

## about your statement 2005-06

FOR CONTRIBUTING MEMBERS

### About your accrued benefits

Check your personal details carefully and call 1300 006 727 if they are incorrect.

This is only applicable to members who selected to transfer from the DFRDB Scheme. This is the date your most recent period of DFRDB Membership commenced.

This is the total period you have been a contributing member – this includes previous service and DFRDB membership.\*

This is any additional service that is recognised for MilitarySuper Benefit Calculations.

This is your average superannuation salary over the last three years of your current period of service in the ADF (or your current period of membership if less than three years).

This is based on your total period of eligible service and is used to calculate your benefits, as explained below.

#### Employer Benefit Multiples

Years of Service	% of FAS / year
Enlistment to 7 years	18%
7 years 1 day to 20 years	23%
20 years 1 day onward	28%

You must pay a minimum contribution of 5% of your salary for superannuation purposes. You can, however, increase your contribution up to 10%. Contributions above 5% will increase your member benefit but will not have effect on your employer benefit.

**your details**

Name:  
Rank:  
MilitarySuper Reference Number:  
Date of Birth:  
Last period of DFRDB membership commenced on:  
MSBS membership commenced on:  
Total period of eligible service:  
Additional service recognised for MSBS:

Your salary for superannuation purposes at 30/06/06:  
Contributions paid since 30/06/1983:  
Pension Maximum Benefit Multiple (of Final Average Salary) at 30/06/06:  
Lump Sum Maximum Benefit Multiple (of Final Average Salary) at 30/06/06:  
Tax File Number provided:  
Service before 01/07/1983:

**your share in the fund**

**MEMBER BENEFIT (what you have paid plus net investment earnings)**

Total at 01/07/05	Contributions 01/07/05-30/06/06	Net Investment Earnings 01/07/05-30/06/06	Total at 30/06/06

**EMPLOYER BENEFIT (consisting of your productivity benefit plus employer share)**

	At 01/07/05	At 30/06/06
Final Average Salary		
Employer Benefit Multiple		
Total Employer Benefit		
consisting of Productivity Benefit and Employer Share		

**PRODUCTIVITY BENEFIT (what your employer has paid plus net investment earnings)**

Total at 01/07/05	Contributions (less 15% tax) 01/07/05-30/06/06	Net Investment Earnings 01/07/05-30/06/06	Total at 30/06/06

**contents**

We must provide you with any information you need to understand your benefit entitlements. If you have any further questions about your benefit entitlement or investment options you can contact us in the following way:

**Visit** Unit 4 Cameron Offices, Chandler Street, Belconnen ACT 2617  
**Phone** 1300 006 727 for the cost of a local call  
**Mail** PO Box 22, Belconnen ACT 2616  
**Fax** (02) 6272 9617  
**Email** members@enq.militarysuper.gov.au  
**Internet** www.militarysuper.gov.au

This is an important document and forms part of your periodic statement. Please read this document in conjunction with your Transaction Summary, the About your Statement leaflet and the Annual Report for contributing members. Please make sure that you keep it in a safe place for future reference.  
Prepared September 2006

This includes normal salary, service allowance, higher duties allowance, environmental allowance and non reduction allowance.

These are contributions you have paid since your commencement in the Scheme. Please note: these contributions do not include ancillary contributions.

This multiple is used to calculate your maximum allowable retirement benefit and is determined by your Final Average Salary. The dollar amounts used are increased every year in accordance with the increase in Average Weekly Ordinary-Time Earnings (AWOTE) figures. The dollar amounts shown are for 2005-2006.

#### Maximum Benefit Limits 2005 - 2006

Final Average Salary	Lump Sum MBL	Pension MBL
Below \$47 400	\$379 200	\$474 400
\$47 401 to \$75 710	8 times FAS	10 times FAS
\$75 711 to \$140 480	\$151 420 plus 6 times FAS	\$227 130 plus 7 times FAS
\$140 481 and above	\$572 860 plus 3 times FAS	\$648 570 plus 4 times FAS

This is the funded component of your employer benefit. It is the three per cent productivity contribution made by the Department of Defence (after tax and including investment earnings).

Your Total Employer Benefit is calculated by applying the Employer Benefit Multiple to your Final Average Superannuation Salary (FAS).

This is the unfunded component of your employer benefit which will be paid by the government when you retire. It is not impacted by investment earnings.

\* If you have reached your Maximum Benefit Limit (MBL) your eligible service will not increase. Please refer to the Maximum Benefit Limits fact sheet which can be found on the MilitarySuper website at [www.militarysuper.gov.au](http://www.militarysuper.gov.au)

Your opening/closing balances may be affected by backdated contributions made by your employer. The opening balance is reflective of the amount of funds held as at 12:00am 1 July 2005. If there is any difference between the closing balance from your 30 June 2005 statement, to the opening balance of this statement, please contact MilitarySuper on 1300 006 727.

Any financial product advice in this document is general advice only and has been prepared without taking account of your personal objectives, financial situation or needs. Therefore, before acting on any such general advice, you should consider the appropriateness of the advice, having regard to your own objectives, financial situation or needs. You may wish to do so with or without the assistance of a licensed financial adviser.

The information contained in this document is correct at the time of printing in September 2006. Changes to Government legislation or superannuation rules made after this date may affect its accuracy.

**This is an important document and forms part of your periodic statement. Please read this document in conjunction with your Member Statement, your Transaction Summary and the Annual Report for contributing members.**

## About your ancillary benefits

Ancillary Benefits include a range of voluntary contributions or transfers that you can make to MilitarySuper for yourself or on behalf of your spouse. There are 5 types of ancillary contributions offered by MilitarySuper. These are: Additional Personal Contributions, Salary Sacrifice, Transfer Amounts, Spouse Contributions and Government Co-Contributions. For more information, please refer to the Supplementary Product Disclosure Statement, available at [www.militarysuper.gov.au](http://www.militarysuper.gov.au)

Co-Contributions are an additional contribution from the Australian Government for eligible individuals. The benefit you receive will be the co-contributions received on your behalf and any MilitarySuper investment returns. When your benefit becomes payable, this component will be paid as a lump sum only.

Salary Sacrifice Contributions are contributions from your pre-tax salary that you can voluntarily make in addition to your regular contributions to either MSBS or DFRDB. As these contributions are organised through Defence, you will need to contact your pay unit to start or stop salary sacrifice deductions. Please note that 15% tax is deducted from these contributions upon receipt in the MilitarySuper fund.

Transfers In Contributions are benefits that have accrued in either:

- Another regulated superannuation fund;
- A Retirement Savings Account;
- An Approved Deposit Fund; or
- The Special Account (previously called the Superannuation Holding Account Reserve, or SHAR)

and have been transferred into MilitarySuper. Please note that 15% tax is deducted from any untaxed portion of the transfer amount upon receipt.

**ancillary benefits**

CO-CONTRIBUTIONS					
Total at 01/07/05	Co-Contributions 01/07/05 – 30/06/06	Net Investment Earnings 01/07/05 – 30/06/06	Withdrawal 01/07/05 – 30/06/06	Total at 30/06/06	
SALARY SACRIFICE					
Total at 01/07/05	Salary Sacrifice 01/07/05 – 30/06/06	Net Investment Earnings 01/07/05 – 30/06/06	Withdrawal 01/07/05 – 30/06/06	Total at 30/06/06	
TRANSFER IN					
Total at 01/07/05	Transfer In 01/07/05 – 30/06/06	Net Investment Earnings 01/07/05 – 30/06/06	Withdrawal 01/07/05 – 30/06/06	Total at 30/06/06	
SPOUSE CONTRIBUTIONS <small>(Spouse contributions are contributions paid by your spouse on your behalf into MilitarySuper)</small>					
Total at 01/07/05	Spouse Contributions 01/07/05 – 30/06/06	Net Investment Earnings 01/07/05 – 30/06/06	Withdrawal 01/07/05 – 30/06/06	Total at 30/06/06	
ADDITIONAL PERSONAL CONTRIBUTIONS					
Total at 01/07/05	Additional Personal Contributions 01/07/05 – 30/06/06	Net Investment Earnings 01/07/05 – 30/06/06	Withdrawal 01/07/05 – 30/06/06	Total at 30/06/06	
<b>TOTAL OF ALL BENEFITS</b>				<b>Total at 30/06/06</b>	

Unrestricted non-preserved benefit:  
Restricted non-preserved benefit:  
Preserved benefit:

**Complaints**  
The Trustees have a dispute resolution process in place. Complaints may be lodged in writing, by phone to the Complaints Officer on 1300 033 732 or by email to [complaints@mq.militarysuper.gov.au](mailto:complaints@mq.militarysuper.gov.au). If your complaint concerns a decision of the Board or a delegate of the Board you must lodge your complaint in writing within 30 days of receiving advice of the decision.

**Death benefits**  
If you die as a contributor without dependants, your personal representative will be paid a lump sum of your accumulated member contributions and your employer contributions calculated as though you had continued to serve until age 55, unless your entitlement based on actual service is greater. The actual amount of pension is dependent upon the extent of your incapacity in relation to the relevant kinds of civilian employment that you are assessed as capable of performing. If you are classified Class C, your entitlement is a refund of member contributions accumulated to 30 June 1999 (with the balance preserved) and preservation of the employer component accrued at the time of discharge. If you have an ancillary benefit this will be payable as a lump sum, subject to preservation restrictions. Further details are available from MilitarySuper and the MilitarySuper Annual Report for contributing members.

**Incapacity retirement**  
If you are discharged on medical grounds and classified Class A or B you will be entitled to a lump sum refund of your member component at 30 June 1999 (with the balance preserved until preservation age) plus an employer benefit payable as a pension immediately. The employer benefit will be calculated on the basis that you continued to serve until age 55, unless your entitlement based on actual service is greater. The actual amount of pension is dependent upon the extent of your incapacity in relation to the relevant kinds of civilian employment that you are assessed as capable of performing. If you are classified Class C, your entitlement is a refund of member contributions accumulated to 30 June 1999 (with the balance preserved) and preservation of the employer component accrued at the time of discharge. If you have an ancillary benefit this will be payable as a lump sum, subject to preservation restrictions. Further details are available from MilitarySuper and the MilitarySuper Annual Report for contributing members.

- 2 -

Spouse Contributions are contributions that you can make to MilitarySuper for your spouse. Your spouse becomes a beneficiary of MilitarySuper and his/her contributions will be kept in a separate account. Your spouse will be able to choose any of the investment choices and switch between options at any time. No tax is payable on these contributions on entry to the fund, as these contributions are paid from your after tax salary. This benefit will be payable as a lump sum only.

You will receive separate advice from MilitarySuper detailing the amount of spouse contributions that you have made. Please present this advice to the Australian Taxation Office to claim any possible rebate in conjunction with your taxation return.

The restricted non-preserved component of your benefit is comprised of your pre-1 July 1999 member benefit (if any). The restricted non-preserved benefits must remain in MilitarySuper until you discharge. Once you have discharged, your pre 1 July 1999 member benefit becomes unrestricted non-preserved.

The unrestricted non-preserved component of your benefit is comprised of your pre-1 July 1999 member benefit (if any) once you discharge from the Australian Defence Force, together with any amounts you transferred into the Fund as unrestricted non-preserved. Unrestricted non-preserved benefits may be cashed at any time.


The preserved component of your benefit is comprised of your employer Benefit, post 30 June 1999 member benefit and ancillary benefits. These benefits must remain preserved in the superannuation environment (with the employer benefit remaining in MilitarySuper) until you reach your preservation age and retire from the workforce, or you are able to satisfy another condition of release.

Additional Personal Contributions are contributions you can voluntarily make in addition to your regular MilitarySuper contributions. There is no limit on how much or how often you make a contribution. No tax is paid on these contributions on entry to the fund as these contributions are paid from your after tax salary. This benefit will be payable as a lump sum only.

This is your Total Benefit and includes Ancillary Benefits (if any).

## About your Investment Choice

The value of your member and productivity benefits are determined by multiplying your total number of units by the unit price.



AFSL: 238395  
RSE: L0000253  
RSE Number: R1000306

**balance summary**  
AT 30 JUNE 2006

Name:  
MilitarySuper Reference Number:

**member balance summary**

Investment Options	Balance as at 01/07/05			Balance as at 30/06/06		
	No. of Units	Unit Price	Balance	No. of Units	Unit Price	Balance
Cash						
Conservative						
Balanced						
Growth						
High Growth						
	Account Balance			Account Balance		

**productivity balance summary**

	Balance as at 01/07/05			Balance as at 30/06/06		
	No. of Units	Unit Price	Balance	No. of Units	Unit Price	Balance
Growth						
	Account Balance			Account Balance		

**ancillary balance summary**

Investment Options	Balance as at 01/07/05			Balance as at 30/06/06		
	No. of Units	Unit Price	Balance	No. of Units	Unit Price	Balance
Cash						
Conservative						
Balanced						
Growth						
High Growth						
	Account Balance			Account Balance		

- 3 -

You can change your member benefit investment strategy at any time.

For current MSBS members, ancillary contributions (other than spouse contributions) are invested in the same strategy or combination of strategies as regular member contributions. DFRDB members and spouses for whom a contribution has been made can choose one investment strategy or a combination of strategies. If no choice is made, ancillary contributions are invested in the default Growth strategy.

You can look up the latest unit prices at [www.militarysuper.gov.au](http://www.militarysuper.gov.au)

If you wish to change your investment option please read the booklet called *Your Guide to Investment Choice* and complete a Member Investment Choice form at [www.militarysuper.gov.au](http://www.militarysuper.gov.au)

## About your withdrawal benefits

Member benefits are calculated by adding the total amount of member contributions and any interest earned. This information is based on amounts that would be attributable to you had you withdrawn part of your benefit on 30 June 2006. This information is subject to change and you should seek a benefit estimate prior to withdrawing any part of your benefit.

If you leave the ADF prior to retirement, this is your member benefit that you can access as an immediate lump sum. It is calculated by determining the value of your member benefit that accrued to you prior to 1 July 1999.

This is the post 30 June 1999 component of your member benefit that must be preserved in either the Scheme or a complying superannuation fund until you reach your preservation age# and retire from the workforce.

This is your total employer benefit, which must be preserved in the Scheme until you reach 55. After this point you may elect, upon resignation, to take the amount less any surcharge debt, as an indexed pension, roll it over into another regulated superannuation fund, or take 50% or more as an indexed pension and keep the balance preserved in a regulated superannuation fund for payment as a lump sum when you reach your preservation age and retire from the workforce.

If you leave the ADF prior to retirement you can choose to preserve your total benefit in the Scheme until you reach age 55.

If you choose to preserve all your benefits in the Scheme, your member benefit will be invested according to your investment choice and your productivity benefit will be invested in the Growth strategy.

The unfunded portion of your employer benefit will increase in line with movements in the Consumer Price Index (CPI).

For further information on the benefit options available and when the benefit can be claimed refer to the MilitarySuper Book at [www.militarysuper.gov.au](http://www.militarysuper.gov.au)

This amount can be paid as a lump sum if you are permanently retiring from the workforce and have reached your preservation age#. If you leave the ADF after age 55, but before your preservation age, you can leave your retirement benefits in the scheme or roll them into any complying superannuation fund.

If you are leaving the ADF and have reached age 55, you may choose to convert a minimum of 50% of your employer benefit to a pension that is increased bi-annually by the Consumer Price Index. The balance of your employer benefit, and your member benefit will be preserved until you attain preservation age#.

If you have reached age 55 or have been made redundant, you can choose to convert all of your employer benefit to a pension. Your member benefit will be preserved until you attain preservation age#.

If you are leaving the ADF and have attained preservation age, you may choose to take the member component of your entitlement as a lump sum, and preserve the employer component until as late as age 65.

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

If you are leaving the ADF and have reached age 55 you can choose to preserve both your member and employer benefit in the Scheme until you permanently retire from the workforce or until age 65.

This is your total surcharge debt at 30 June 2006.

Any surcharge debt can be paid in part or full progressively during your period of membership.

Any surcharge debt amount remaining at the end of a financial year will be charged interest at the 10-year Treasury bond rate of 5.785%. See the Superannuation Contributions Surcharge leaflet for more information at [www.militarysuper.gov.au](http://www.militarysuper.gov.au)

## About your transaction summary

Your member contributions including ancillary contributions along with your employer funded productivity contributions are used to purchase units in the Scheme. The value of each unit reflects the value of the underlying assets and changes daily. Your transaction summary shows the contributions made and any variation in your investment strategy, withdrawals and tax paid.

Ancillary movements are also listed here.