

Virgin Super

Give more power to your super, starting here.

This Product Disclosure Statement consists of:

Part 1 – SUPER MEMBERS GUIDE
(this document)

Part 2 – INSURANCE GUIDE

Product Disclosure Statement

Date: 01 June 2010

Issued by the Trustee,
Trust Company Superannuation Services Limited
ABN 49 006 421 638 AFSL 235153 as trustee for Virgin
Super ABN 88 436 608 094



A few words from Richard Branson

Of all the things I've seen that needed a damn good shake up (and, believe me, I've seen a few), Australia's super industry has to take the cake. That's mainly because, up until a few years ago, it was very much a case of "you can have whatever colour you like as long as it's black!"

Now, for most Australians, you can actually choose where your retirement money is invested which is one of the reasons why we decided to enter the super market back in 2005 and give it the full Virgin treatment. It may not be the sexiest market that Virgin has ever got into, but it may well be the most important, not least because it affects the lives of most Australians.

We've decided to say a big fat NO to complexity and unnecessary fees that eat away at your savings. And no surprise that we're saying YES to keeping it all really straightforward, with low fees to give your super the best possible chance to grow. And with Virgin Super, it's fast and easy to join. You'll find all the details in this PDS.

See how we're helping to make
your super work harder for you.



“We’ve decided to say a big fat **NO** to complexity and unnecessary fees that eat away at your savings”

You'll find all the details in this PDS.

Richard Branson

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What's it all about?

This Product Disclosure Statement (PDS) describes Virgin Super's important features.

If you are an individual it will help you decide whether Virgin Super meets your needs and compare us with other products you may be considering.


If you are an employer it will also help you decide whether you wish to participate in Virgin Super for the purpose of meeting contribution obligations to employees.

This PDS is of a general nature only. You should simply use this PDS to consider Virgin Super's suitability in view of your investment objectives, financial situation or needs – an independent adviser may also help you do this.

The info in this PDS may sometimes change. Check out **Updated info** on page 44 for more details.

As with all investment products, the value of your investment may rise and fall, so we cannot guarantee the performance of Virgin Super or its investment options, the repayment of capital or any particular rate of return. If you leave Virgin Super, you may get back less than the amount of contributions paid into Virgin Super because of the level of investment returns earned and fees and costs.

All parties named in this PDS consented to being named in the way in which they have been named before the PDS was printed. Statements in the PDS attributable to any third parties have also been consented to.

 **Jargon** Buster on pages 45-46 will help you understand the terms used in this PDS.

“For more info about Virgin Super, check out our website – virginmoney.com.au or contact our Customer Care Team on **1300 652 770”**
between 8am to 6pm ESTD weekdays (apart from public holidays).

Who's who?

Virgin Super

Virgin Money has brought together strong partners to provide you with Virgin Super – an attractive and competitive super product.

Virgin Money's partners offer:

- Market leadership and industry innovation
- Integrity, experience and expertise.

The product, Virgin Super is a regulated and complying super fund. It operates under the Virgin Super Trust Deed.

Virgin Money (Promoter)

Virgin Money Financial Services Pty Ltd ABN 51 113 285 395 AFSL 286869

PO Box R1801, Royal Exchange 1225

Virgin Money, the Promoter, is a financial services company that is dedicated to making everyone better off – customers, society, staff, partners and shareholders. It's connected with one of the most well known brands in the world – the Virgin Group. The Virgin Group has successful enterprises in over 29 countries, spanning industries as diverse as finance, travel, telco's and entertainment.

Virgin Money aim to give customers a better deal and offer a range of great value financial products that are easy to understand and sort out. In today's busy world our customers tell us it's why they choose to deal with Virgin rather than anyone else.

What does Virgin Money do?

As the Promoter, Virgin Money will provide general advice and arrange for customers to acquire products issued by Virgin Super's Trustee, both directly (including online at Virgin Money's website – virginmoney.com.au and indirectly, through its agents. Virgin Money provides these services under its own Australian Financial Services Licence (AFSL) and not as the Trustee's representative. The Trustee doesn't accept responsibility for any information provided on Virgin Money's website or the advice and arranging services provided by Virgin Money under its own AFSL.

Virgin Money and its related entities don't guarantee the capital invested by members, the performance of the specific investments available or Virgin Super generally.

Trustee

Trust Company Superannuation Services Limited ABN 49 006 421 638 AFSL 235153

PO Box 361 Collins St West VIC 3007

The Trustee is the trustee of Virgin Super and the issuer of this PDS. The Trustee is one of Australia's largest specialist trustees.

The Trustee reserves the right to amend Virgin Super's terms and conditions in accordance with the provisions of the Trust Deed and Australian law.

Neither the Trustee nor any of its related entities guarantee the capital invested by members, the performance of the specific investments available or Virgin Super generally.

Administrator

Pillar Administration ABN 80 976 223 967 AFSL 245591

PO Box 1489, Wollongong NSW 2500

Pillar has been providing superannuation administration solutions for almost 100 years. Today, they manage over 1.8 million member accounts and have the knowledge, experience and systems needed to efficiently administer all superannuation related products. The Administrator provides administration services for Virgin Super, which includes the provision of our Customer Care Team.

Fund Manager

Macquarie Investment Management Limited ABN 66 002 867 003

The Trustee invests benefits and contributions to Virgin Super in underlying funds managed by Macquarie Investment Management Limited which operates out of the Macquarie Funds Group. Macquarie Funds Group, part of the Macquarie Group, is a full service fund manager with over 30 years experience. It offers a diverse range of products including managed funds across a wide range of asset classes, funds-based structured products, hedge funds and fund of funds. The Macquarie Group is a global provider of banking, financial, advisory, investment and funds management services.

The Trustee has unfettered discretion to determine which fund manager(s) and investment products are used in Virgin Super's investment options. The Manager of the underlying funds may change without prior notification to members.

Custodian

BNP Paribas Fund Services Australasia Pty Ltd ABN 71 002 655 674

The Custodian safeguards and maintains the assets on behalf of the Trustee. The Custodian is a leading provider of value-add custodial services.

BNP consents to be named as custodian in this PDS on the basis that it has not independently verified the information contained in this PDS, has not been involved in the preparation of this PDS, nor has it caused or otherwise authorised the issue of this PDS. Neither BNP nor its employees or officers, accept any responsibility or liability arising in any way for errors or omissions in this PDS. BNP does not guarantee the success or the performance of investments of Virgin Super or any particular rate of capital or income return on those investments.

Insurer

ING Life Limited ABN 33 009 657 176 AFSL 238341

The Insurer is one of Australia's leading life insurers. The Insurer provides access to insurance benefits to Virgin Super's members.

Super benefits

Really low fees

- Low Management costs (a \$1 a week member fee and a 1% p.a. fee based on your account balance, the percentage rate of which reduces as your account balance grows).
- No establishment fee.
- No withdrawal or termination fees.
- No switching fees.
- No commission to agents or advisers.

For a full description of fees and other costs, check out pages 27 - 32.

Straightforward investment options

We take the complexity and confusion out of investing by offering two straightforward options:

- LifeStage Tracker® – leave the tricky stuff to us or
- Select Your Own – take more control of how you want your super invested.

Plus you get the advantages of indexed managed investing.

Check out pages 9 - 20.

Easy Rollovers

We make finding and rolling all your money into Virgin Super, super easy.

Check out pages 21 - 24.

Great value insurance options

Simple access to great value insurance.

Check out page 25.

Brilliant customer care

Whenever you need help, just call our Customer Care Team on 1300 652 770 between 8am to 6pm ESTD, weekdays (apart from public holidays) or check out our website – virginmoney.com.au.

Joining Virgin Super

There are two ways you can join and become a member of Virgin Super:

1. Your employer joins us

If your employer chooses Virgin Super as their default super fund, they will nominate you as a member. Once we've received and accepted your employer's nomination, or your completed Employee Membership Form, you'll become a member of Virgin Super.

2. You join as an individual

You may be able to choose which super fund you want the 9% super guarantee contribution payable by your employer to go to or you may wish to establish your own personal superannuation arrangements. If you choose Virgin Super you can join online or complete a Personal Membership Form and return it to us.

Only persons based in Australia can become members. If for some reason we can't set you up as a member straight away, any money that is received from you or your employer at the time of your application will be held on trust in a cash account until membership commences or the money is refunded or dealt with as permitted by law (with interest on the account used to benefit members).

What to do first.....

If your employer nominates you for membership, you should make sure you read and understand this PDS because it provides important information about Virgin Super and the investment and insurance options available to you. We know there's a lot to get through, so we've tried to make it easy for you to understand. And by completing the Employee Membership Form you can exercise your investment or insurance options.

If you'd like to join Virgin Super as an individual, you should make sure you read and understand this PDS before you sign up because it provides important information about Virgin Super. We know there's a lot to get through, so we've tried to make it easy for you to understand. If you like what you read, simply complete our online application form or fill out the Personal Membership Form that accompanies this PDS, sign it and return it to us.

Once you're in!

Unlike some super funds who treat their members like numbers, we want you to be informed and excited about your super.

So as well as receiving great service from our Customer Care Team, we'll contact you regularly with easy to read information:

- To start with you'll receive a welcome letter and online password.
- We'll send you a statement every six months to show you how your super is doing.

- We'll also update you with:
 - Periodic newsletters (including investment snapshots);
 - Quarterly Reports (to keep you updated as to the market and Virgin Super's performance); and
 - Virgin Super's Annual Report (this will be posted on our website but if you prefer to receive this by post just call our Customer Care Team on 1300 652 770 and we'll send it to you).

Don't forget you can check out your super and make changes to your investment options online at our website – virginmoney.com.au.

Find it all online

Check up on your super at virginmoney.com.au.

You can:

- Check your investment and account balance;
- Access your account details;
- Update your contact details;
- View your contributions;
- Switch investment options;
- Download brochures and forms; and
- Access online Statements and Reports.



“Online access to your super – so simple, so useful, so Virgin!”

If you're not an online type of person, you can call our Customer Care Team on 1300 652 770 8am – 6pm ESTD, weekdays.

The important bits

Straightforward investing

Questions answered in this section:

- What do I need to know about investment and performance?
- What are my investment options?
- Risk and return – what is it and why is it important?
- Virgin Super’s performance
- What else do I need to know before I invest?

Virgin Super makes investing in super as easy as possible.

What do I need to know about investment and performance?

Our aim is simple:

- Keep fees low.
- Deliver competitive long-term performance.

How do we do this?

- Using an investment approach that is easy to understand, proven and reliable.
- Investing in funds that are managed by experts.
- It’s up to the Trustee which experts it uses.

We use a straightforward investment approach called ‘indexing’.

An index fund manager does not try to pick ‘winning’ stocks in an attempt to outperform the market like actively managed funds. Instead, they create an investment portfolio that includes all or a representative sample of the securities within a market index. So, if the market goes up or down, the value of the return of an index fund should go up or down in the same proportion.

We think this is a smarter way of managing your super, because:

- You get competitive long-term performance without complexity.
- You don’t have to worry about trying to guess whether one fund manager is going to perform better than another.
- Index fund managers keep their costs lower, and that means we keep your fees low.
- Indexing is also tax efficient and is one of the most effective ways of spreading your investment risk.

Check out Virgin Super’s past performance on page 18, or on our website – virginmoney.com.au (remember that past performance is not an indication of Virgin Super’s future performance).

What are my investment options?

Virgin Super offers you 2 investment options to choose from. (You just pick which one you'd prefer). These options allow you to choose strategies reflecting different investment styles or asset classes. It's up to the Trustee to decide which fund manager(s) or investment products are used to implement these investment options.

1. LifeStage Tracker®

Leave the hard work to us and invest in one of our pre-mixed investment mixes, which automatically change as you get older. You also need to choose between 2 LifeStage Tracker® investment strategies – Aggressive or Balanced.

OR

2. Select Your Own

Create your own investment mix from four asset classes:

- a) Australian shares;
- b) International shares;
- c) Property; and
- d) Cash/Fixed Interest.

When your employer joins you up to Virgin Super, your super will be invested in our default option (LifeStage Tracker® – Balanced) unless you tell us you'd like to change investment options.

If you are signing up to Virgin Super as an individual, then you must choose your investment option when you complete your application.

1. LifeStage Tracker®...

How does the LifeStage Tracker® work?

As you get older, LifeStage Tracker® automatically reduces your investment risk by changing your investment mix from growth assets (shares and property) to defensive assets (cash and fixed interest).

- Generally, younger people have a longer investment timeframe and can therefore invest more in growth assets in order to maximise returns. If young people suffer a short-term loss they have the time to recover this later.
- People approaching retirement may be less tolerant to risk as they have a greater amount of retirement saving and less time to recover short term losses. So it may make sense to have a greater proportion of money invested in defensive assets.

By changing your investment mix automatically, LifeStage Tracker® aims to give your super greater stability as you get closer to retirement.

LifeStage Tracker® – are you Aggressive or Balanced?

Different people have different attitudes to investment return and risk, so you have 2 options:

- A **LifeStage Tracker® – Aggressive.** This is aimed at people who don't mind taking on a bit more risk for the potential of higher returns;

OR

- B **LifeStage Tracker® – Balanced.** This is aimed at people who want mid to long-term growth of their super while maintaining risk at a moderate level.

Which choice you make really depends on the level of investment risk and return you're comfortable with. For more info about risk, check out page 16. If you don't make a choice, your super will be automatically invested in LifeStage Tracker® – Balanced.

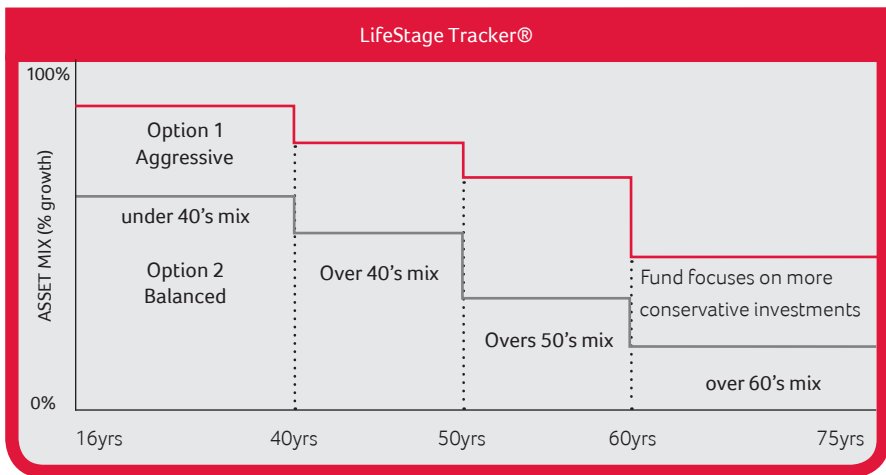
The table below shows how assets are allocated in LifeStage Tracker® (depending on your age). The asset allocations represent the investment strategy utilised to achieve the objectives of the LifeStage Tracker® options. These are indicative allocations only – from time to time there may be some variation depending on the experience of the underlying funds, investment market fluctuations or asset allocation decisions.

	Aggressive		Balanced	
Under 40's mix	100% Growth Assets		85% Growth Assets	
	65% Australian Shares 35% International Shares		47% Australian Shares 32% International Shares 6% Listed Property	15% Cash/Fixed Interest
40's mix	85% Growth Assets		70% Growth Assets	
	47% Australian Shares 32% International Shares 6% Listed Property	15% Cash/Fixed Interest	38% Australian Shares 24% International Shares 8% Listed Property	30% Cash/Fixed Interest
50's mix	70% Growth Assets		50% Growth Assets	
	38% Australian Shares 24% International Shares 8% Listed Property	30% Cash/Fixed Interest	25% Australian Shares 15% International Shares 10% Listed Property	50% Cash/Fixed Interest
Over 60's mix	50% Growth Assets		20% Growth Assets	
	25% Australian Shares 15% International Shares 10% Listed Property	50% Cash/Fixed Interest	10% Australian Shares 5% International Shares 5% Listed Property	80% Cash/Fixed Interest

More info on automatic changes to LifeStage Tracker® asset allocations

As you get older and move from one of our LifeStages to another i.e. when you turn 40, 50 or 60 years old, we'll automatically adjust your super investment mix. We do this when you reach the applicable ages (on your 40th, 50th and 60th birthdays).

Remember: Your individual circumstances can change over time, so you may need to re-evaluate your investment objectives and consider whether LifeStage Tracker® is appropriate to your needs. If you're unsure about your choice of investment options or you want advice that takes into account your personal circumstances, you should seek independent financial advice from an appropriately qualified professional.



AGE OF MEMBER

You choose a LifeStage Tracker® Option – Aggressive or Balanced – and we'll automatically adjust the asset allocation mix according to your age.

More info on how your super is invested using LifeStage Tracker®

By looking at the investment characteristics below, you can decide whether the Aggressive or Balanced option suits you best.

Investment Characteristics

LifeStage Tracker® – Aggressive	Under 40's mix	40's mix	50's mix	Over 60's mix
Objective: To achieve returns (after tax and fees) that exceed movements in the Consumer Price Index (CPI) by:	At least 4% p.a. over rolling 7-year periods	At least 3.5% p.a. over rolling 5-year periods	At least 3% p.a. over rolling 5-year periods	At least 2% p.a. over rolling 3-year periods
Potential for negative annual return	Once every 4 years	Once every 4 years	Once every 4.5 years	Once every 5.5 years
Risk/Return profile	<ul style="list-style-type: none"> • High risk • High return 	<ul style="list-style-type: none"> • High risk • High return 	<ul style="list-style-type: none"> • Medium to high risk • Medium to high return 	<ul style="list-style-type: none"> • Medium risk • Medium return
Investment timeframe	At least 7 years	At least 7 years	At least 5 years	At least 4 years

The objectives shown above are not a promise or guarantee of any particular rate of return or benefit. Instead, the objectives are used by the Trustee to monitor the performance of Virgin Super's investments.

LifeStage Tracker® – Balanced	Under 40's mix	40's mix	50's mix	Over 60's mix
Objective: To achieve returns (after tax and fees) that exceed movements in the Consumer Price Index (CPI) by:	At least 3.5% p.a. over rolling 5-year periods	At least 3% p.a. over rolling 5-year periods	At least 2% p.a. over rolling 3-year periods	At least 1% p.a. over rolling 2-year periods
Potential for negative annual return	Once every 4 years	Once every 4.5 years	Once every 5.5 years	Once every 8 years
Risk/Return profile	<ul style="list-style-type: none"> • High risk • High return 	<ul style="list-style-type: none"> • Medium to high risk • Medium to high return 	<ul style="list-style-type: none"> • Medium risk • Medium return 	<ul style="list-style-type: none"> • Low risk • Low return
Investment timeframe	At least 7 years	At least 5 years	At least 4 years	At least 2 years






The objectives shown above are not a promise or guarantee of any particular rate of return or benefit. Instead, the objectives are used by the Trustee to monitor the performance of Virgin Super's investments.

2. Select Your Own

How does Select Your Own work?

If you want to take a more active role in your super, you can select your own investment mix from 4 major asset classes: Australian Shares, International Shares, Property and Cash/ Fixed Interest – each a “Select Your Own” option. How you wish to allocate your super really depends on the level of investment risk and return you’re comfortable with. You can choose from the more conservative Cash/Fixed Interest asset class through to the potentially riskier and higher returning Australian or International Shares. It’s up to the Trustee to decide what fund manager(s) or investment products are used to implement the choices available under this investment option.


To help you understand the 4 asset classes (and their risk/return profile in Select Your Own), we’ve included the table below. You can change your allocation between the 4 asset classes as often as you like.

Asset Class	What is it?	What’s the Risk/Return?
Australian Shares 	Investments in Australian companies, usually listed on the Australian Stock Exchange (ASX).	The potential return is high, but the risk is greater.
International Shares 	Investments in overseas companies.	Similar to Australian shares, generally the expected return is high over the long-term but the risk is greater.
Property 	An investment in property or buildings, via property trusts.	Moderate to high risk investment, due to reliance on economic factors, location and quality, with a corresponding level of moderate to high returns.
Cash / Fixed Interest  	Cash deposits in a bank, short-term loan securities and other similar investments. Fixed interest is usually a loan to a government or business where a fixed interest rate and loan length are agreed in advance.	Cash is lowest risk with corresponding potential for lower returns. Fixed interest is a moderate risk investment, less volatile than property and shares over the short term, but also may provide a lower level of return.

More info on choosing your Select Your Own asset classes.

The table below may help you figure out which asset classes reflect your attitude to risk and return. You can invest in one or more of these asset classes.

Investment Characteristics



Investment Objectives	Australian Shares	International Shares	Property	Cash/ Fixed Interest
Objective: To achieve returns (after tax and fees) that exceed movements in the Consumer Price Index (CPI) by:	At least 3.5% p.a. over rolling 7-year periods	At least 3.5% p.a. over rolling 7-year periods	At least 2.5% p.a. over rolling 5-year periods	0% p.a. over rolling 1-year periods
Potential negative annual return	Once every 3.5 years	Once every 3.5 years	Once every 4 years	Once every 9 years
Risk/Return profile	<ul style="list-style-type: none"> • High risk • High return 	<ul style="list-style-type: none"> • High risk • High return 	<ul style="list-style-type: none"> • Medium to high risk • Medium to high return 	<ul style="list-style-type: none"> • Low risk • Low return
Investment timeframe	At least 7 years	At least 7 years	At least 5 years	1 to 2 years
Indicative asset allocation	Aus Shares 100%	Int Shares 100%	Aust List Prop 100%	Aus Fix Interest 40% Int Fix Interest 40% Aus Cash 20%
TOTAL	100%	100%	100%	100%

NOTE: These are indicative allocations only – from time to time there may be some variation depending on the experience of the underlying funds, investment market fluctuations or asset allocation decisions.

The objective shown is not a promise or guarantee of any particular rate of return or benefit. Instead, it's used by the Trustee to monitor the performance of Virgin Super's investments.

Remember: Your individual circumstances can change over-time, so you may need to re-evaluate your investment objectives and consider whether your investment is appropriate to your needs. If you're unsure about your choice of investment option(s) or if you want advice that takes into account your specific financial needs and objectives, you should seek an independent financial advice from an appropriately qualified professional.

What if I want to change my investment options?

No problem! You can switch between LifeStage Tracker® and Select Your Own any time you like (Note: you can't be in both at once).

Switching

You can change your Investment Options at any time and as often as you like.

You can either do it online or send the Investment Option Form to us (available on our website – virginmoney.com.au). It's that easy!

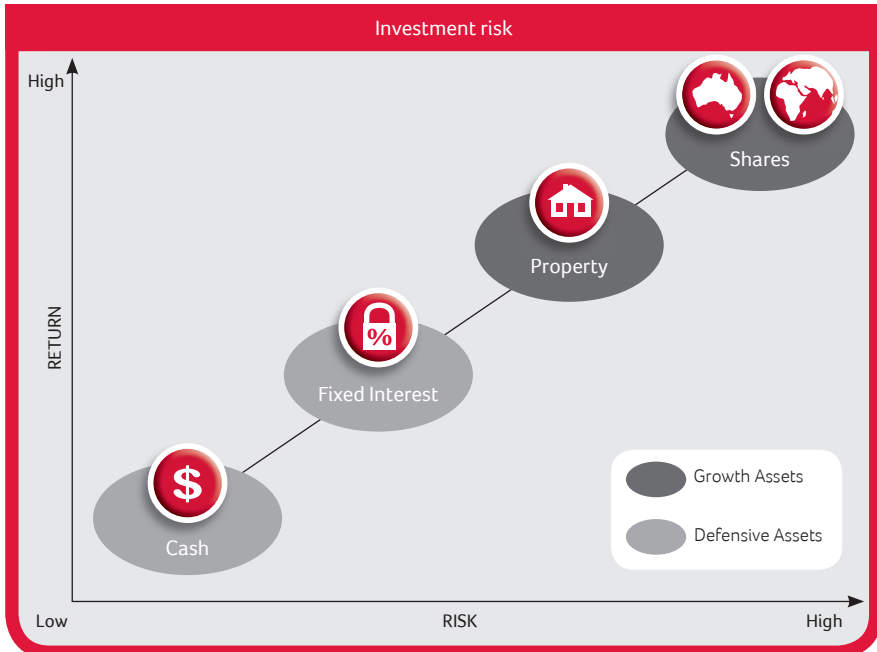
Investment Switches are actioned daily by our Admin team and normally take three business days to process (the time taken for a new unit price to be calculated).

Remember: When switching investments, you'll incur transaction costs (check out pages 30 to 31). Unlike some other funds, we won't charge you a switching fee.

Risk and return – what is it and why is it important?

All investments are subject to some degree of risk. This means that you could lose some of the money in your investment, investment returns may be volatile or investments may not meet your objectives or needs.

It goes without saying that you should consider all the risks that may affect your investment. In general, asset classes with a higher potential return also have a higher level of risk. This is shown in the table below.



The general sources of risk

1. Investment Risk

Generally, the higher the investment risk, the higher the investment earnings over the long-term. This relationship between the level of investment risk and the potential investment earnings (or return) of the investment is sometimes called the 'risk-return trade off'.

2. Market Risk

Market Risk includes universal factors, such as economic cycles, government policy, interest rates and inflation, which may cause increases and decreases in market valuations.

3. Currency Risk

This is the risk that movements in foreign currency will affect the domestic value of overseas investments (for example, international shares).

4. Liquidity Risk

Liquidity risk is the extent to which investments can be converted into cash or other liquid securities without suffering a substantial reduction in value. This risk may arise in circumstances where in order to liquidate an asset quickly, it may be necessary to sell that asset at a substantial discount and so have a negative impact on the overall performance of the Fund. Liquidity risk can change from time to time. An underlying investment may be liquid when acquired but may become illiquid at a later point in time. Where illiquidity affects underlying investments, this may result in delays in meeting benefit payment or transfer requests.

5. Legislation Risk

There's always a risk that changes in legislation (such as super and tax laws) may affect the accessibility, value or other conditions of your super. But don't worry, we'll tell you about these.

6. Fund or Operational Risk

This involves a risk that Virgin Super could terminate, the Trustee could be replaced or our fund managers could change. When you invest in a super fund, you also rely on the quality of the personnel and systems utilised to manage its investments. If key personnel leave or there is a significant failure in administrative systems, your investment may be materially affected.

The Trustee cannot eliminate all risks associated with your super. However, it manages the impact of any investment risk by carefully adhering to considered investment policies and asset allocation approaches. The investment options also allow (to varying degrees) for diversification of underlying assets or investments. Diversification can help reduce the impact of risk and unexpected short-term movements in returns. You can help manage investment risks by taking an active role in choosing a suitable investment option for your personal circumstances and employing diversification of investments relevant to your needs.

Naturally, we plan to keep Fund Risk to a minimum. The Trustee also has a risk management plan to help manage investment and other risks.

The above section provides a general outline of the risks that may potentially impact your investment in Virgin Super. However, it's not an exhaustive list. You should seek your own professional advice about risks relevant to your investment, your current financial situation and retirement goals, because everyone is different.

Virgin Super's performance.

When checking out performance, try not to get too concerned about the short term. Like all good relationships, super grows bigger and better the longer you nurture it – it's definitely no quick fling or one night stand!

The performance report below summarises how Virgin Super's investments have gone over the period to 31 March 2010.

LIFESTAGE TRACKER® – AGGRESSIVE (GROWTH ASSETS)

Your Lifestage	Asset Mix	12mth return	Inception
Under 40's mix	100%	33.16%	4.29%
40's mix	85%	25.88%	3.79%
50's mix	70%	20.58%	3.96%
Over 60's mix	50%	14.94%	4.33%

LIFESTAGE TRACKER® – BALANCED (DEFENSIVE ASSETS)

Your LifeStage	Asset Mix	12mth return	Inception
Under 40's mix	85%	25.88%	3.79%
40's mix	70%	20.58%	3.96%
50's mix	50%	14.94%	4.33%
Over 60's mix	20%	7.27%	4.72%

SELECT YOUR OWN

Assets	Description	12mth return	Inception
Australian Shares	S&P/ASX 300 Accumulation Index	37.27%	6.93%
International Shares	MSCI World Ex Australian – hedged and unhedged	25.14%	0.14%
Property	S&P/ASX 200 Property Trust Accumulation Index	31.55%	-6.93%
Cash & Fixed Interest	UBS Australian Bank Bill Index, UBS Australian Composite Bonds Index (all maturities)	2.47%	4.88%

Inception refers to the earliest date that Virgin Super began investing into each investment portfolio. For LifeStage Tracker® options, the inception date is 4 July 2005, for Select Your Own options it was the 5th July 2005.

The returns detailed on the previous page are net of any taxes, ongoing fees and costs. For info about fees and costs, check out pages 27-32. Past performance is not necessarily an indication of Virgin Super's future performance. The value of investments may rise or fall, and repayment of your investment is not guaranteed.

Check out our website – virginmoney.com.au for the most recent performance returns.

Need help understanding performance?

There is a bit more detail around performance and the sharemarket on the Performance page of our website virginmoney.com.au.

What else do I need to know before I invest?

When will my money be invested?

- If your contribution and supporting documentation is received before 12pm (Sydney time) on a business day, it will be processed with the current unit price for that day.
- If your contribution and supporting documentation is received after 12pm (Sydney time), it will be processed with the unit price applicable on the following business day.
- Regardless of the processing date, your instructions relating to investment options will normally be processed and units allocated within 2 business days.

What are units and unit pricing?

Units are the mechanism we use to work out how much your super is worth.

Unit price =
$$\frac{\text{the total value of assets in the investment option less relevant fees, costs \& taxes}}{\text{the number of units issued in the investment option}}$$

When you invest in Virgin Super, you don't buy actual assets – instead, the Trustee allocates you units in the investment option your money goes into.

Your account balance is calculated by multiplying the number of units you have by the unit price (at any particular time). Your account balance will reflect that unit prices may fluctuate from day to day. Each investment option has a different unit price, because they grow at different rates. Unit prices may fall as well as rise.

There is a difference between the unit price we use when you put money into an investment option and the one we use when you take money out, which is the way we allow for the transaction costs of buying and selling investments. Check out Fees and other costs on pages 27-32.

Unit prices are calculated daily, based on the latest available market price at the end of each business day. The unit price is normally calculated the next business day.

If the unit price can't be calculated because of an unforeseeable event (eg. illiquidity of an underlying investment) or the Trustee determines that is necessary or appropriate (for the interests of members) to delay or suspend calculation of the unit price, the unit price will be calculated as soon as reasonably possible. Virgin Super and the Trustee won't be liable to you for any loss or expense suffered or incurred by you if it's not possible to calculate a unit price or there is a delay with this. The Trustee reserves the right to take whatever action it considers appropriate for the ongoing management of the underlying investments, member account and the processing of applications, investment switches and redemptions, in response to market developments or investment conditions.

Does the Trustee invest in derivatives?

Derivatives are securities that derive their value from other security types, e.g. futures and options. The Trustee will not invest directly in derivatives, although the investment manager of the underlying funds may do so.

Are environmental, social or ethical considerations taken into account?

The Trustee doesn't take environmental, social or ethical considerations or labour standards into consideration when it's selecting, retaining or redeeming Virgin Super's investments or in choosing underlying fund managers. The underlying managers may take such considerations or standards into account, but they do so in their own right and not on the Trustee's behalf.

What if the Trustee makes changes to the investment options?

We can decide to add or close investment options from time to time. If we do, we'll notify you through supplementary documentation (or via our website – virginmoney.com.au). How and when we notify you will depend on the nature of the change. The Trustee can also decide to change the underlying fund manager or investment products used in the investment options. This may occur without prior notification to you.

Contributions and Rollovers

Questions answered in this section:

- What, who and how to make contributions?
- Why should I rollover my super?
- What are the contribution rules?

What, who and how to make contributions?

The what, who and how is described below but contributions rules also apply. These may affect Virgin Super's ability to accept contributions for you or on your behalf, as well as the tax you pay. Check out tax stuff on pages 36-38 for more info about tax.

WHAT We accept the following contributions either on a one-off or regular basis:	WHO Paid in by?	HOW Payment method
Employer contributions (one-off or regular) The mandated 9% minimum Super Guarantee (SG) that an employer must pay.	Your employer on your behalf	We accept contributions at any time by:
Personal voluntary (one-off or regular) You choose to make additional payments	From your post-tax salary or other sources (personal contributions may be deductible for self-employed or other eligible persons)	1. Direct Debit from your nominated bank account;
Salary Sacrifice An arrangement where a portion of your pre-tax salary is paid directly into Virgin Super. This can have tax advantages for some people*	Your employer, with your consent from your pre-tax salary	2. by cheque; (made payable to Virgin Super);
Spouse (one-off or regular) – Your spouse may make contributions on your behalf	Your spouse (including a de facto spouse of the same or different sex)	3. BPay®.
Rollovers and Transfers† Moving of monies from one super fund to another	Your other super fund (they need to receive an instruction from you, but we can help out so that it's easy!)	Any time by cheque
Super Guarantee vouchers Credit vouchers that represent super contributions owed to you from a previous employer	Via the ATO	Any time by Government process
Co-contributions If you make personal voluntary (after tax) contributions and are eligible, the Government will match your contribution with a super co-contribution up to certain limits	Government	After you have submitted your tax return and we have reported your contributions to the ATO

* The tax advantages will depend on your personal circumstances so we recommend you obtain professional advice. From 1 July 2009, salary sacrifice contributions will count as income when assessing eligibility for Government co-contributions, spouse contribution rebates, tax deductible member contributions or welfare benefits.

† Rollovers and transfers don't count as contributions under superannuation legislation however we've shown them here to illustrate the many different ways you can grow your Virgin Super account.

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You may also be able to pay other amounts into your super, for example:

- employer termination payments payable directly by an employer (called directed termination payments when paid into super)
- certain disablement amounts on settlement of a disability claim (outside of super)
- proceeds from the sale of a small business; and
- super sourced from a foreign super fund.

The payment of employer termination payments to super funds can only be made in limited circumstances. This applies to people with entitlements on termination of employment specified in existing employment contracts as at 9 May 2006, provided that payments are made before 1 July 2012. If you're going to receive any of these amounts or considering payment of them into your super, we recommend you obtain appropriate advice.

Direct Debit payment.

Regular contributions can be made from your nominated bank account either fortnightly, monthly, quarterly, half-yearly or yearly (you can do this via regular Direct Debit payments on the 7th, 14th, 21st or 28th day of each month).

Sorry! We cannot accept payments made by cash or credit card.

Why should I rollover my super?

There are some great reasons to keep your super in one place, instead of having lots of super funds with small amounts of money in them:

- It may save you fees
- It reduces the risk of you becoming a lost member; and
- You can keep track of it all!

If you've got super in loads of places, let us help you consolidate your investments.

Check with your other super fund what fees you'll incur, benefits you may lose (for example, insurance) or other consequences of moving your old super to Virgin Super (we can't advise you about this). If your rollover comes from an untaxed source (for example, some public sector schemes) you may incur tax (deductible from the rollover amount).

Simply complete the Rollover Form (available on our website – virginmoney.com.au) and we'll do the rest. It's that easy!

Where is my other Super? Can't remember where all of your super is? Track it down using the online Superseeker tool at ato.gov.au or call them on 13 28 65.

What are the contribution rules?

There are a whole set of rules set out by the Government relating to the acceptance of contributions by super funds – really they just say who can and can't make a contribution.

Basically we can receive contributions by or for you if you're:

- under age 65;

- aged 65 to 69 provided the contributions are mandated compulsory employer contributions or you're gainfully employed for 40 hours for more than 30 consecutive days during the financial year that the contribution is made;
- aged 70 to 74 provided the contributions are compulsory employer contributions or contributions made by you and you're gainfully employed for 40 hours for more than 30 consecutive days during the financial year that the contribution is made.

Only mandated employer contributions (for example, contributions under an award or other industrial arrangement) can be made for a person aged over 75. Contributions cannot be made for a spouse aged 70 or more.

We can't accept:

- member contributions from you if we don't hold your TFN; or
- a non-concessional contribution made for or on your behalf that exceeds your non-concessional contributions limit, based on your age on 1 July in the year in which the contribution is made (see pages 36-37 for more details).

Contributions made to Virgin Super in contravention of the contribution rules may be rejected or refunded by the Trustee. A refund of contributions after allocation to a member's account may be adjusted for any investment fluctuations, reasonable costs and insurance premiums for cover provided prior to the refund (if permitted under Virgin Super's governing rules). If a refund is not possible, the amount may be transferred to an eligible rollover fund (refer to page 39 for more information). If you would like further information about the Trustee's policy relating to refunds of contributions where a TFN is not held for a member, contact our Customer Care Team on 1300 652 770 for more information.

All employer contributions and personal contributions by eligible self-employed (or substantially self-employed) persons may be tax deductible (up to 75 years) provided the criteria for deductibility is met.

To be eligible for a tax deduction for personal contributions, less than 10% of your total income (including assessable income, reportable fringe benefits and reportable employer superannuation contributions eg. salary sacrifice contributions) must be derived from employment as an employee. A notice of a self-employed person's intention to claim a tax deduction (Deduction Notice) must be submitted to Virgin Super by the earlier of:

- the time of lodgement of your tax return, or
- the end of the financial year following the year the contribution was made.

We must acknowledge the Deduction Notice. However we can refuse to acknowledge it in certain circumstances.

For more info about the taxation treatment of contributions, including contribution limits for taxation purposes, see *Tax stuff* on pages 36-38.

Co-contributions

Take advantage of Government incentives to contribute to super – the Government Co-contribution Scheme.

You could be eligible for the Government's co-contribution scheme – just by making personal (after-tax) voluntary contributions. Other eligibility criteria apply including that you must be less than 71 years old, not hold a temporary visa (subject to some exceptions) and lodge a tax return.

If your 'total income' is \$31,920* or less and you make a personal contribution of \$1,000 or more, you may be able to receive the maximum super co-contribution (\$1,000). If your 'total income' is less than \$61,920*, you may be able to receive a smaller co-contribution. Your 'total income' includes your assessable income, reportable fringe benefits and reportable employer superannuation contributions (eg. salary sacrifice contributions).

*These thresholds apply for the 2009/2010 year and may change in future years. Go to ato.gov.au for up to date information.

You don't need to apply for the co-contribution – the ATO will work out if you're entitled to receive it using info obtained from Virgin Super, your other super funds and your personal income tax return. Check out the co-contribution calculator on the ATO's website – ato.gov.au for more details. Co-contributions go into your super account (they aren't paid to you directly except in very limited circumstances).

Salary sacrifice contributions and deductible member contributions don't count. However, self-employed persons under 71 may be eligible for the co-contribution if they make non-deductible (after-tax) personal contributions, 10% or more of their total income is from employment and/or business activities and they meet the Government's other eligibility criteria. If you'd like further info, we recommend you seek professional advice.

Transfers into Virgin Super from overseas funds (including UK transfers)

If you wish to transfer money from overseas retirement or savings funds, please note that your money will be subject to Australian super and tax legislation. The rules relating to such transfers are complex and may have significant taxation implications. If you have any questions about this, please contact our Customer Care Team or a qualified professional to discuss your options.

In certain circumstances it may take some time to arrange the transfer from an overseas fund.

Costs may be incurred when transferring from an overseas fund (for example, the overseas fund may charge exit fees or buy/sell spreads) and your overseas savings will need to be converted into Australian dollars (which may involve currency exchange related costs).

Virgin Super charges an Overseas Transfer Fee which is the lesser of 1% of the amount transferred or \$1000. For more information about costs charged by Virgin Super for transfers from overseas funds see Fees and other costs on pages 27-32.

Important “behind-the-scenes” info

Every time your employer makes a contribution for you, we're required to deduct tax from that contribution at the rate of 15%. This tax is transferred and held in a special account (the “Tax Provision Account”) until the monthly payment is made to the Australian Taxation Office. While this money is in the Tax Provision Account, it earns interest.

What does this have to do with me?

This interest will be put to good use to help pay for administration and management expenses of Virgin Super, such as system upgrades. This means we don't have to pass all of these costs onto you.

Other things you need to know

Questions answered in this section:

- What benefit am I entitled to?
- What Insurance is available?
- When can I access my benefit?
- What is portability?

What benefit am I entitled to?

Your benefit in Virgin Super is equal to the amount of any contributions or other amounts paid into Virgin Super by you or on your behalf after taking into account the investment performance applicable to your investment option and any fees or costs. If you're covered by insurance, an additional insurance benefit may also be payable to you in certain circumstances (for example, total and permanent disablement).

For info about how investment performance affects your benefits, check out unit pricing on page 19.

What Insurance is available?

For info about insurance benefits, check out the Insurance Guide (Part 2 of this PDS).

If your employer signed you up to Virgin Super, they may have established automatic insurance cover for you (the type and amount of cover will depend on what your employer has decided). Information about any special insurance arrangements established by your employer will be provided in conjunction with the Insurance Guide where applicable. If you have automatic cover, you can also apply to the Insurer for voluntary (additional) insurance cover.

If you signed up to Virgin Super as an individual, then insurance cover is only available on application to the Insurer (ING Life).

With Virgin Super you can select from a range of insurance options. You may select from Death, Total & Permanent Disablement or Temporary Disability Cover provided you meet the relevant eligibility criteria.

Any insurance cover is subject to acceptance by the Insurer in accordance with the terms and conditions of the insurance policy.

When can I access my benefit?

Your ability to access your benefits from Virgin Super is subject to the Trust Deed and super legislation. For more info about rules governing access to your benefits, check out pages 33-34.

Any partial payment of super benefits from Virgin Super must be withdrawn from the exempt (tax-free) and taxable components in proportion (see pages 21-22 for more information about these components).

Proof of Identity

As a result of Government legislation designed to counteract money laundering and terrorism financing (AML/CTF legislation), you may be required to provide proof of identity prior to being able to access your benefits in cash (lump sum or pension payments) or purchase a superannuation pension (called “customer identification and verification” requirements).

These requirements may also be applied by the Trustee from time to time in relation to the administration of your super benefits as required or considered appropriate under the AML/ CTF legislation. You will be notified of any requirements when applicable. If you do not comply with these requirements there may be consequence for you, for example, a delay in the payment of your benefits.

As a result of this legislation the Trustee has become the subject of another regulatory body (called AUSTRAC). The Trustee is required to provide yearly compliance reports to AUSTRAC and notify AUSTRAC of suspicious transactions. This may involve the provision of personal information about you to AUSTRAC.

Note: confirmation of your identity may also be required when transferring super benefits between super funds. Failure to provide necessary information may result in a delay in the transfer of benefits.

Marriage breakdown

If your marriage breaks down, your super may be able to be split under Family Law legislation. Under recent Government reforms, splitting of superannuation under the Family Law Act has been extended to the breakdown of defacto relationships (including same sex relationships). For further details, please contact your legal adviser.

What is portability?

Under the Government’s portability rules, you can transfer some or all of your benefits to an alternative super fund at any time. Since 1 July 2007, a standard form and standard proof of identity requirements apply when transferring benefits between super funds. Upon receipt of all necessary info, super funds will have a maximum of 30 days to transfer benefits except that a longer period may apply in the case of illiquid investments. We may require additional info if you request to transfer benefits to a self managed super fund.

Fees and other costs

It's a government requirement that we put the following warning in our PDS. Its purpose is to help you know what to look out for when shopping for a super fund. Our fees are pretty self-explanatory. But if you'd like more detail, head to virginmoney.com.au and explore FAQs, member links and info, or log in to your online account to see what's gone in and out at any time.

Consumer Advisory Warning

DID YOU KNOW?

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

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

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

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

TO FIND OUT MORE

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

NOTE: Virgin Super's fees and costs are not negotiable.

This section shows fees and other costs that you may be charged.

These fees and costs may be deducted from your investment, from the returns on your investment or from Virgin Super's assets as a whole.

Taxes are set out on pages 36-38. Insurance costs are detailed in the Insurance Guide (Part 2 of this PDS).

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

Type of fee or cost	Amount	How and when paid
FEES WHEN YOUR MONEY MOVES IN OR OUT OF VIRGIN SUPER		
Establishment fee The fee to open your investment	Nil	Not applicable
Contribution fee¹ The fee on each amount contributed to your investment – either by you or your employer	Nil Note: A Service Fee applies to transfers from overseas funds (see Additional Explanation of Fees and costs for more information)	Not applicable
Withdrawal fee¹ 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 COSTS²		
The fees and costs for managing your investment	For the first \$25,000 of your account balance: 1% p.a.	It's calculated on the value of your month end account, and is deducted monthly from your super account or when you withdraw it.
	For amounts from \$25,001– \$250,000: 0.8% p.a.	
	For amounts from \$250,001 and over: 0.6% p.a.	
	PLUS \$1 per week (\$52 p.a.)	It's deducted monthly from your super account.
SERVICE FEES³		
Investment switching fee¹ The fee charged for changing investment options ¹	Nil	Not applicable

¹ While there are no contribution, withdrawal or switching fees, a buy/sell spread applies when purchasing and selling units. Check out 'Additional explanation of fees and costs' for details.

² Some management costs may be met from interest in a Tax Provision Account. Check out the 'Additional explanation of fees and costs' on pages 29–30 for more information.

³ Other service fees including fees relating to transfers from overseas funds may apply. Check out 'Additional explanation of fees and costs' for details on other service fees.

Note: All fees are inclusive of Goods and Services Tax (GST) and net of Reduced Input Tax Credits (RITC).

Example of annual fees and costs for a balanced investment option

The below table gives an example of how the fees and costs in Virgin Super's balanced investment option can affect your super over a 1 year period. You should use this table to compare Virgin Super with other super products.

EXAMPLE: LifeStage Tracker® – Balanced		BALANCE OF \$50,000 WITH TOTAL PERSONAL AFTER TAX VOLUNTARY CONTRIBUTIONS OF \$5,000 DURING A YEAR.
Contribution Fees	Nil	For every \$5,000 you put in, you will be charged \$0.
+ Management Costs	1% p.a of amount up to \$25,000 + 0.8% p.a of amount in excess of \$25,000+ \$52 p.a (\$1 per week)	And, for every \$50,000 you have in Virgin Super, you will be charged \$450.00 each year plus \$52 in administration fees regardless of your balance.
= 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 \$502* What it costs you will depend on the investment option you choose and the fees you negotiate with your fund or financial adviser.

* Additional fees may apply.

Establishment / Termination / Withdrawal fees – Nil (however, buy/sell spreads apply).

Note: The above example is in a form prescribed by government legislation and assumes the balance of \$50,000 includes the additional contribution of \$5,000 and remains constant throughout the year. The amount of management costs you pay depends on the size of your account balance (see the fee table above and Management Cost scenarios below for more information about this). The example doesn't include any buy or sell spread that may be incurred for contributions, withdrawals or switching investments or expenses paid from interest in the Tax Provision Account. The fee example applies to all investment options in Virgin Super as the management costs are the same for all investment options. Fees are not negotiable with Virgin Super or an adviser.

Additional explanation of fees and costs

Management Costs

The Management Costs are the same for all investment options and include a percentage based Management Fee (depending on the size of your account balance) and a fixed dollar Member Fee. The Management Fee covers ongoing management of your investment. The Member Fee covers member administration and communications. Management Costs do not include transaction costs associated with Virgin Super's investments.

Some administration and management expenses of Virgin Super (for example, system upgrades) may be met from interest in a Tax Provision Account (see page 24 for more information).

Management Cost scenarios

Here you'll see how we work out the annual management costs. For the first \$25,000 of your balance you'll be charged a Management Fee of 1% p.a. (deducted monthly) but from there, a rate discount kicks in. The more you invest with us, the more potential you have for a super healthy super balance. A Member Fee of \$1 per week (\$52 p.a.) applies in addition to the Management Fee.

Account milestones	How we work it out (examples only)	Fee payable
Up to \$25,000 in account	Total account balance \$25,000 $\$25,000 \times 1\% \text{ p.a.}$	= \$250
From \$25,001 to \$250,000	Total account balance \$50,000 $\$25,000 \times 1\% \text{ p.a.}$ $+ \$25,000 \times 0.8\% \text{ p.a.}$	= \$450
\$250,001 +	Total account balance \$300,000 $\$25,000 \times 1\% \text{ p.a.}$ $+ \$225,000 \times 0.8\% \text{ p.a.}$ $+ \$50,000 \times 0.6\% \text{ p.a.}$	= \$2,350

Transaction costs (buy/sell spreads)

When we buy or sell investments, the investment manager of the underlying funds has to pay costs such as brokerage and taxes. To ensure that other members don't bear the cost of these transactions, we pass this cost on to you when you contribute, withdraw or switch money between investment options. This is an additional cost to you, paid to the investment manager of the underlying funds to cover their costs and not money that we keep. You won't incur these costs when you move automatically to the next LifeStage in the LifeStage Tracker® investment options.

The way we pass these costs on is by using a 'buy/sell spread'. A Buy price applies when acquiring units (for example, when you join the Fund or switch into a new investment option). A Sell price applies when selling units (for example, when you leave the Fund or switch out of an investment option). There may be a difference between the Buy and Sell price (referred to as a Buy/Sell spread). Buy/sell spreads can change from time to time.

Investment options	Spread applied to buy and sell price
LifeStage Tracker 20% Growth	+/- 0.079%
LifeStage Tracker 50% Growth	+/- 0.143%
LifeStage Tracker 70% Growth	+/- 0.186%
LifeStage Tracker 85% Growth	+/- 0.218%
LifeStage Tracker 100% Growth	+/- 0.250%
Select Your Own – Cash/Fixed Interest	+/- 0.036%
Select Your Own – Property	+/- 0.250%
Select Your Own – International Equities	+/- 0.250%
Select Your Own – Australian Equities	+/- 0.250%

Here's an estimate of how much we're talking about based on the spreads in the table above. If you contribute \$1,000 to the LifeStage Tracker® – Aggressive Under 40s mix (which is 100% growth assets), you'll incur a transaction cost of \$2.50. If you switch \$1,000 from the Select Your Own Cash/Fixed Interest option to the Select Your Own Property option, you'll incur a transaction cost of \$0.36 on leaving the Cash/Fixed Interest option and another \$2.50 on entering the Property option.

If we need to close down an investment option, transaction costs might apply depending on the reason for the closure. If this ever happens, we'll let you know in advance.

Adviser Fees

Adviser fees refer to extra fees that are sometimes paid to financial advisers (if you have one) for advice about your about your super. With Virgin Super, we don't pay fees or commission to advisers from your super balance. That is why our fees are not negotiable.

Insurance Premiums

If you have insurance cover, insurance premiums will usually be deducted monthly in arrears from your account. For more info, check out the Insurance Guide (Part 2 of this PDS).

Commission on Insurance

ING Life, the Insurer, makes a payment of up to 15% of the annual premium to Virgin Money.

This payment forms part of the annual premium deducted from your account (it's not a separate cost to you). In addition, the Insurer and the Promoter have agreed to share the profit, if any, resulting from the operation of the group life pool over its three-year term. This may result in Virgin Money obtaining a benefit from the Insurer. The Trustee is not a party to these arrangements.

Service Fees

Account Splitting Fee

We don't charge you a fee for administering any family law related transactions (e.g. splitting your account).

If your marriage or defacto relationship (including same-sex relationship) breaks down, money in your super account may be able to be divided between couples under family law legislation (depending on which State or Territory you are in).

Overseas Transfer Fee

When transferring amounts from an overseas fund to Virgin Super, a fee of 1% of the amount transferred or \$1,000 (whichever is the lesser) applies. This fee is deducted from your account balance once the transfer amount is received.

Goods and Services Tax (GST)

Virgin Super is subject to GST. As Virgin Super is registered for the purposes of GST, it's entitled to claim reduced input tax credits (RITCs) from the ATO in relation to any GST paid. This credit is equal to 75% of the GST paid on the services provided to Virgin Super. The effect of this is that the GST borne by members is effectively only 2.5%. The RITCs are in the fees and costs shown in the fee table above.

Other Tax

For general info about tax, check out Tax stuff on pages 36-38.

In addition you should be aware that where Virgin Super receives a tax deduction (for example a deduction relating to insurance premiums or costs deducted from accounts), the benefit of that deduction is passed on to the member (where applicable) in the form of a rebate to your account, thereby effectively reducing the impact of the fee or cost.

Member Benefit Protection

Member benefit protection means that if you have \$1,000 or less in your account at the end of the financial year or when you leave Virgin Super, the Management Costs charged directly to your account won't be higher than the investment returns credited to your account for that financial year. Member benefit protection doesn't apply to insurance premiums, tax or negative investment returns.

If your total earnings within a reporting period aren't enough to cover the total administration fees ordinarily deducted from your account, we may only charge you an amount up to the investment earnings credited. A fee may be deducted from your account as permitted by superannuation legislation.

Important Notice

Fee changes

The Trustee has the right to change any fees without your consent. But don't worry – we won't just make a change without letting you know. We'll notify you of any material change in fees or charges (other than government charges) at least 30 days in advance.

Estimated Buy/sell spreads may vary from time to time depending on the amount of underlying transaction costs from year to year.

Accessing your super

Questions answered in this section:

- Who is a dependant?
- When can you get at your super?
- What happens if you leave your job?
- What happens to your super if you die?

Who is a Dependant?

A 'Dependant' means:

- your spouse including a spouse (of the same or opposite sex) from a relationship recognised under State or Territory law or a person who lives with you on a genuine domestic basis as a couple (eg. defacto partner);
- a child of any age (including an adopted child, a step child, ex-nuptial child or child of your spouse or someone recognised as a child under Family Law legislation);
- any person who is financially dependent on you; and
- any person with whom you have an interdependency relationship (generally a close personal relationship between two people who live together, where one or both provides the other with financial support, domestic support and personal care).

There is also an interdependent relationship where there is a close personal relationship between you and another person, and either or both of you suffer from a physical, intellectual or psychiatric disability. (This means the requirements relating to co-habitation or provision of financial or domestic support are not required to be proven.)

When can you get at your super?

Government rules prevent you from accessing your super until you retire from the workforce and have reached a certain age (your 'preservation age').

Date of Birth	Preservation Age
Before 1 July 1960	55 years
1 July 1960 to 30 June 1961	56 years
1 July 1961 to 30 June 1962	57 years
1 July 1962 to 30 June 1963	58 years
1 July 1963 to 30 June 1964	59 years
After 30 June 1964	60 years

Your preservation age will vary between 55 and 60 years depending on when you were born:

If you are an Australian citizen, New Zealand citizen or permanent resident, your retirement savings can only be accessed under other government prescribed conditions (called conditions of release) including:

- You leave employment and your benefit is less than \$200;
- You leave gainful employment on or after age 60;
- Upon your death;
- You suffer a terminal medical condition;
- You become permanently incapacitated;
- You experience severe financial hardship and meet certain requirements;
- You have compassionate grounds for needing the money, as approved by the Australian Prudential Regulation Authority (APRA);
- Attaining age 65;
- Reaching preservation age and permanently retiring from the workforce;
- You were previously classified as a lost member who is found, and the value of your benefit in the fund, when released, is less than \$200; or
- Where the law otherwise permits (for example, to satisfy an ATO Release Authority).

Temporary residents can access superannuation savings in some (but not all) of these circumstances or if they permanently depart Australia and their visa has expired or been cancelled in the form of a Departing Australia Superannuation Payment (DASP). New Zealand citizens will not be eligible for a DASP, even if they are the holder of an eligible temporary resident visa. This is because New Zealand citizens may still have retiring rights in Australia regardless of whether they exercise that right. For more information about when temporary residents can access super, go to www.ato.gov.au.

Your benefits may include non-preserved amounts (if sourced from pre 1 July 1999 benefits transferred into Virgin Super). From 1 July 1999, all super contributions (including member contributions) and earnings are preserved. Any component of your benefit that was 'non-preserved' at 1 July 1999 will continue to be non-preserved and can be taken in cash at any time if a condition of release has been satisfied in relation to that amount.

What happens if you leave your job?

If you leave or change jobs, you will still remain a member of Virgin Super. If you start a new job and are able to choose to have your employer's Super Guarantee Contributions paid into your Virgin Super account, you can print and complete the Super Choice Form from our website and hand it to your HR Manager so they can start paying them into your account. Don't forget to notify us if any of your contact details change so we can keep in contact with you.

What happens to your super if you die?

Your benefit entitlement on death (death benefit monies) will consist of:

- your super benefit, plus
- the proceeds of any insurance claim admitted by the insurer.

You've got 3 options for nominating who you'd like to receive your death benefit if you die (ie while you're a Virgin Super member):

- **Option 1** – Binding nomination
- **Option 2** – Preferred (non-binding) Dependant nomination
- **Option 3** – No nomination

However, you should note that the Trustee must still ensure that your death benefit is paid to either your dependants or your legal personal representative (ie your estate).

Option 1 – Binding nomination

What is a binding nomination?

By using a binding nomination, you've got the power to determine who should receive your death benefit. This should give you more control, but it's only effective if your nomination is made properly. If your nomination is valid, the Trustee must pay your death benefit in accordance with your nomination. If your nomination isn't valid, your death benefit will be paid as per Option 3.

How do I create a binding nomination?

In order to be valid and binding, your nomination must be signed by you in front of 2 witnesses aged over 18 years who aren't named as your beneficiaries and delivered to us. You can only nominate your dependants or your estate to receive your death benefit. The eligibility of the persons nominated by you is determined at the date of your death. The Trustee must be satisfied the persons you have nominated are your dependants or your estate. A binding nomination can be made in favour of a same-sex spouse or child of a same sex partner who qualifies as a dependant under superannuation legislation.

If a person nominated by you dies or is not a dependant or your estate at the time of your death, that person's portion of your death benefit will be distributed equally amongst your surviving dependants/estate. If there aren't any surviving dependants/estate, your death benefit will be paid as per Option 3.

What will cause a change?

A valid nomination is effective for 3 years after the day it was first signed or last confirmed or amended by you. If you wish to confirm your nomination (to avoid it becoming ineffective after 3 years), simply send us a signed and dated written confirmation. Similarly, if you wish to amend or revoke your nomination, send us written confirmation. Your notice of amendment or revocation must be witnessed in the same manner as your original nomination (2 witnesses aged over 18 years who aren't named as your beneficiaries).

Option 2 – Preferred (non-binding) Dependant nomination

By selecting this option, the Trustee will consider your preferred nomination, however the Trustee has the discretion to pay your death benefit (in proportions it determines) to any one or more of your dependants or your estate.

Option 3 – No nomination

If you don't make a nomination or you make an invalid binding nomination, your benefit will be paid to one or more of your dependants and/or your estate. This is at the Trustee's discretion.

Tax stuff

Questions answered in this section:

- How is my super taxed?
- What about tax on insurance?
- Do I have to provide my Tax File Number (TFN)?

This info is a general summary only of the significant tax implications relating to super and is based on taxation laws as at the date of preparation of this PDS, as applicable to Virgin Super. The tax you pay will depend on your personal circumstances. If you want to find out more info on the taxation of super, you can call the ATO's Super Helpline on 13 10 20 or contact a qualified taxation adviser. Tax rules can change from time to time. For up to date information go to ato.gov.au.

How is my super taxed?

Basically there are 4 types of tax you may need to know about.

1. Tax on contributions or other amounts received by Virgin Super

Tax is payable by Virgin Super on concessional contributions. Members may also be subject to additional tax (directly) if contributions exceed limits on concessional and non-concessional contributions.

Concessional contributions include deductible employer and self-employed contributions. Non-concessional contributions include member (after tax) contributions.

A concessional tax rate of 15% will apply to concessional contributions up to \$25,000 per person per year for the 2009/2010 financial year (subject to indexation). Transitional arrangements will apply, up until 30 June 2012, for those aged 50 or over on the last day of a financial year allowing concessional contributions of up to \$50,000 per person per year (not indexed). Concessional contributions in excess of these limits will incur additional tax of 31.5% payable directly by the individual member (this amount may be released from a super fund upon presentation of a release authority issued by the ATO). Any excess concessional contributions will also count towards the amount of a member's non-concessional contributions (see below).

If we don't have your TFN at the end of a financial year (or when you leave the fund), your concessional contributions in the year may be taxed an extra 31.5% (referred to as "No TFN Tax"). Any amount of No TFN Tax will be deducted at the end of financial year or on leaving the fund for payment to the ATO. If we are provided with your TFN within 3 years following the year in which No TFN Tax was assessed and the Trustee is able to recover the No TFN Tax from the ATO, it may be refunded to you. The Trustee will make reasonable efforts (but is not obliged) to recover No TFN Tax in these circumstances. (See page 38 for more information about TFNs.)

Non-concessional contributions will be limited to \$150,000 per person per annum (for 2009/2010 financial year). People aged under 65 in a financial year can bring forward 2 years of future entitlements averaged over a three year period, giving them a cap of \$450,000 over a three year period. People aged 65 and over can make non-concessional contributions of up to \$150,000 in each financial year, provided they satisfy the work test for each relevant year. The \$150,000 cap will be indexed in future years so it's always six times the cap on concessional contributions.

Non-concessional contributions in excess of these limits will incur tax at the rate of 46.5% payable directly by the individual person (this amount must be released from a super fund upon presentation of a release authority issued by the ATO).

Note: Spouse contributions will be included in the receiving spouse's non-concessional contributions cap. Government co-contributions, personal contributions made from certain proceeds from the disposal of qualifying small business assets up to a lifetime limit (\$1.1 million for 2009/10 and \$1.155 million for 2010/11, subject to indexation in future years) and personal contributions from proceeds from certain payments for personal injury resulting in permanent disablement made within 90 days of receiving the payment won't count towards the non-concessional contributions cap. There are also special tax rules applicable to the receipt of employer termination payments and amounts from overseas funds.

Go to www.ato.gov.au for more information about what is included in the concessional contributions and non-concessional contribution limits. If you have any questions about this, please contact our Customer Care Team for general information or a qualified professional to discuss your personal circumstances.

2. Tax on money paid to you when you leave Virgin Super

If your super is taken in the form of a lump sum benefit payment, tax may be payable dependent on your age and the make up of your super payment components. If tax is payable, the Trustee is required to withhold the tax amount from your payment and provide you with a payment summary for your tax return.

Tax won't apply to super benefits if paid from a taxed source to a member aged 60 or over (whether paid as a lump sum or pension).

Tax will be payable on the taxable component of super benefits paid to members aged under 60.

Lump sum payments from a taxed source will consist of only two components:

- A tax-free component made up of non-concessional contributions, as well as other concessional components such as the pre 1 July 1983 component, undeducted contributions, CGT exempt component, post June 1994 invalidity component and concessional component (crystallised as a dollar amount as at 30 June 2007) which may form part of a rollover or transfer that you make to Virgin Super; and
- A taxable component made up of the total super benefit, less any tax-free component.

Assuming we have a person's TFN, the taxable component will be taxed at 20% (plus Medicare levy) if paid to a person under their preservation age or 15% (plus Medicare levy) on any amount over \$150,000 (for the 2009/2010 year) if paid to a person from preservation age to age 59 (amounts under \$150,000 will be tax free). For the 2010/11 year the threshold is \$160,000, subject to indexation in future years. Higher tax (marginal tax rate plus Medicare levy) will apply if we don't hold your TFN.

Any payment of super benefits must be withdrawn from the tax-free and taxable components in proportion.

Payments from a taxed source to temporary residents departing Australia are treated differently (the taxable component will generally be taxed at 35%).

3. Tax on Investment Earnings

Any earnings you receive from super investments are taxed at a maximum 'concessional rate' of 15%, which is generally lower than other forms of savings. The effective tax rate may be less after deductions or other credits are taken into account.

4. Tax on Death, Terminal Illness or Disablement

All lump sum death benefit payments made to a dependant will be tax-free. Death benefit payments to non-dependants will have to be made as a lump sum. Lump sum payments to non-dependants (irrespective of their age) will usually be taxed at up to 15% (plus Medicare levy). Lump sum death benefits may include an untaxed amount if they include insured amounts for which a tax deduction has been claimed (untaxed elements attract higher tax). A non-dependant for this purpose includes an adult child aged 18 or more unless financially dependent or interdependent. Where a death benefit is received by the legal personal representative of a deceased estate, tax is determined according to who is intended to benefit from the estate.

A terminal illness benefit (which meets the requirements of the tax legislation) will be tax-free.

A Total and Permanent Disablement (TPD) benefit paid to a member is generally taxed as a lump sum super benefit (see tax rates for lump sum payments above).

For Income Protection, payments received by a member will be taxed at his/her marginal tax rate.

Do I have to provide my Tax File Number (TFN)

Under the Superannuation Industry (Supervision) Act 1993 (SIS), Virgin Super 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 Virgin Super may disclose your TFN to another superannuation provider, when your benefits are being transferred, unless you request the Trustee in writing that your TFN not be disclosed to any other superannuation provider.

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

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

Employers are also obliged, under SIS, to provide the TFN for an employee to the super fund to which the employer contributes for the employee. This may not always occur.

If we don't have your TFN at the end of a financial year or when you leave the fund, increased tax (No TFN Tax) may be deducted from your concessional contributions (see page 36 for more information). Virgin Super has a Policy relating to the management of No TFN Tax including its recovery from the ATO if a TFN is subsequently provided to the fund. If you would like more information, please contact our Customer Care Team on 1300 652 770.

Your rights

Confirmation of transactions

Just so you're sure we haven't missed your request, we'll confirm the following transactions in writing, as well as any others that are required to be confirmed by law:

- rollover amounts that you transfer into Virgin Super; and
- contributions received with applications to join Virgin Super.

Don't forget you can also check these and other transactions by visiting our website – virginmoney.com.au

Eligible Rollover Fund

Subject to any requirement to pay lost benefits to the ATO, if we lose contact with you and your balance is less than \$2,000 (and you become a lost member) OR your account balance falls below the minimum permitted account balance (\$1,000), your benefits may be transferred to an Eligible Rollover Fund (ERF). The Trustee may also transfer 'No TFN Tax' refund amounts recovered from the ATO (for a member or former member) or refunds of contributions under Government contribution rules to an ERF if after reasonable endeavours the refund cannot be made.

If it's simply a matter of topping up your account, we'll invite you to do this before we transfer your benefit.

When your benefit transfers to the ERF, you won't be a member of Virgin Super and any insurance benefits will cease. The ERF protects your benefit from further erosion by administration costs chargeable directly to your account, however your account balance can reduce due to negative investment returns and tax. The ERF used by Virgin Super is Super Safeguard – contact details:

The Administrator
Super Safeguard
GPO Box 3426
MELBOURNE VIC 3001
Tel: 1300 135 181
Fax: 1300 135 191

Super Safeguard has investments and costs that are different to Virgin Super. Super Safeguard doesn't provide insurance cover. If you'd like more info about Super Safeguard's features, contact them directly for a copy of its PDS. The Trustee of Virgin Super is also the trustee of Super Safeguard and receives remuneration from Super Safeguard in that capacity.

Lost members/Unclaimed monies

If two items of written communication to you are returned to us as unclaimed mail from your last known address or no contributions have been received in the last 5 years, we'll classify you as a "lost member" and report this to the ATO. Lost members who have balances of less than \$2,000 may be transferred to the ERF or (in certain circumstances) the ATO.

From 1 July 2010, the Government will require superannuation providers to transfer the following accounts to unclaimed monies: lost accounts with balances of less than \$200 and lost accounts which have been inactive for a period of five years and have insufficient records to ever identify the owner of the account.

Other circumstances in which superannuation benefits must be transferred to the ATO include:

- if you reach age 65 and we haven't located you for five years; or
- you're a former temporary resident who doesn't claim their super at least 6 months after expiry of your visa or leaving Australia (as notified to the Trustee by the ATO).

The Trustee's obligation to pay unclaimed superannuation of a non-resident to the ATO arises under Division 3 of Part 3A of the *Superannuation (Unclaimed Money and Lost Members) Act 1999*. A non-resident has the right under this Act to apply to the ATO to claim their superannuation. The Trustee has decided that it will not notify or provide an exit statement to a non-resident member whose benefit is transferred to the ATO in accordance with the Act, relying on relief granted by the Australian Securities and Investments Commission.

For more information about lost members or unclaimed money go to www.ato.gov.au

Cooling off period

New individual applicants

If you made the choice to join Virgin Super, you're entitled to a cooling-off period to make sure you're completely happy with your decision to join us. This means that you can cancel your initial application within 14 days of the earlier of:

- the date you receive confirmation of your membership from us
- the end of the fifth day after we first issue you with units as part of your investment in Virgin Super.

If you cancel within the cooling-off period, the amount we'll pay you will be adjusted for any changes in the unit price of the investment funds, less any applicable tax and reasonable administrative and transaction costs.

If you want to cancel within the cooling-off period, you should notify us in writing. You'll also need to provide us with the details of another complying super fund, approved deposit fund or retirement savings account for preserved or restricted non-preserved benefits.

Please note, if you exercise any right or power that you have in relation to your Virgin Super membership during the cooling-off period (for example, you make an insurance claim), you can't cancel your initial application.

New Employers

Employers deciding to participate in Virgin Super for the first time (as employer sponsors who agree to contribute to Virgin Super for their employees) have a period of 14 days during which they can cancel their decision and redeem the interest created in Virgin Super on behalf of employees. If an employer wishes to exercise its cooling off right, it must do so within this period by contacting our Customer Care Team in writing. If an employer exercises its cooling-off rights, the amount redeemed may be less than the amount paid into Virgin Super. The participating employer must nominate another complying super fund or retirement savings account to which investments will be transferred. The amount redeemed is based on the applicable unit price on the date that the request for cancellation is received, less any applicable tax and reasonable administrative and transaction costs.

Cooling off does not apply to you if your employer signed you up. Also, the cooling-off period doesn't apply to any investment switches or additional investments.

Complaints

We absolutely, positively cannot bear the thought of any of our members not being completely happy with what we do. So if you do have any complaints, you can be sure they'll be dealt with as fast as possible.

If you feel you need to make a complaint, please contact our Customer Care Team:

Virgin Super Resolutions Manager
Virgin Super
PO Box 1489
Wollongong NSW 2500
Tel: 1300 652 770

After investigating your complaint and, if required, referring the matter to the Trustee, our Resolutions Manager will write to you advising you of the result. This should only take a couple of weeks, but depending on the issue, it may take up to 90 days.

If you're not satisfied with how we handle your complaint or you don't receive a response in 90 days, then you have the option to contact the Superannuation Complaints Tribunal (SCT). The SCT is an independent body set up by the Commonwealth Government to assist in the resolution of complaints. The SCT can be contacted at:

Superannuation Complaints Tribunal
Locked Bag 3060
GPO MELBOURNE VIC 3001
Tel 1300 780 808 (cost of a local call)

More info about the SCT is available at sct.gov.au

Privacy statement

How we protect your privacy

Protecting your privacy is important to us, so we've established steps to ensure that any personal info we collect from you is handled in accordance with the Commonwealth Privacy Act 1998, which includes the National Privacy Principles. We collect personal info from you so that we may provide you with the products and services you request.

When you make an application to us, you'll need to agree to the collection, use and disclosure of personal info about you for the purposes that are described in this Privacy Statement. For legal reasons, we won't be able to process your application, accept insurance cover or administer your account or insurance cover if you don't provide us with the personal info that is requested in the application forms.

We need to collect personal info about you such as your contact details, TFN and general demographic info when you lodge various forms with us or when you send us documents containing personal info. If you wish to make contributions to your account by direct debit, we will need to collect your bank account details. We also need to collect info about your dependents and/or legal representatives in order to pay certain benefits if you elect insurance.

With your consent, we also need to collect health info about you for insurance purposes (from you, from your doctor or from your employer).

We collect, hold and use personal info about you to:

- establish and manage your account;
- implement your investment choices;
- establish and maintain your insurance, if applicable;
- process contributions, transfer monies or pay benefits;
- execute direct debit transactions requested by you;
- report the investment performance of your account to you;
- keep you up to date via our various communications, including annual reports;
- comply with any requirements of law, and
- otherwise administer, monitor and manage the products and services we provide to you.

We'll need to share your personal info with other organisations that provide administration services in connection with Virgin Super (our 'Service Providers'). This may include the Administrators, Promoter, Insurer and medical assessors. For instance, we'll share personal info about you (including sensitive info such as your health details) with the Insurer to enable them to assess your insurance application, to provide and administer cover and to assess your claim for an insurance benefit. This info may also be disclosed by us or the Insurer to medical practitioners, claim investigators, reinsurers and insurance reference bureau. Your health info will not be disclosed by us or the Insurer for any other reasons.

Your personal info may be disclosed by us, or by our Service Providers:

- if, acting in good faith, we or our Service Providers believe the law requires or permits us or them to do so (for example, family laws require disclosures about super interests to be made in certain circumstances), or
- if you consent.

Otherwise, disclosures will only be made by us or the Service Providers to companies that provide certain outsourcing functions for Virgin Super, including:

- mailing companies;
- info technology consultants;
- archiving companies, and
- auditors and regulators (including Austrac, under government reforms requiring us to report suspicious matters that may relate to anti money laundering or terrorism financing).

We'll share personal info about you with related parties, Virgin Group companies and companies licensed to use the "Virgin" name to carry on business so that they can offer you products and services that you may be interested in unless you request us not to. This will include your contact details and details of the services that we are providing to you. However, we won't share sensitive info about you with other Virgin Group companies or companies licensed to use the "Virgin" name to carry on business. We aim to make sure that all of the personal info we hold about you is accurate, complete and up-to-date. If you provide us with inaccurate or incomplete info, we may not be able to provide you with the products or services you desire.

We take privacy concerns seriously, and we'll work to address any problems of which we become aware. And because the privacy of your info is so important to us, we have stringent security systems and practices in place and we train our staff to respect your privacy and keep your info confidential. We require the same standard for those companies that work for us.

If you've any questions regarding privacy, call our Customer Care Team on 1300 652 770.

You can also contact us if you want to:

- change or amend any info you've provided to us,
- find out what info about you we hold (and if there's a reason why we can't disclose any info that we have, we'll let you know why), or
- lodge a complaint or tell us of your concerns regarding the privacy of your info.

A more detailed privacy statement and details on how you can access or update your personal info held can also be found on our website – virginmoney.com.au. If you're not satisfied with how we've resolved a complaint, you can refer the matter to the Federal Privacy Commissioner by calling 1300 363 992 or by visiting their website – privacy.gov.au.

Updated info

As you can appreciate, the info in this PDS is subject to change from time to time.

For any changes that are not materially adverse, we'll notify you of the changes via regular member communications or our website.

For any materially adverse changes or omissions, we'll issue a supplementary or replacement PDS (which will also be available from our website – virginmoney.com.au).

You can also request a paper copy of any updated information at any time, which will be provided free of charge, by contacting our Customer Care Team on 1300 652 770.

REMINDER: Please check out our website – virginmoney.com.au for updated info.

Jargon buster

Having trouble understanding some of the terms in this PDS??? Don't worry!

We've developed the Jargon Buster to help you understand those nasty technical terms a little better...

'I', 'You' or 'Your' refers to a potential member or member of Virgin Super.

- A** **Asset allocation** – the mix of assets, such as shares or bonds utilised by an investment option.
- A** **Asset class** – a type of asset that has special features, predominately its potential return and volatility. The main asset classes are shares, property, cash and bonds.
- A** **Australian Taxation Office (ATO)** – is the Government's revenue office.
- A** **Australian Prudential Regulation Authority (APRA)** – is the Government's regulator of banks, insurance companies and super funds, credit unions and building societies.
- B** **Business day** – a day which is not a weekend or public holiday in Sydney.
- C** **Complying super fund** – a regulated super fund that qualifies for concessional tax rates. A complying super fund must meet the requirements that are set out by law.
- C** **Concessional Contributions** – super contributions made from pre-tax income for which a tax deduction can be claimed. They are also referred to as deductible contributions. Concessional contributions include employer Superannuation Guarantee contributions, additional employer contributions, salary sacrifice contributions and contributions made by the self-employed for which they claim a tax deduction. (See also non-concessional contributions).
- D** **Dependant** – your spouse including a spouse (of the same or opposite sex) from a relationship recognised under State or Territory law or a person who lives with you on a genuine domestic basis as a couple (eg. de facto partner); a child of any age (including an adopted child, a step child, ex-nuptial child or child of your spouse or someone recognised as a child under Family Law legislation); any person who is financially dependent on you; and any person with whom you have an interdependency relationship (generally a close personal relationship between two people who live together, where one or both provides the other with financial support, domestic support and personal care).
- D** **Derivatives** – securities that derive their value from another security, e.g. futures and options.
- E** **Eligible Rollover Fund (ERF)** – a super fund which is eligible to receive benefits automatically transferred from other super funds, generally for members that have very low account balances which have been inactive for a substantial period of time, or when the member can't be located. [Check out page 39 for more details].
- F** **Fund manager** – an organisation that specialises in the investment of a portfolio of assets on behalf of an individual or organisation (also commonly referred to as an 'investment manager'). The Trustee may decide to change Virgin Super's underlying fund manager(s) at any time.
- I** **Index** – measures the performance or change in value of a particular group of assets, such as bonds, cash and shares. Today, there are indexes measuring the investment results of all the major asset classes.

Index manager – a fund manager who tries to match, or replicate, the performance of the investment markets e.g. if the Australian share market returns 10 per cent, an index manager should have earned 10 per cent.

M **Manager of the underlying fund** – an organisation that specialises in the investment of a portfolio of assets on behalf of an individual or organisation (also commonly referred to as an ‘investment manager’). The fund manager helps implement the investment options available from Virgin Super. The Trustee may decide to change Virgin Super’s underlying fund manager(s) at any time.

N **Non-concessional contributions** – include contributions made from a person’s after-tax income. The terms ‘non-concessional contributions’, ‘post-tax contributions’ and ‘after tax contributions’ are often used interchangeably.

O **our Customer Care Team** – is a reference to the Customer Care Team provided by the Administrator. The Customer Care Team is the Administrator’s responsibility.

our website – is a reference to the website (virginmoney.com.au) provided by the Promoter. The Promoter is responsible for any information accessible through the website (other than Trustee publications like this PDS), not the Trustee.

P **Portfolio** – a range of investments across a group of asset classes, managed together as a ‘portfolio’ to achieve a single performance objective.

S **Securities** – a certificate of ownership in an investment that can be transferred from one person to another. Examples include notes, bonds, stocks, futures, contracts or options.

Super benefit – the amount of money in Virgin Super to which the member is entitled.

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Customer Care

Phone

1300 652 770

8am to 6pm ESTD, weekdays (apart from public holidays)

Postal Address

Virgin Super

PO Box 1489

WOLLONGONG NSW 2500

Fax

1300 882 327

Website

virginmoney.com.au



**VIRGIN SUPERANNUATION
ABN: 88 436 608 094**

Supplementary Product Disclosure Statement

This is a Supplementary Product Disclosure Statement (SPDS) issued by The Trust Company (Superannuation) Limited (Trustee) (ABN 49 006 421 638; AFS Licence No. 235153; RSE Licence No. L0000635) and should be read together with the information contained in the Product Disclosure Statement for Virgin Superannuation which consists of the Super Members Guide, dated 1 June 2010 and the Insurance Guide, dated 30 June 2007.

Since we issued our Product Disclosure Statement in June 2010, we have made a change to how we do things here at Virgin Super. This Supplementary PDS (SPDS) will help you understand what has changed and how this affects you!

Why are we making this change?

We're issuing this SPDS because we want to make sure you understand how we administer Virgin Super.

What's changed?

Sometimes unusual expenses arise in relation to Virgin Super and the Trustee is entitled to recover these expenses from the assets of the fund. To cater for this, the Trustee thinks that it's important to establish an expense reserve which can be used to meet operational expenses and to fund other strategic projects, when the Trustee thinks it's appropriate. This is in line with recommendations made by a recent review into superannuation (the Cooper Review) that superannuation funds should be required to establish operational risk reserves.

We will build up this expense reserve over time and will gradually set aside up to 0.8% of Virgin Super's assets. This will be done by making provisions in the unit price and allocating amounts to the expense reserve over a period of 3 years. This will not commence until at least 30 days after the date of this SPDS.

What does this have to do with me?

Money in the expense reserve will be put to good use now and in the future, in accordance with the Trustee's expense reserve policy. It will be used to pay for expenses that have to do with the administration and management of Virgin Super, such as system upgrades to meet new legislative requirements. We will report movements in the expense reserve in Virgin Super's Annual Report each year.