



Account–Based Pension Plan

The Energy Industries Account–Based Pension Plan is designed for Scheme members who wish to invest all or part of their Energy Industries Superannuation Scheme benefit or other superannuation monies (if eligible under tax and superannuation laws) to produce a tax-effective income stream.

Advantages

- No entry or exit fees
- No contribution fees
- No withdrawal fees
- No switching fees
- Competitive ongoing management fee
- Selection of investment options
- Investment earnings are tax-free
- Flexible income levels
- The option for pension payments to be received monthly, quarterly, half yearly or annually
- The balance of the Account–Based Pension may be commuted or paid out as a lump sum at any time*
- Quarterly member account statements are issued to you.

* A category of members ie those under the transition to retirement provisions, may need to satisfy a condition of release before accessing any preserved component of their balance.

Who is eligible to join?

Members and eligible spouses of the Energy Industries Superannuation Scheme are able to establish an Account–Based Pension account if they:

- Have unrestricted non-preserved superannuation monies (usually due to having reached preservation age* and stopped work)
- Have attained preservation age and eligible to take advantage of 'Transition to Retirement' provisions (see section later)
- Have ceased employment and are aged 60 or over
- Have attained age 65 or
- Are totally and permanently incapacitated (at any age).

* The preservation age is 55 for persons born before 1 July 1960 and increases in yearly steps to become 60 for those born after 30 June 1964.

Contributions and withdrawals

- The minimum initial investment is \$25,000
- Any additional investments after the initial contribution will require a separate pension account to be established
- The minimum withdrawal amount (commutation) is \$2,000 or the remaining balance of your account, if the balance is less than \$2,000 after the withdrawal.

Account value

The value of the account is expressed in terms of units. The number of units purchased depends on the unit price and the amount invested. Each investment option within the Account–Based Pension Plan will have a different unit price, as the price reflects the underlying assets after tax, fees and expenses.



Investment options

The Account-Based Pension Plan offers a choice of five investment options that can be used individually or in combination to create an individual investment portfolio to best suit your needs.

The options are:

- High Growth
- Diversified
- Balanced
- Capital Guarded
- Cash Plus.

Through the use of the “manager of managers” approach, the Plan has a number of different fund managers managing portions of the money. This approach reduces the risk as the effect of any negative returns obtained by one fund manager may be offset by the positive returns of the other fund managers, therefore providing stronger investment performance with reduced investment risk.

This of course does not guarantee that your account balance will never reduce due to poor investment returns. Your investments may rise or fall over short-term periods.

Transition to retirement

Upon reaching your preservation age, you are able to access your super through a ‘non-commutable’ income stream. Broadly speaking, this means you won’t be able to cash it out as a lump sum, except in limited circumstances. This ‘transition to retirement’ measure is available through the Account-Based Pension Plan.

Taxation*

No tax is payable on amounts which are rolled over to commence an Account-Based Pension, except where that amount includes an untaxed element. This untaxed element is subject to tax at a rate of 15% upon receipt.

Pension payments are tax free if you are aged 60 and over. They are taxed on a Pay-As-You-Go (PAYG) basis if you are under age 60. Part of the pension payments may be tax free and you may also be eligible for a 15% tax rebate on part or all of the payments. In either case, no tax is payable on investment earnings.

Lump sum withdrawals (commutations) from the Account-Based Pension Plan may be subject to tax for those under age 60. The rates depend on your age (under or over preservation age), the amount and the taxation components of the amount withdrawn.

The Trustee is required by law to pay the taxes referred to above and it deducts these amounts from each pension payment or amount withdrawn.

* This tax information is based on laws that were current at 1 July 2008.

Need further information?

If you would like further information or the address of your local branch, please visit our website at www.eisuper.com.au or contact Member Services on 1300 369 901 between 9am and 5pm on any business day.

Please note that the information contained in this document is of a general nature only and is not for personal advice and has not taken into account your personal objectives, financial situation or needs. Any advice in this document is provided by FuturePlus Financial Services Pty Ltd (ABN 90 080 972 630) as an Australian Financial Services Licensee (AFSL 238445) on behalf of the Trustee of the Energy Industries Superannuation Scheme, Energy Industries Superannuation Scheme Pty Ltd (ABN 72 077 947 285). Energy Industries Superannuation Scheme Pty Ltd is an APRA Registrable Superannuation Entity Licensee (ABN Pool A - 22 277 243 559 and ABN Pool B - 64 322 090 181).

Members should not rely solely on this information and should consider their own personal objectives, financial situation and needs before acting on this information. Prior to making any decision you should obtain and consider the relevant Product Disclosure Statement (PDS) pertaining to your Scheme membership.

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