

Manildra Flour Mills Retirement Fund

PRODUCT DISCLOSURE STATEMENT

**Pension
and Pre-Retirement Pension
Category**

for retired members and members approaching retirement

Document issued 1 July 2021 by the Trustee of the Fund: Manildra Flour Mills Retirement Fund Pty Limited (ABN 74 065 680 195, AFSL 530609)

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HOW TO CONTACT THE FUND

If you have a general inquiry or complaint, contact:

Mrs Belinda Burton
Fund Secretary
Manildra Flour Mills Retirement Fund
PO Box 72
Gladesville NSW 1675

Telephone: (02) 9879 9800
Fax: (02) 9879 5579
Email: manildra@manildra.com.au

SUMMARY

- The Manildra Flour Mills Retirement Fund Pension allows you to leave all or part of your benefit in the Fund after you retire.
- Pension payments are made monthly. Pensioners can also apply for additional one-off payments during the year.
- The Pre-Retirement Pension option allows you to receive part of your superannuation as a pension while you are still working.
- You can start a pension at any time after you reach your preservation age, even if you are still working. However, you must transfer a minimum amount of \$50,000 to your pension account in the Fund.
- If you start a Pre-Retirement Pension while employed by the Manildra Group you will also remain in the active section of the Fund. While you remain employed by the Manildra Group your employer will continue to make its normal contributions to the Fund and you will continue to be provided with the same level of insurance cover for death and disability.

IMPORTANT INFORMATION ABOUT THIS DOCUMENT

This Product Disclosure Statement (PDS) contains general factual information only and has been prepared without taking into account your individual objectives, financial situation or needs. Before acting on the contents of this document, you should consider whether it is appropriate to you, having regard to your objectives, financial situation and needs.

You should obtain advice from a licensed financial adviser before making any decisions about your superannuation, including starting a pension. Neither the Trustee nor your Employer is licensed to provide you with financial advice.

The PDS was prepared by Manildra Flour Mills Retirement Fund Pty Limited (ABN 74 065 680 195, AFSL 530609), the Trustee of the Manildra Flour Mills Retirement Fund (ABN 32 448 411 930) ("the Fund"). It describes the main features of the pensions offered by the Fund, including costs and investments. A separate PDS describes the benefits for active Fund members (Categories A and B). If you request further information, the Trustee of the Fund will provide all information that it reasonably believes you require to make an informed assessment of the management and financial condition of the Fund and the investment performance of the Fund.

Access to Current Information

The information in this PDS is correct at the time of publication. If there should be any materially adverse changes in the future, or if any materially adverse omission is discovered in this PDS, the Trustee will advise you in writing. Other information in the PDS (e.g. investment returns) will change and the PDS will be replaced from time to time. A printed copy of the latest PDS and any published updated information may be obtained free of charge from the Fund's website, <http://super.manildra.com.au> or by contacting the Fund Secretary (see contact details on this page).

WELCOME

While you are employed by Manildra Flour Mills or its related companies (the “Manildra Group”), your employer can pay superannuation contributions into the Manildra Flour Mills Retirement Fund¹.

After you retire the Manildra Flour Mills Retirement Fund Pension allows you to receive an account-based pension from the Fund.

Prior to retirement you can receive part or all of your Fund benefit as a Pre-Retirement Pension, even if you move to a different employer. This allows you to supplement your salary in the years leading up to retirement.

Currently, the Manildra Group meets all Fund expenses other than investment fees. The Manildra Group reserves the right to change this in the future. You would be advised in advance of such a change.

We encourage you to read this PDS and to contact the Fund Secretary if you have any questions.

See the Fund’s website, <http://super.manildra.com.au>, for more detailed information on the fund, including:

- the latest [Product Disclosure Statements](#) and [Annual Report to Members](#);
- recent [investment returns](#);
- information about [the Fund’s directors and management](#); and
- [legal documents](#) relating to the Fund and Trustee.

The website also contains the [forms](#) you need to:

- apply for a pension or pre-retirement pension;
- update the nominated beneficiaries for your death benefit.

¹ The Manildra Flour Mills Retirement Fund is a complying superannuation fund for tax purposes and so is concessional tax.

² This means that the Fund has two crediting rates: a Pension Crediting Rate, and a Fund Crediting Rate for the superannuation section of the Fund.

HOW ACCOUNT-BASED PENSIONS WORK

An account-based pension works like your existing superannuation account, except that you are paid part of your account each year as a pension subject to a minimum amount specified in legislation.

Each year, your account is credited with tax-free investment earnings at the Pension Crediting Rate. *This rate can be positive or negative—it is affected by market conditions, so the value of your pension account can rise or fall.*

Investment earnings on Retirement Phase Pension accounts are tax-free, unlike earnings on standard superannuation accounts and Pre-Retirement pension accounts which are taxed at up to 15%². Both lump sum benefits and pension payments are tax-free after age 60, but are taxed from age 55 to 59.

Pre-Retirement Pensions work in the same way as Retirement Phase Pensions, except that an upper limit applies to the annual payments you can receive before you retire or reach age 65 and the investment income on these pensions is taxed at up to 15%.

If you start a Pre-Retirement Pension while employed by the Manildra Group then your normal employer contributions will continue and the insurance cover provided in the main superannuation section of the Fund (Categories A and B) will continue. (See page 3 below if you are a defined benefit member.) Should you subsequently cease employment with the Manildra Group then contributions to the Fund and your insurance cover will cease but the pension may continue at your option.

Once you reach age 65, retire³ or satisfy another “condition of release”⁴, your Pre-Retirement

³ This means either (a) retiring permanently from the work-force after your preservation age if you do not intend to work again or (b) reaching age 60 and leaving your current employer, even if you start another job.

⁴ For example, if you become permanently incapacitated or have a terminal medical condition, as defined in superannuation law.

Pension will automatically be converted to a Retirement Phase Pension.

STARTING A PENSION

How to start a pension

Make sure you read all the information in this PDS and consider whether this product is right for you. Then complete the following steps:

- 1) Ensure you meet the eligibility conditions (see page 3).
- 2) Check if you have any lost super (see page 4) or accounts in other superannuation funds which you want to roll over to your Manildra Fund account before starting your pension.
- 3) Decide how much you want to transfer into your pension account, and how much you wish to receive in annual pension payments (see page 4), subject to statutory limits.
- 4) Complete the *Pension Application Form* attached to the back of this PDS and return it to the Fund Secretary with the required *proof of identity documents* (see page 16).
- 5) If you have not already done so:
 - advise the Fund of your Tax File Number; and
 - complete an updated *Nomination of Beneficiaries Form* to advise the Trustee whom you would like to receive your account balance if you die while receiving a pension (see page 6).

Please ensure that you provide all necessary proof of identity documentation when you submit your completed *Pension Application Form*. Failure to do so will result in delays in the payment of your pension.

Opening balance and rollovers

Your pension can only be funded with money originating from a superannuation fund. You need a minimum pension account balance of \$50,000 to start a pension in the Fund, although the Trustee may consider allowing a lower initial pension account balance on application. **All of the money being used to fund your pension account must be received by the Fund before your pension can start.** Once your pension has started, you cannot add any more money to your existing pension account. However, another pension account can be started for you, subject to you meeting the eligibility requirements.

The money to start your pension account can come from your existing Manildra Fund account and any rollovers from other super funds.

The Fund does not charge any entry fees on rollovers. However, your previous fund may charge a termination penalty. Your insurance cover with your previous fund may also cease. Contact your previous fund for details.

To assist with the rollover of your other superannuation amounts into the Fund, you should contact the Fund Secretary or your other superannuation funds.

Adding to your pension

It is not possible to add to your pension account after payments have commenced so you should ensure that you arrange any rollovers from other funds before starting your pension.

However, in circumstances such as:

- combining a Pre-retirement Pension with your ongoing account balance in the main superannuation (Category A and B) section of the Fund when you retire; or
- the addition of a large lump sum

it may be possible to combine your total balance into a new pension. There may be tax effects of doing so.

The Trustee will consider applications to do so on a case-by-case basis. Contact the Fund Secretary for more details.

Eligibility conditions

Any member of the Fund is eligible to commence a pension once they reach their preservation age, including members who are still employed by the Manildra Group.

Your preservation age depends on when you were born as shown in the following table:

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

Defined benefit members

Some long-standing Fund members are entitled to defined benefits in relation to their membership prior to 1 January 2008.

Defined benefit members who wish to start a Pre-Retirement Pension must convert their entire defined benefit to an accumulation account before commencing a pension.

For further information, you should contact the Fund Secretary (see contact details on page 1).

Tracing your super

If you've moved jobs during your working life, you may have money in several superannuation funds. You may even have lost track of some of your superannuation. You can use a MyGov account to manage your superannuation and to trace some of your superannuation accounts. Go to my.gov.au to set up a MyGov account.

RISKS OF INVESTING IN A PENSION

As with any investment, there is always risk in holding an account-based pension. Investment returns, and therefore the balance in a pension account, are not guaranteed. Your pension account balance may move up or down in value (in addition to any withdrawals you may make) depending on the performance of the Fund's investments. Investment returns may be positive or negative in any given year. There is also a risk that your pension account could run out before you die.

Your annual Member's Benefit Statement, which is provided to you each year following the Fund's Annual Review at 30 June, will show the amount you have in your accounts, the pension payments, any other deductions made from your account during the year and a transaction summary for the year.

INSURANCE

You do not receive any insurance cover from the pension section of the Fund.

However, if you are receiving a Pre-Retirement Pension from the Fund, you will retain your insurance cover as a Category A or B member of the Fund while you remain employed by the Manildra Group. You may also be able to continue the insured part of your Category A or B Death Benefit as a personal insurance policy at your own expense after you leave employment with the Manildra Group.

For more details on insurance, please read the Product Disclosure Statement for Categories A and B.

PENSION PAYMENTS

Pension payments are made monthly by direct deposit to your bank, building society or credit union account.

Once a year, from 1 July, you can change the level of pension that suits you, provided that it is at least the minimum payment required by the Government (which varies each year according to your age and pension account balance at 1 July). If you have a Pre-Retirement Pension, a Government-imposed maximum also applies.

When choosing the size of your monthly payment, you should consider your individual needs and how long you are likely to need your pension to last. Your pension will continue to be paid while there is money remaining in your account. It is not guaranteed to be sufficient to meet your needs during all your years of retirement.

When making retirement arrangements, many technical and practical issues arise and we encourage you to seek advice from a licensed financial adviser.

Minimum payment

Government regulations require your total pension payments during each financial year to be at least the percentage of your account balance at 1 July shown in the following table, rounded to the nearest \$10.

Age on 1 st July	Minimum withdrawal (% of account balance at 1 st July)
Under 65	4%
65-74	5%
75-79	6%
80-84	7%
85-89	9%
90-94	11%
95 or more	14%

For the 2019-2020 and 2020-2021 financial years the Government has reduced the minimum

pension amount to 50% of the rates shown in the table above.

Example of minimum pension payment in years other than in the 2019-2020 and 2020-2021 financial years.

A member is aged 67 on 1 July and has an account balance of \$400,000. The minimum annual pension payment is:

$$5\% \times \$400,000 = \$20,000$$

This is equivalent to a regular payment of \$1,667 per month.

When you first transfer to the pension category, the pension account balance is calculated at the date your pension starts and the total amount payable before the next 1 July is reduced in proportion to the number of days remaining in the financial year. For example, if you start your pension on 1st March, there are 122 days remaining in the financial year so the minimum payment will be $122/365 \times$ the percentage shown in the table \times your opening pension account balance.

Special rules mean that there is no minimum payment for the first financial year if you commence your pension in June.

Maximum payment

If you have a Pre-Retirement Pension, your annual pension payment can be up to 10% of your account balance (measured at the start of each financial year).

Once you reach age 65, retire⁵ or satisfy another “condition of release”⁶, your Pre-Retirement Pension will automatically be converted to a Retirement Phase Pension and you can withdraw any amount you choose, up to your total account balance.

LUMP SUM WITHDRAWALS

You may request additional one-off pension payments during the year. Requests will be

⁵ This means either (a) retiring permanently from the work-force after your preservation age if you do not intend to work again or (b) reaching age 60 and leaving your current employer, even if you start another job.

considered by the Trustee on a case-by-case basis. For Pre-Retirement Pensions, this is subject to the maximum payment described above.

You may also request a lump sum withdrawal, rather than an additional pension payment. Requests will be considered by the Trustee on a case-by-case basis.

CLOSING YOUR PENSION

You can withdraw your entire pension account balance at any time, subject to superannuation law.

If you have a Pre-Retirement Pension, you may be required to roll over some of your pension account to the main superannuation (Category A and B) section of the Fund or to another superannuation fund.

Cooling-off period

In addition, you have a legal right to a 14 day “cooling off” period if you decide your investment in the Manildra Fund Pension is inappropriate. If, during this time, you wish to cancel your investment, you must do so in writing by letter, signed by you and sent to the Fund Secretary at the address set out in this PDS. The 14 day period begins upon receipt of your pension confirmation (i.e. your welcome letter). On receiving your request we will terminate your pension. The Fund will return the money invested to you, adjusted for investment earnings during the period of your investment. If you have a Pre-Retirement Pension, you may be required to roll over some of your account to the main (Category A and B) section of the Fund or to another superannuation fund.

⁶ For example, if you become permanently incapacitated or have a terminal medical condition, as defined in superannuation law.

DEATH BENEFIT

If you die while you are receiving a pension from the Fund, the balance of your pension account may be paid as a lump sum to your dependant(s) or to your estate. Your benefit may also be paid as a pension to a beneficiary.

It is important that you keep the Trustee informed of whom you would prefer to receive your Death Benefit if you die. Although it is the Trustee who makes the final decision on who receives your benefit (in accordance with the Trust Deed), the Trustee will take into account your wishes.

You can revise your nomination at any time. You should consider doing so if your personal circumstances change (e.g. if you marry or after the birth of a child).

➔ **You can nominate your beneficiaries** by completing a *Nomination of Preferred Beneficiaries Form* which is available from your Payroll Department. This information will be treated in strict confidence by the Trustee. Note that any existing nomination will be considered by the Trustee unless you provide a new nomination.

Please note that for legal reasons, the instructions on the form are not binding on the Trustee (i.e. the Trustee decides who receives your Death Benefit.)

Who Can Be Nominated As a Beneficiary?

You can nominate one or more of your dependants:

- Your spouse (including de facto);
- Your children (including step, adopted or ex-nuptial children, but excluding any children who have been adopted by another person);
- Any person with whom you had an “interdependency relationship” immediately prior to your death; or
- Any other person who was fully or partly financially dependent on you.

You might want your benefit to be distributed according to your Will. In this case, you can nominate the legal personal representative of your estate as the recipient of your Death Benefit.

KEEP YOUR CONTACT DETAILS CURRENT

If the Trustee can no longer contact you to continue paying your pension (for example you may have moved and changed bank accounts without telling us) we may need to transfer your pension out of the Fund as follows:

If you are aged 65 or over and the Trustee cannot contact you to continue paying your pension, your benefit entitlement will be transferred to the ATO as a lump sum. You can approach the ATO directly to claim any such “unclaimed money”.

If you are below age 65 and the Trustee cannot contact you to continue paying your pension, your benefit entitlement may be transferred as a lump sum to the Fund’s nominated Eligible Rollover Fund, the AMP Eligible Rollover Fund (“ERF”). The ERF is not related to the Fund. Its contact details are:

AMP Customer Service Centre
PO Box 300
PARRAMATTA NSW 2124
www.amp.com.au/erf
polinfo@amp.com.au

You may contact the ERF at any time on 131 267 and request payment of your benefit to you (if allowed) or roll it into the fund of your choice.

If the Trustee has your Tax File Number it must give it to the ERF unless you specifically request the Trustee not to do so.

Once your benefit has been paid to the ERF, you are no longer a member of or have any rights under the Fund. The conditions of the ERF are different from those of the Fund, including the fee structure. In particular, investment earnings in the ERF will be different from the Fund and, as ERFs do not pay pensions, earnings will be taxed at up to 15%.

For full details on the ERF, you should obtain a copy of the current Product Disclosure Statement for the ERF from the above address.

YOUR BENEFITS ON DIVORCE

Effect of Divorce on Your Benefits

Part of your benefit may become payable to your former spouse as a result of a Family Court order or an agreement with your former spouse. For more information contact the Fund Secretary.

THE FUND'S INVESTMENTS

Who is Responsible for the Fund's Investments?

The Trustee is responsible for managing the Fund's investments. The Trustee sets investment objectives and strategies for the investment of the Fund's assets, selects investments and appoints Investment Managers responsible for the day-to-day management of some of the Fund's assets.

The Trustee monitors the Investment Managers' performance and the portfolio against the Fund's investment objectives. Performance of individual asset classes is measured against relevant indices.

The Trustee can replace Investment Managers at any time.

The same investment objectives and strategies apply to pensioners and active members.

Investment Objectives

Long-Term Return Objective

- To achieve an investment return over rolling five year periods of 3% pa more than the annual rate of increase in the Consumer Price Index over the period.

Long-Term Risk Objective

- To achieve a positive investment return 16 out of 20 years on average over the long term.

Investment Strategy

Long-Term Strategy

1. The Trustee will invest 25% of the Fund's assets in property, either directly or through unit trusts. This percentage may vary between 10% and 30% from time to time.
2. The Trustee will invest 20% of Fund assets in cash and fixed interest investments. Fixed interest assets will be managed by selected investment manager(s) through pooled investment vehicles or appropriate Cash vehicles. This percentage may vary between 10% and 50% from time to time, with a long term expectation that 5% will be in cash and 15% in fixed interest.
3. The Trustee will invest 40% of Fund assets in Australian equities and 15% in international equities. Equities will be managed by selected

investment manager(s) through pooled investment vehicles. The percentage for Australian equities may vary between 20% and 50% from time to time while the percentage for international equities may vary between 5% and 25%.

Where is Your Money Invested?

The money in your pension account is combined with that of other Fund members, assets for the Fund's Operational Risk Financial Reserve and assets supporting the Fund's defined benefits, and is invested in accordance with the strategies previously outlined.

As at 30 June 2020, the Fund's assets were invested as shown in the following table:

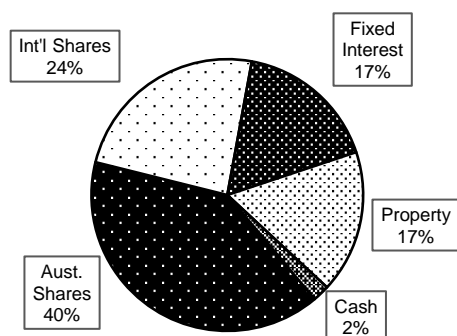
Investments	% of Investments
Vanguard Australian Property Securities Index Fund	9
Direct Properties*	8
Dimensional Australian Value Trust	8
Schroder Australian Equity Fund	4
Vanguard Australian Shares Index Fund	28
Vanguard International Shares Index Fund (Hedged)	10
Vanguard International Shares Index Fund	14
Vanguard Australian Corporate Fixed Interest Index Fund	1
Vanguard Managed Payout Fund	1
ANZ Australian Fixed Interest Fund	1
Morningstar Australian Bond Fund	9
Citibank Term Deposits	5
Cash	2

* These properties are owned by the Fund and are leased to the Manildra Group on a commercial, arm's length basis.

The Fund also has a small investment in the Vanguard Managed Payout which is a multi-asset class diversified fund.

How is Your Money Invested?

The Fund's assets are invested in several sectors. As at 30 June 2019, the Fund's assets were invested as follows:



Use of Derivatives

The Fund does not currently use derivative instruments, such as futures, options and swaps. The manager of a trust or managed fund in which the Fund is invested may use derivatives, provided they have a risk management policy and procedures in place which are acceptable to the Trustee.

Socially Responsible Investment

When making investment decisions, the Trustee and the Fund's investment managers take into account the expected return and performance of investments. When making these decisions, they may consider social, ethical, environmental considerations or labour standards of companies within the portfolio from time to time where these may materially impact on the performance objectives of the Fund.

Financial Position

The Fund's Actuary monitors the financial position of the Fund as part of the actuarial valuation conducted every three years. At the last actuarial valuation as at 1 July 2018, the Actuary found that the Fund was in a satisfactory financial position. The Fund's Actuary has advised the Trustee that there was a surplus of assets over the value of accrued benefits as at 30 June 2020.

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the superannuation entity as a whole.

INVESTMENT EARNINGS

Investment earnings are credited to your account at least annually. The Fund's Pension Crediting Rate is determined by the Trustee following the end of each financial year. It is calculated as the Fund's actual investment earning rate after deducting investment related expenses. No tax applies to investment earnings on pension accounts.

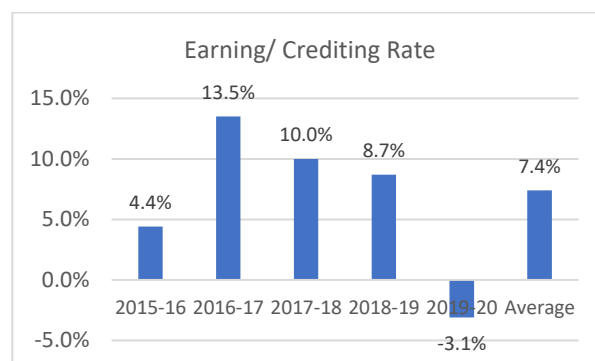
The Fund's Pension Crediting Rate can be positive or negative. It is affected by market conditions, so the value of your pension account can rise or fall.

Earning and Crediting Rates

While earnings on pension assets are tax-free, other superannuation fund earnings are taxed at up to 15%. This means that the Fund has two crediting rates: a Pension Crediting Rate, and a Fund Crediting Rate for the accumulation section of the Fund (Categories A and B).

The graph below shows the Pension Crediting Rate for the past five years.

The compound average Pension Crediting Rate for the five years to 30 June 2020 was 7.40% per annum after fees. This compares with a rate of increase in the Consumer Price Index of 1.25% p.a. over the five years to 30 June 2020.



FEES AND OTHER COSTS

Other fees, such as activity fees, advice fees for personal advice and insurance fees*, may also be charged, but these will depend on the nature of the activity, advice or insurance* chosen by you.

Taxes, insurance fees and other costs relating to insurance* are set out in another part of this document.

You should read all the information about fees and

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 account 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.

Your employer may be able to negotiate to pay lower administration fees*. Ask the fund or your financial adviser.

TO FIND OUT MORE

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

other costs because it is important to understand their impact on your investment.

* Please note that the introductory paragraphs and the consumer warning in the box above are required by Australian law and should be read in conjunction with the table of fees and costs below. There is no insurance provided in the Manildra Flour Mills Retirement Fund Pension. Fees cannot be negotiated in the Fund.

Standard table of fees

The following table of fees is set out in a standard way, as required by Australian law, to make it easier for you to compare fees and costs across different funds. Fees and costs may be paid directly from your account or deducted from investment returns, as shown in the table. All the fees and costs include GST where applicable.

The table shows standard fee types as defined in superannuation legislation. See <http://super.manildra.com.au/guide-to-fee-definitions/> for definitions of each fee type.

Type of fee	Amount	How and When Paid
Investment fee	0.20% p.a. of account balance (\$2.00 per \$1,000.)	Deducted from investment returns
Administration fee	Nil	Not applicable
Buy-sell spread	Less than 0.05%	Deducted from investment returns
Switching fee	Nil	Not applicable
Exit fee	Nil	Not applicable
Advice fees relating to all members	Nil	Not applicable
Other fees and costs	Nil	Not applicable
Indirect cost ratio	Nil	Not applicable

Additional Explanation of Fees and Costs

Currently, the Manildra Group meets all Fund expenses, including insurance premiums for the

Standard Insured Benefit for Category A and B members, other than some investment fees as described below. The Manildra Group reserves the right to change this in the future. You would be advised in advance of such a change. Any tax

deductions are used to reduce the amount of expenses met by the Manildra Group.

Fees and charges may be varied from time to time without your consent. If this were to occur you would be advised at least 30 days in advance of the variation, where possible.

The buy-sell spread shown in the earlier table is an estimate of the overall cost for the 2018-19 financial year related to the following transaction costs incurred by the relevant external manager at the time any units in the Morningstar or Vanguard trusts are purchased or sold by the Fund:

-
- 0.10% of the sale or purchase price for the Morningstar Australian Bond Trust
- 0.06% of the sale or purchase price for the Vanguard Australian Property Securities Index Fund
- 0.05% of the sale or purchase price for the Vanguard Australian Shares Index Fund
- 0.06% of the sale or purchase price for the Vanguard International Shares Index Fund
- 0.08% of the sale or purchase price for the Vanguard International Shares Index Fund (Hedged).
- 0.15% of the sale or purchase for the Vanguard Australian Corporate Fixed Interest Index Fund;
- 0.13% of the sale or purchase for the Vanguard Managed Payout Fund;
- 0.08% of the sale or purchase for the Dimensional Australian Value Trust;
- 0.25% of the sale or purchase for the Schroder Australian Equity Fund.

These costs are an additional cost to the investor and are deducted from the gross investment earnings of the Fund prior to the calculation of the Fund's Pension Crediting Rate.

Taxes relating to your investment are described separately on page 11.

An example of annual fees and costs

The table below gives an example of how the fees and costs of the Fund can affect your superannuation investment over a one year period. You should use this table to compare this product with other superannuation products.

EXAMPLE		BALANCE OF \$50,000
Investment Fees	0.20%	For every \$50,000 you have in the fund you will be charged \$100 each year.
PLUS Administration fees	Nil	And, you will be charged \$0 in administration fees regardless of your balance
PLUS Indirect costs	Nil	And indirect costs of \$0 will be deducted from your investment
EQUALS Cost of Fund	0.20%	If your balance was \$50,000, then for that year you will be charged fees of \$100.

TAXATION

The information below is a summary based on current tax laws. Since taxation is a continually changing and complex area, you are encouraged to obtain professional advice at the appropriate time. Taxation laws may change at any time.

Taxes

Investment Earnings

The investment earnings accruing to a Retirement Phase Pension account are tax-free. However, the investment earnings on a Pre-Retirement Pension are taxed at the same rate as a standard superannuation account.

Payments from Age 60

From age 60, both pension payments and lump sum withdrawals from your pension account are tax-free. You do not need to include these superannuation benefits in your income tax return if they are paid after you reach age 60. In fact, after age 60, you won't even need to lodge a tax return if your only source of income is payments from the Fund (or payments from similar funds). However, payments may still be reportable for Centrelink purposes (eg if you receive the Age Pension).

Pension Payments before Age 60

Before age 60, tax will be withheld at the top marginal rate (45% plus the Medicare levy) if the Fund has not been given your Tax File Number (see page 11).

If the Fund holds your Tax File Number, for most members, part of your pension will be completely tax-free and part will be subject to income tax (the "taxable component") at your marginal rate, reduced by a 15% tax rebate

For most people, the size of the tax-free component is based on the amount of personal post-tax and similar contributions in the original pension investment.

While you are under age 60, the Fund will deduct the appropriate pay as you go (PAYG) tax from your pension payments and will send you an annual PAYG Payment Summary (previously called a Group Certificate) which you will need to complete your tax return.

Lump Sum Withdrawals before Age 60

If you receive a full or partial lump sum withdrawal from your pension account before age 60, it will be taxed as a superannuation payment. The rate of tax depends on a variety of factors. For more information, please contact the ATO on 13 10 20 or www.ato.gov.au/super.

Tax on Your Death Benefit or if you are terminally ill

Benefits paid to "dependants" (as defined by taxation legislation) on the death of a member are tax free. In the case of the Fund Pension this means the remaining balance of your pension account.

If you are terminally ill or injured, your benefit will also be tax-free. For this to apply, you must provide the Fund with current certificates from two registered medical practitioners, at least one of whom is a specialist in an area related to your injury or illness, stating that your illness or injury is likely to result in death within 12 months.

Death benefits paid to non-dependants are subject to tax under special rules. For more information, please contact the ATO on 13 10 20 or www.ato.gov.au/super.

If your death benefit is paid to your estate, the tax payable will depend on whether or not the persons intended to benefit from the estate are your dependents.

Note that while your benefit can be paid to your children as "dependants" regardless of their ages, for tax purposes children aged 18 or over are classed as non-dependants unless they are also financially dependent on you, or in an "interdependent relationship" with you.

Effect on Social Security Benefits

Your Fund pension will be taken into account when assessing your eligibility for social security benefits (e.g. the Government Age Pension paid by Centrelink).

The rules for Centrelink entitlements are complex. You should contact Centrelink on 13 23 00 or visit www.centrelink.gov.au for more information.

Tax File Numbers (TFN)

Normally your employer will provide your TFN to the Fund when you commence employment. This

has been compulsory since 2007 and was optional before this date.

You can also provide your TFN to the Trustee at any time in the future by contacting the Payroll Department.

It is not compulsory for you to provide your Tax File Number (TFN) to the Fund. However, providing your TFN will have the following advantages, which may not otherwise apply⁷:

- (i) the Fund will be able to accept all types of contributions to your account, including voluntary member contributions;
- (ii) you will not have to pay any additional tax on contributions;
- (iii) no additional tax will be deducted when you start drawing down your superannuation benefits, other than the tax that ordinarily applies; and
- (iv) it will make it much easier to trace different superannuation accounts in your name so that you will receive all your superannuation benefits when you retire.

The Trustee is authorised to collect your TFN under the Superannuation Industry (Supervision) Act. Your TFN will only be used by the Trustee for lawful purposes. These include finding or identifying your super where other information is insufficient, calculating the tax payable on contributions or benefits paid to you and providing information to the ATO. It is not an offence if you choose not to provide your TFN.

Unless you instruct us in writing not to do so, we may provide your TFN to another superannuation provider when your benefits are transferred to that provider.

The purposes for which your TFN will be used and the consequences of not providing your TFN may change in the future as a result of legislative change.

PRIVACY POLICY

In order to admit you as a pension member of the Fund, the Trustee needs to collect certain information about you. Some relevant information about you is also provided by your employer.

The information we collect will be used principally for the purpose of managing the affairs of the Fund and helping you to maximise your superannuation benefits. This may include providing you with information about other products and services that may help you to understand and make decisions about your investments and retirement savings. We will only use and disclose information about members in accordance with the terms of relevant privacy legislation.

The main legislation affecting the administration of superannuation funds are the Superannuation Industry (Supervision) Act 1993 and the Corporations Act 2001 and the regulations under these Acts. The Trustee needs to request and hold certain information in order to meet its reporting and record-keeping obligations under the legislation and to enable your benefits to be properly administered.

We may disclose information we hold about members to third parties in connection with the operation of the Fund in certain circumstances. For example, certain information may be provided to a sponsoring employer, your financial adviser, the Fund's consultants, advisers or insurers, any new trustee or administrator who may be appointed, or persons or organisations offering other services that may help you to maximise the value of your benefits. In some cases the law may also require us to disclose information to other people or organisations.

Under privacy laws you are generally able to access information that we hold about you on request. For example, you may want to establish that the information is accurate, complete, or up-to-date. However, in some cases a charge may apply to cover the costs of providing the information. The Trustee or Fund Administrator will be able to advise you whether a charge will apply in any particular case.

A more detailed Privacy Policy is available from the Fund's [website](#) or on request. If you have any

⁷ Note that some of these items only apply to the main superannuation section of the Fund, not to pensioners.

complaints or concerns about privacy matters, please advise the Fund Secretary.

HOW THE FUND IS MANAGED

Trustee

Your Fund is managed by a Trustee, Manildra Flour Mills Retirement Fund Pty Limited (ABN 74 065 680 195, AFSL 530609), which is a separate entity from the Manildra Group. The Trustee is governed by a Board of Directors who are responsible for managing the Fund in accordance with the Trust Deed and the relevant legislation. Two Directors are elected by members, two Directors are appointed by the Manildra Group. The Trustee Board may also appoint an Independent Director from time to time. At the date of this PDS there is not an Independent Director.

Directors meet regularly to supervise the Fund's operation and to review the performance of the Fund's investments. Please refer to the Fund's [website](#) or the latest [Annual Report](#) for information about the current Directors.

Appointment and Removal of Directors

Employer-Appointed and Independent Directors

Employer-appointed Directors are appointed by the Manildra Group for a term of three years and may be re-appointed.

Independent Directors are appointed by the Board of Directors and shall hold office for three years, but they may be re-appointed.

Member-Elected Directors

Member-elected Directors are elected by the members (including pensioners) for a term of three years.

Elections of Member-elected Directors are held in May and June every three years and the two Directors elected by the members then hold office for a three-year period from 1 July of the year in which the election is held.

Only members (including pensioners) of the Fund are eligible for nomination as Member-elected Directors.

The Trustee will issue a Notice of Election to each active member of the Fund at their place of work and to each pensioner by mail.

In the event that nominations exceed the number of vacancies, a ballot will be conducted.

The voting will be voluntary and on a "first past the post" basis.

The result of the election shall be declared to the Trustee of the Fund and the elected candidate(s) and members will be advised accordingly.

Casual Vacancies

In the event of a casual vacancy occurring on the Board of Directors due to the cessation of office of a Member-elected Director, the vacancy shall be filled within 90 days by the unsuccessful candidate receiving the next highest number of votes at the earliest preceding general election.

In the event that insufficient or no nominations for the position of Member-elected Director(s) are received by the closure date stated in the Notice of Election, the incumbent Directors shall within 14 days of the closure date, issue a further invitation to members to nominate. Failure to receive any or sufficient nominations following this second invitation will result in the Manildra Group appointing a Fund member or members to fill any vacancies not filled by a nominee of the members of the Fund.

Termination of Office

The office of Member-elected Director will become vacant on:

- Resignation by notice in writing to the Trustee;
- Bankruptcy, mental illness or death;
- Ceasing to be a member of the Fund or to satisfy a condition that the Member-elected Director was required to satisfy to be eligible for appointment; or
- Becoming a *disqualified person*, as defined in superannuation legislation.

A majority of the members may at any time and from time to time by vote in a ballot of members, remove any or all of the Member-elected Directors from office. In this event the Trustee shall conduct, or cause to be conducted, a ballot of members (in accordance with such procedures as the Trustee shall, by resolution of the Directors, from time to time adopt) upon receipt of a written request for the holding of such a ballot signed by not less than ten per cent of the members at that date.

Any removal of Member-elected Director(s) shall take effect from the date of the election of the new Member-elected Director(s) or such other date as

the newly appointed Member-elected Director(s), the Manildra Group and the remaining Trustee Directors then in office determine.

All Directors

All Directors cease to hold office if they retire, resign, die, become mentally ill or incapable of carrying out their responsibilities or are disqualified by law.

Service Providers

To assist the Trustee in fulfilling its obligations and responsibilities and management of the Fund, professional service providers may be appointed. These include:

Actuary

Role: Provides actuarial advice.

Currently: Professional Financial Solutions Pty Ltd
ABN 84 096 646 178

Administrator

Role: Keeps member records and arranges payment of benefits.

Currently: Professional Financial Solutions Pty Ltd
ABN 84 096 646 178

RSE Auditor

Role: Reviews the accounts of the Fund.

Currently: Ernst & Young ABN 75 288 172 749.

Internal Auditor

Role: Reviews internal controls and activities of the Fund.

Currently: Grant Thornton ABN 41 127 556 389

Insurance Broker

Role: Provides advice and administrative services in relation to the Fund's insurances.

Currently: Gow-Gates Financial Services Pty Limited
ABN 97 001 250 344

Risk and Compliance Consultant

Role: Monitors and reports on Risk and Compliance Matters.

Currently: Professional Financial Solutions Pty Ltd
ABN 84 096 646 178

Investments

Role: Responsible for the unit trust investments held by the Fund.

Currently: ANZ Banking Group Limited
ABN 11 005 357 522;

Morningstar Investment Management Australia

Limited

ABN 54 071 808 501

Vanguard Investments Australia Ltd

ABN 72 072 881 066

DFA Australia Limited (Dimensional Fund Advisors)

ABN 46 065 937 671

Schroder Investment Management Australia Limited

ABN 22 000 443 274

Trustee Liability Insurance

The Fund is insured against liabilities incurred by the Directors up to \$4 million per claim, to a total of \$8 million. The Directors are not insured for dishonest, wilful or reckless acts.

Trust Deed

The Fund is governed by a legal document called the Trust Deed which sets out the rights and responsibilities of all participants in the Fund and outlines the rules under which the Fund is administered and benefits are paid. This PDS and other documents may describe your rights and entitlements in general terms but the Trust Deed is the final authority.

As circumstances change, it may be necessary to amend the Trust Deed (e.g. to reflect changes in legislation). You will be informed of significant changes to the Trust Deed in the *Annual Report*.

A copy of the Trust Deed is available on request from the Fund's [website](#) or from the Fund Secretary (see page 1 for contact details).

Loans

The Trustee is not allowed to make loans to members and you cannot use a benefit as security for money you borrow. Nor can your benefit from the Fund be signed over to any third party.

Termination of the Fund

The Manildra Group has set up and sponsors the Fund with the intention of continuing to provide superannuation benefits for its employees. The Trust Deed and superannuation law does allow the Fund to be wound up. If this happens, your rights will be governed by the provisions of the Trust Deed.

INQUIRIES AND COMPLAINTS

The Trustee provides an inquiry and complaints procedure for members which, together with the Australian Financial Complaints Authority (AFCA), forms the Fund's dispute resolution mechanism. Through this service, you may make a general inquiry about your superannuation benefits or the operation of the Fund as it affects you, or make a complaint if you are dissatisfied about some aspect of your membership or benefits or a decision of the Trustee.

Inquiries or complaints about the Fund or your benefits should be directed to the Fund Secretary (see page 1 for contact details).

Under superannuation legislation, the Trustee must take all reasonable steps to ensure that there are arrangements to deal with inquiries or complaints within 90 days. If your complaint has not been resolved within 90 days or you are not satisfied with the Trustee's decision, you may be able to lodge a complaint with the Australian Financial Complaints Authority (AFCA).

AFCA is an independent body set up by the Federal Government as the dispute resolution scheme for financial services. AFCA provides fair and independent financial services complaint resolution that is free to consumers.

You may only approach AFCA if you have first been through the Fund's internal complaints procedure. AFCA is not able to deal with matters that relate to management of the Fund as a whole.

The time limit for complaints to AFCA about most trustee decisions is six years. However, stricter time limits do apply to making certain complaints in relation to death and total and permanent disablement (TPD) benefits.

AFCA can only deal with a complaint relating to the payment of a death benefit if you object to the Trustee's initial proposal for the distribution of the benefit within 28 days and you lodge your complaint with AFCA within 28 days after the Trustee has considered your objection and advised you of its final decision.

➔ You can contact the AFCA on:

GPO Box 3
Melbourne VIC 3001
Phone: 1800 931 678
Email: afca.org.au

KEEPING UP TO DATE

The Fund's website, <http://super.manildra.com.au> has detailed information on the Fund. In addition, to help you stay informed about your superannuation, we will send you:

- A Welcome letter on commencing a pension, confirming the details of your pension account;
- A yearly personal *Member's Benefit Statement*, which shows the value of your pension account as at 1 July and the transactions made since your last *Statement*;
- An *Annual Report* to members which contains information on the Fund's activities during the year, such as the Trustee's investment strategy and other important details about the Fund; and
- If you are aged 60 or under, an annual *PAYG Payment Summary*.

Please contact the Fund Secretary if you require more information about the Fund or would like to see a copy of other Fund documents such as the Fund's full financial statements and audit report (see page 1 for contact details).

Keeping in Touch

We can only send you printed information if we have your current address, so it is important you tell us your new address if you move. You should also advise if there are any changes to your bank account details.

If we lose track of you because we don't have your current address, you may be classified as a "lost member" and your details provided to the Lost Members Register maintained by the ATO.

You can notify the Fund of a change of address by contacting the Payroll Department.

IDENTIFICATION CHECKS

To meet Government requirements, you must provide **certified documentation verifying your identity** before we can start paying your pension.

Please ensure that you provide all necessary proof of identity documentation when you submit your completed *Pension Application Form*. Failure to do so will result in delays in the payment of your pension.

You must provide certified copies of the identity documentation. Do not send original documents to the Fund.

If you cannot provide acceptable certified documents, please contact the Fund Secretary for other options.

Identity documentation

You can provide a certified copy of either:

- (i) Photo ID—A current driver's licence or permit issued under the law of a State or Territory; or
- (ii) Photo ID—An Australian passport (which can be up to two years out of date).

If you are unable to provide a driver's licence or passport—Alternative ID (see below).

Alternative ID

If you are unable to provide a driver's licence or passport, you should provide certified copies of one document from *each* of List 1 and List 2 below.

List 1

- birth certificate or birth extract
- Australian citizenship certificate
- pension card issued by Centrelink that entitles the person to financial benefits.

List 2 (must contain your name and residential address)

- letter from Centrelink (or other Government body) within the past twelve months regarding a Government assistance payment
- ATO Notice of Assessment issued within the past twelve months
- rates notice from local council issued within the past three months
- electricity, gas or water bill issued within the past three months.

Certification

The person who is authorised to certify documents must sight the original and the copy and make sure both documents are identical, then make sure all pages have been certified as true copies by writing or stamping 'certified true copy' followed by their signature, printed name, qualification (e.g. Justice of the Peace) and date.

Authorised persons who can certify documents as being true and correct copies for you include, but is not limited to, the following:

- Australia Post Office employee (who has worked for the post office for at least two continuous years)
- police officer
- accountant (who is a member of the Institute of Chartered Accountants or CPA Australia or the National Institute of Accountants).
- Justice of the Peace
- finance company officer (eg a bank manager or bank employee who has worked for the company/ies for at least two continuous years)
- officer with, or authorised representative of, an Australian Financial Services Licensee (who has had at least two years' continuous service with one or more licensees).
- barrister or solicitor (who is enrolled on the roll of a State or Territory Supreme Court or the High Court of Australia, as a legal practitioner)
- Notary Public Officer
- Registrar or Deputy Registrar of a court
- Australian consular officer or Australian diplomatic officer
- judge or magistrate of a court
- Chief Executive Officer of a Commonwealth Court