following three years for a refund. If you leave the fund without providing your TFN, you may not be entitled to this refund.

### TAXATION OF BENEFITS – LUMP SUM

A lump sum withdrawal from the RSA will be treated as a superannuation benefit payment. A superannuation benefit may be rolled over to another superannuation fund, rollover or pension fund.

There are generally two components to superannuation benefits, Taxable (which may include an element taxed in the RSA or untaxed in the RSA) and Tax Free.

- **Taxable Component** – the part of the benefit that is taxable which may include an element that has already been paid and one that tax has not yet been paid.
- **Tax Free Component** – the part of a benefit that is tax-free and is not included in your tax return.

Rolling over your superannuation benefit to another superannuation fund will not incur any tax.

Members are not able to specify the components that they wish their withdrawals be made from. They will be taken in the same proportion as the components in your account at the time of withdrawal.

The tax rules that apply when you choose to cash out your super depend on a number of things including your age and whether your super comes from a taxed or untaxed source.

## Under Age 55

- **Taxable Component**
  - Entire component taxed at 21.5%<sup>2</sup>
- **Tax Free Component**
  - Tax Free

## Age 55 – 59

- **Taxable Component**
  - Tax free up to a low rate threshold of \$195,000
  - Benefits over \$165,000 will be taxed at 16.5%<sup>1</sup>
- **Tax Free Component**
  - Tax Free

## Over Age 60

- **Taxable Component**
  - Tax Free
- **Tax Free Component**
  - Tax Free

Tax may apply to the taxable component of a death benefit in some circumstances (for example, where the death benefit is paid to an adult child). You should consult with your financial adviser for more information about taxation of death benefits.

*1 Includes Medicare levy of 1.5%.*

### TAXATION OF DEATH BENEFITS

No tax is payable on death benefits paid to a dependant as defined in the tax legislation. The taxable component of a lump sum paid to a non-dependant is taxed at 15%. The taxation of a death benefit paid as a reversionary pension will depend on the age of the primary and reversionary beneficiary. If the primary beneficiary was aged 60 or over at the time of death then, payments to the reversionary beneficiary will be tax exempt. If the primary beneficiary was under age 60 at the time of death, the pension will continue to be taxed at the reversionary beneficiary's marginal tax rate (less any deductible amount and pension rebate) unless, or until, the reversionary beneficiary is aged 60 or over, in which case, it will be tax exempt.

## TAX DEDUCTIONS ON CONTRIBUTIONS

Employers are able to claim a full deduction for all contributions to superannuation funds made on behalf of their employees under age 75.

Where your employer is contributing to your Queensland Country Super RSA or to another approved superannuation fund on your behalf, you will not be eligible for a tax deduction on any contributions you may make to your Queensland Country Super RSA. Contributions tax will not apply to the personal contributions you make to your Queensland Country Super RSA (within the prescribed limits for non-cessational contributions). You may however, be eligible to receive the Australian Government Super Co-contribution.

Personal superannuation contributions within the prescribed limits, made by self-employed persons who are under 75 years of age are also fully deductible. To claim a deduction the self-employed Super RSA holder must derive no more than 10% of their total assessable income plus reportable fringe benefits and reportable employer contributions from employment as an employee. The maximum amount that can be claimed is \$30,000 (and \$35,000 for members who are 50 years or over). Any excessive concessional contribution will be included in your assessable income and taxed at your marginal tax rate (subject to tax offset for 15% contributions tax already paid) plus an additional interest charge 31.5%.

## REBATE ON CONTRIBUTIONS FOR YOUR SPOUSE

Where your spouse is contributing to your Queensland Country Super RSA, he or she may be able to claim a tax rebate on those contributions.

If you are under 70 years of age and your income (i.e. assessable income plus reportable fringe benefits and reportable employer superannuation contributions) is less than \$13,800, your spouse can claim a rebate of 18% of contributions made to your Super RSA, up to a maximum contribution of \$3,000 per annum. This represents a tax rebate of \$540.

If your income is greater than \$10,800 and less than \$13,800, the tax rebate your contributing spouse can claim reduces by \$18 for every \$100 by which your income exceeds \$10,800. The rebate ceases once your income reaches \$13,800,

The ATO defines "spouse" for the purpose of the rebate to mean your legal spouse (except where that person lives separately from you on a permanent basis), or de facto husband or wife.

## SUPER CO-CONTRIBUTIONS

You will be eligible for the super co-contribution if you can answer yes to all of the following:

- you made one or more eligible personal super contributions to your super account during the financial year
- you pass the two income tests
  - your total income for the financial year is less than the higher income threshold (\$50,454 for 2015-16)
  - 10% or more of your total income comes from eligible employment-related activities or carrying on a business, or a combination of both
- you were less than 71 years old at the end of the financial year
- you did not hold a temporary visa at any time during the financial year (unless you are a New Zealand citizen or it was a prescribed visa)
- you lodged your tax return for the relevant financial year.

You are not entitled to a super co-contribution for personal contributions allowed as a tax deduction. Please refer to [www.ato.gov.au](http://www.ato.gov.au) for current information.

## LOW INCOME SUPERANNUATION CONTRIBUTION

A Low Income Superannuation Contribution (LISC) rebate to return the contributions tax paid on concession contributions (such as superannuation guarantee contributions), is capped at \$500 each annum on annual earnings of up to \$37,000. The LISC will not be payable in respect to concessional contributions on or after 1 July 2017.

# INSURANCE COVER

Queensland Country Credit Union Limited offers optional insurance cover to all eligible Queensland Country Super RSA holders as an integral feature of the Super RSA.

The type of cover provided depends upon your age and the number of hours that you usually work each week in your normal occupation.

If however, you do not require insurance cover, you can indicate accordingly on the specific provision on the Super RSA Application form.

## Important Notice

**This insurance does not form part of your Super RSA investment. The primary purpose of this insurance cover is to provide a benefit in the event of your death or total and permanent disablement. If you terminate your Super RSA at any time, insurance cover will cease and any premiums paid will not be returned.**

**Queensland Country Credit Union Limited cannot advise you whether or not you should obtain the life insurance cover associated with your Super RSA. We recommend that you seek expert financial advice before making a decision on whether to acquire this insurance product.**

## QUEENSLAND COUNTRY SUPER RSA LIFE COVER

When you open a Queensland Country Super RSA, you are provided with the choice of including life insurance cover in the form of Death Cover only, or Death and Total and Permanent Disablement (TPD) Cover, with your Queensland Country Super RSA. Life insurance cover can assist in providing financial protection for your family in the event of your death or total and permanent disablement prior to turning age 64.

Your Super RSA life cover provides an agreed lump sum on your death or total and permanent disablement. In the event of a claim, the proceeds of this insurance cover would be paid into your Super RSA.

The life insurance cover is provided by TAL Life Limited (TAL) ABN 70 050 109 450 under a group insurance policy issued to Financial Synergy Pty Limited as administrators for the Super RSA.

## PREMIUMS FOR THE INSURANCE COVER

Premiums are deducted from your Super RSA monthly in arrears and, if applicable, on the date of your ceasing to be a Member and remitted to Financial Synergy Pty Limited, who in turn, remits the payment to TAL.

Premiums are based on 'unit of cover'. The premium for each unit of death and total and permanent disablement cover is \$1.53 per week and \$0.92 per week for a unit of death cover. You may apply for one or two units of cover.

Premium rates are not guaranteed and you will be notified of any change in premium rates three months in advance of the change. A Member will be required to complete a TAL Personal Statement as part of the application for insurance cover.

## COMMENCEMENT OF COVER

Your cover will commence on the date TAL gives written notice of their acceptance of the cover you applied for provided there are sufficient funds in your account to cover the premium due.

If there are insufficient funds in your Super RSA to meet the premium, we will write to you and give you the opportunity to make further contributions to cover the premiums. If you do not make payment within 30 days of the premium becoming due, your insurance cover shall not commence.

## CESSATION OF COVER

If you are an insured person, all cover shall cease on the earlier of:

- a) the date the policy is terminated;
- b) 60 days from the date you cease to be a Member of the Super RSA;
- c) the date a payment of the total sum insured is made in respect to you;
- d) the date you first do not satisfy the definition and eligibility criteria of an insured person;
- e) the date of acceptance of advice your cover is to cease;
- f) the expiry of an agreed period of cover during unpaid leave;

- g) the date you reach the benefit cessation age for the benefit concerned;
- h) 30 days after we have written to you to make contributions to cover premiums because there are insufficient funds in your Super RSA to meet the premium due; or
- i) 90 days after the last day of the month during which your account balance did not meet the minimum balance required as specified by the trustee unless the trustee waived the minimum balance condition.

Cessation of cover for an insured person shall not prejudice any entitlement to make a claim in relation to an event that happened before the date cover ceased.

### **INSURANCE COVER PROVIDED**

The amount of your cover at any time depends upon your age at your next birthday and the number of units of cover you have. The adjacent table sets out the amount of insurance cover provided at each age for one unit.

The amount of cover provided for each unit of cover may be varied by the TAL. Three months notice of any such change will be provided to you.

### **INTERIM ACCIDENT COVER**

While TAL is assessing your application for cover, you may be entitled to a benefit based on the type of cover you apply for (death and/or TPD) for an amount equal to the lesser of:

- a) the amount of cover you applied for; and
- b) \$750,000.

Interim Accident Cover will commence from the date TAL receives your fully completed TAL Personal Statement and will cease on the earliest of:

- a) the date the personal statement is withdrawn;
  - b) the date cover is accepted (conditionally or unconditionally) or declined by TAL; and
- 90 days has passed from the date TAL received your fully completed TAL Personal Statement.

<b>Age*</b>	<b>Death and Total Permanent Disablement</b>
16 – 35	45,000
36	35,000
37	32,000
38	29,000
39	26,000
40	23,000
41	21,000
42	19,000
43	17,000
44	15,000
45	13,500
46	12,000
47	10,500
48	9,500
49	8,500
50	7,500
51	6,750
52	6,000
53	5,250
54	4,500
55	4,000
56	3,500
57	3,000
58	2,500
59	2,250
60	2,000
61	1,750
62	1,500
63	1,300
64 & 65	1,100

### **COVER WHILST UNEMPLOYED**

Where an insured person is unemployed for a continuous period of more than six months, Total and Permanent Disablement cover shall be provided under the 'Activities of Daily Living' definition.

Where an insured person is unemployed and subject to the Activities of Daily Living definition and returns to work, cover shall revert to the Standard Total and Permanent Disablement definition after 30 continuous days of active gainful employment of more than 15 hours per week.

### **WORLDWIDE COVER**

Cover may be provided by TAL anywhere in the world, 24 hours per day.

If you are a permanent Australian resident, you will be covered while outside Australia for up to three years without TAL's prior written approval if you are travelling to a country approved by TAL (UK, USA, Canada, New Zealand, Singapore, Japan, Germany, France, and other countries as approved by TAL from time to time). Otherwise, their prior written approval will be required.

If an insured person suffers total and permanent disablement whilst temporarily residing or travelling outside Australia, TAL may require the insured person to return to Australia, at his or her own expense, for assessment of the claim.

### **DEATH BENEFIT**

The death benefit for an insured person shall be reduced by the amount of payment of any terminal illness benefit or total and permanent disablement benefit under this policy.

### **TERMINAL ILLNESS BENEFIT**

Where an insured person is diagnosed as terminally ill, and death is likely to occur within 12 months from the date of diagnosis, the death benefit may be paid prior to the date of death.

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

A terminal illness benefit limit of \$2,000,000 applies with any balance payable on death. Should the terminal illness benefit equal the death benefit, cover for the insured person ceases.

## **DEFINITION OF TOTAL AND PERMANENT DISABLEMENT**

Total and Permanent Disablement (TPD) means one of the following definitions as specified below:

### **(a) Standard**

TPD means that TAL is satisfied that, the insured person:

- i. has suffered total and irrecoverable loss of the:
  - Use of two limbs (where 'limb' is defined as the whole hand below the wrist or whole foot below the ankle) or;
  - Sight of both eyes or;
  - Sight of one eye and the loss of the use of one whole hand, or whole foot; or
- ii. Has been absent from employment due to illness or injury for a continuous period of six months and in TAL's opinion is so disabled that he or she will never be able to perform his or her own occupation or any other occupation for which the insured person is reasonably suited by education, training or experience.

### **(b) Activities of Daily Living**

TPD means that TAL is satisfied that the insured person has become so disabled by bodily injury or illness that he or she 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.

### (c) Home Duties

Where an insured person is wholly engaged in full-time unpaid domestic duties in their own residence, the definition of TPD shall be as follows:

TPD means as a result of injury or illness the insured person is under the care of a medical practitioner and has been:

- unable to perform their normal domestic duties; and
- is unable to leave home unaided; and
- is not engaged in any gainful employment for a continuous period of six months, and at the end of which, after consideration of the relevant evidence, TAL determines that the insured person is disabled so as to never be likely to again be able to perform normal domestic duties, nor any other occupation.

The definition that shall be applied for an insured person to qualify for a TPD benefit shall be determined by their employment status at the date they cease employment or the first date that they are disabled with the illness or injury that is the cause of the TPD, as follows:

- Employed and working 15 hours or more per week or unemployed and subsequently return to work after 30 continuous days of active gainful employment of 15 hours or more per week the Standard definition shall apply;
- Employed and working less than 15 hours per week or unemployed for a continuous period of more than six months the Activities of Daily Living definition shall apply;
- Undertaking full time duties as a home maker the Home Duties definition shall apply.

Hours per week are based on the employment conditions of the insured person being such that they are “continuously employed”<sup>1</sup> on a basis whereby they would work an average of at least 15 hours per week in every consecutive 13 week period in a full year of employment.

<sup>1</sup> Means employment terms where the contract of employment is for employment on an ongoing basis or for a contracted period of at least 12 months.

### EXCLUSIONS ON INSURANCE COVER

No benefit shall be payable where the direct or indirect cause of the claim is:

- a) Suicide occurring in the first 13 months after the date that the cover commences;
- b) Any deliberately self-inflicted injury which occurs at any time; and
- c) Any such exclusions as TAL may apply to an individual insured person as a condition of acceptance of cover.

### CLAIMS

TAL must receive written notice within 30 days of an event that is likely to give rise to a claim. If it is not possible to provide notice within this time, notice must be provided as soon as reasonably possible.

Once notified of a claim, TAL will provide you with claim forms. The claim forms must be fully completed and returned to the administrator's together with such other information and documentation that we may require in order for TAL to consider the claim including, but not limited to, all relevant health certificates, medical practitioners' reports, employer reports and related evidence of the claim.

### PROOF OF CLAIM

TAL will only consider a claim for an insured person if they are provided with fully completed claim forms together with all related evidence of the claim.

TAL reserve the right to request the insured person's books and records for the purpose of their inspection in relation to the claim.

TAL will not be responsible for any expenses incurred in providing the information and evidence required to make a claim.

## APPLICATIONS FOR COVER

Insurance cover is available to new and existing Queensland Country Super RSA holders and is subject to application. Applications for insurance cover will be assessed on the basis of the personal information provided. This personal information may include information about your health.

Persons not wishing to have insurance cover must complete the appropriate part of the Insurance Details section of the Super RSA Application.

## YOUR DUTY OF DISCLOSURE

Queensland Country Credit Union Limited has a duty to disclose to TAL. Every matter that it knows, or could reasonably be expected to know, is relevant to TAL's decision whether to accept the risk of insurance and, if so, on what terms. You have a corresponding duty to disclose such matters to TAL. However, you do not have to disclose a matter:

- That diminishes the risk to be undertaken by TAL;
- That is of common knowledge;
- That TAL knows or, in the ordinary course of its business, ought to know; and
- Of which disclosure is waived by TAL.

The duty of disclosure applies even after an application for insurance is completed until TAL advises acceptance of insurance. If you fail to comply with the duty of disclosure and TAL would not have entered into the contract on any terms had the failure not occurred, TAL may void cover included in your Super RSA within three years of providing it.

If your non-disclosure is fraudulent, TAL may void your cover from inception at any time. If TAL is entitled to void your cover it may, within three years of providing it, elect not to void it, but to reduce the amount of cover that you have been insured for.

# KEEPING YOU INFORMED

To help you keep track of your retirement savings you will receive a detailed annual statement of your Queensland Country Super RSA as at 30 June. Please keep us informed of any change of address or contact details. You may also check your balance with the Queensland Country Credit Union at any time; this balance however, does not include interest accrued to the date of the request and, may not contain information on recent contributions or any other recent changes that are subject to confirmation. Details of other information are available to you upon request.

The information contained in this document is up to date at 1 April 2016.

# FURTHER INFORMATION

The PDS was approved for issue on 1 April 2016. The information contained in this document is up to date at the time of issue to Members. This PDS is not required to be lodged with ASIC and ASIC is not responsible for any of its content.

For other information on your Queensland Country Credit Union Limited Super RSA, please contact your nearest Queensland Country Credit Union branch.

## HOW TO CONTACT US

If you have any questions or need more information please contact us:

Branch Visit our website for a listing of all our branches.

Post PO Box 679, Aitkenvale Qld 4814

Phone 1800 075 078

Website [www.qccu.com.au](http://www.qccu.com.au)

Email [info@qccu.com.au](mailto:info@qccu.com.au)

BSB 704 640



Queensland Country Credit Union

## CONDITIONS OF USE

### Read with

This document is part of the Product Disclosure Statement (PDS) for the Super Retirement Savings Account issued by Queensland Country Credit Union Limited and must be read in conjunction with the: Super RSA Interest Rates Schedule and the Super RSA Application Form.

Together these documents comprise the Product Disclosure Statement for the Queensland Country Super Retirement Savings Account.

**The information in this document does not take into account your objectives, financial situation or needs. Before acting on this information you should consider whether it is right for you and seek your own advice.**

Financial Synergy Pty Limited ABN 27 005 484 391

TAL Life Limited (TAL) ABN 70 050 109 450

Queensland Country Credit Union Limited ABN 77 087 651 027

AFSL/Australian Credit Licence 244 533

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