

Investment

# ACCOUNT SERIES B (SUPERANNUATION)

Product Reference Sheet



## HISTORY

### Product Availability Time Frame

The Investment Account Series B Superannuation investment product is designed for individuals needing a long term investment to help save for their retirement. The product is now closed to new business however existing members may continue to make contributions into their Investment Account Series B policy.

The product was available from 1978 to 1994.

### Reporting Period

1 October – 30 September

### Trustee

TOWER Australian Superannuation Limited ABN 69 003 059 407 AFSL 237851 RSE Lic. L0000642

### Superannuation Fund

TOWER Superannuation Fund for the General Public RSE Reg. R1000917

## CONTRIBUTIONS

### Contribution Types

Investment Account Series B Personal Super accepts the following contributions, both regular and additional contributions

- Employer contributions
- Government Co-Contributions
- Personal contribution
- Rollovers
- Salary Sacrifice
- Spouse contributions

### Suspension of Regular Contributions

Regular contributions (also referred to as “premiums”) can be suspended at any time. The Administration Charge will continue to be charged.

### Additional Contributions

Additional contributions (also referred to as “Cash Deposits” in original policy documentation) may be accepted subject to the approval of TOWER. These contributions may be made at any time during the term of the policy. TOWER reserves the right to deduct an administration charge of 2% from all additional contributions. Please refer to your policy documentation for further information.

### Paid Up Policy

A member can inform TOWER that they no longer intend to contribute to the policy and request in writing to have their Investment Account Series B made Paid Up. Please note this is different to when a member ceases regular contributions and the policy has a non contributing (non-renewing) status. (Contributions can be re-commenced at any time on a policy in non-renewing status). There are two options to choose from if your policy commenced prior to 7 April 1986, otherwise option 1 applies.

Paid Up Policy	Option 1 – New Style	Option 2 – Old Style
	<ul style="list-style-type: none"> <li>• Premiums are no longer payable</li> <li>• Policy fee is not charged whilst Paid Up</li> <li>• Administration charge is deducted</li> <li>• Existing insurance will remain and charges deducted</li> <li>• Additional payments will be accepted, minimum amount of \$500</li> <li>• Regular contributions can be recommenced on request</li> <li>• Policy schedule not required</li> </ul>	<ul style="list-style-type: none"> <li>• Premiums are no longer payable</li> <li>• Policy fee is not charged</li> <li>• Administration charge is no longer deducted</li> <li>• Existing insurance and any other benefits will be deleted, premiums for insurance cease</li> <li>• Additional payments will not be accepted</li> <li>• Regular contributions cannot be recommenced</li> <li>• A proportion of the early termination charge is applied to the account balance if made Paid Up prior to 10th anniversary</li> <li>• Policy schedule required</li> </ul>

## INVESTMENT OPTIONS

<b>Investment Options</b>	Investment Options available Investment Account Series B Personal Super is: <b>Capital Assured</b>
<b>Switching</b>	Switching is not available.

## WITHDRAWALS

<b>Partial Withdrawal</b>	Members may partially withdraw benefits of up to 90% of the value of the policy (according to terms and conditions), provided they leave a surrender value of \$1,500.00 in the policy.
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## INSURANCE

<b>Insurance Rider Benefits</b> Three different types of insurance benefits were available on the product.	<table border="0"> <tr> <td data-bbox="381 1164 528 1191"><b>In-built cover</b></td> <td data-bbox="571 1164 1497 1267">The cost of the life cover is only charged on the amount required to bridge the gap between the investment account and the original amount of cover selected. If the life insured dies before the expiry date* of the cover, the benefit payable is the amount of cover selected or the account balance, whichever is the greater.</td> </tr> <tr> <td data-bbox="381 1290 504 1317"><b>Level cover</b></td> <td data-bbox="571 1290 1497 1370">By adding level cover, the amount payable on death is the total of the life cover plus the account balance. The amount of life cover is the same at the start and the end of the selected period.</td> </tr> <tr> <td data-bbox="381 1393 504 1442"><b>Decreasing cover</b></td> <td data-bbox="571 1393 1497 1460">The benefit commences at the chosen value and reduces to nil at the expiry date*. In the event of death, the amount payable is the balance of the decreasing cover plus the account balance. Premiums for this option cease three years prior to the end of the insurance period.</td> </tr> </table>	<b>In-built cover</b>	The cost of the life cover is only charged on the amount required to bridge the gap between the investment account and the original amount of cover selected. If the life insured dies before the expiry date* of the cover, the benefit payable is the amount of cover selected or the account balance, whichever is the greater.	<b>Level cover</b>	By adding level cover, the amount payable on death is the total of the life cover plus the account balance. The amount of life cover is the same at the start and the end of the selected period.	<b>Decreasing cover</b>	The benefit commences at the chosen value and reduces to nil at the expiry date*. In the event of death, the amount payable is the balance of the decreasing cover plus the account balance. Premiums for this option cease three years prior to the end of the insurance period.
<b>In-built cover</b>	The cost of the life cover is only charged on the amount required to bridge the gap between the investment account and the original amount of cover selected. If the life insured dies before the expiry date* of the cover, the benefit payable is the amount of cover selected or the account balance, whichever is the greater.						
<b>Level cover</b>	By adding level cover, the amount payable on death is the total of the life cover plus the account balance. The amount of life cover is the same at the start and the end of the selected period.						
<b>Decreasing cover</b>	The benefit commences at the chosen value and reduces to nil at the expiry date*. In the event of death, the amount payable is the balance of the decreasing cover plus the account balance. Premiums for this option cease three years prior to the end of the insurance period.						

## FEES AND CHARGES

<b>Administration Charge Period</b>	Three new policy options were introduced in April 1990 to the Investment Account Series B product and were marketed as Asset, Growth and Accumulator options. The main difference between these three options is the administration charge period. Please refer to application or policy schedule. Prior to April 1990, all policies had a charge period of 10 years. With effect from 1/1/1994, the administration charge is 8% p.a. for the duration of the administration charge period and is a percentage of the contributions received or if they have ceased, the previous contribution amount, less any policy fees.
<b>Asset policy</b>	An administration charge is payable until the tenth (10th) anniversary of the policy.
<b>Growth policy</b>	An administration charge is payable until the twentieth (20th) anniversary of the policy.
<b>Accumulator policy</b>	An administration charge is payable until the 65th birthday.

**Policy Fees**

A policy fee maybe charged on your policy. This may be referred to as a Service Fee in your original Policy Schedule

**Month/Year of Commencement****Up to and incl. Jan 1978**

Feb 1978 to Jan 1979	\$75.95
Feb 1979 to Jan 1980	\$71.00
Feb 1980 to Jan 1981	\$68.85
Feb 1981 to Jan 1982	\$74.50
Feb 1982 to Jan 1983	\$82.55
Feb 1983 to Jan 1984	\$84.20
Feb 1984 to Jan 1985	\$88.80
Feb 1985 to Jan 1986	\$85.30

**Month/Year of Commencement**

Feb 1986 to Jan 1987	\$80.15
Feb 1987 to Jan 1988	\$94.90
Feb 1988 to Jan 1989	\$92.15
Feb 1989 to Jan 1990	\$83.15
Feb 1990 to Jan 1991	\$78.00
Feb 1991 to Jan 1992	\$75.20
Feb 1992 to Jan 1993	\$72.35
Feb 1993 to Jan 1994	\$72.35
On or after Feb 1994	\$71.00

The above fees are as at 1 January 2009 and are increased each year, indexed by the increase in the Insurance Salary Award. Please note the increases apply on the anniversary of your policy.

**Exit Fee**

An exit fee may be charged if the policy is redeemed before the maturity date<sup>^</sup>. The exit fee is calculated based on the Early Termination Charge (ETC)<sup>~</sup>, number of months remaining from date of redemption to the end of the "Administration Charge Period" and the yearly premium.

**SPECIAL FEATURES****Loyalty Bonus**

The loyalty bonus was introduced in January 1996. The bonus works by increasing the policy's investment account balance by 2.5% after the policy has been in force for 15 years. For each of the following 5 years, a further bonus of 0.5% will be accrued, so that the bonus peaks at 5% of the investment account balance after the 20th year. The only requirement is the payment of regular premiums into the policy for at least 5 years from 1 January 1994. These payments do not have to be consecutive, but at least 5 years premiums must be paid from 1 Jan 1994 before the policy will be eligible for the bonus.

**Special Waivers**

Special waivers available on policy, please refer to original policy schedule.

Unemployment Waiver – If you are unemployed, applicable charges for up to six months will be waived. Available once up to age 55.

Maternity Waiver – Applicable charges will be waived for up to 9 months and is available on one occasion.

**Special Conditions**

If special conditions exist on the policy, it will be noted on the LEO Notepad, which can be accessed via pressing the Shift and F7 keys simultaneously. Information on the Special conditions will either be scanned onto Open Image on the LEO\_EXTPOL or located on the microfiche. An example of a Special Condition is Guaranteed Future Insurability. This benefit guarantees the member automatic increases of the death and maturity benefit without any need for further underwriting at predetermined dates.

**Definitions**

\* **Expiry Date:** At commencement of the policy, the member selects the term of the insurance rider cover. Cover is available from age 16 to 65 with a minimum period of 10 years. The expiry date is determined by the end of the cover.

<sup>^</sup> **Maturity Date:** Age selected at the commencement of the policy at which the member would prefer to retire. This age determines the maturity date of the policy and is used for the purpose of administering your policy.

<sup>~</sup> **Early Termination Charge (ETC):** The ETC rate is a factor and is dependent on age.

**For further information please refer to the relevant Key Features Statement or Product Disclosure Statement**

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