



MergerNews

February 2009

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This brochure has been jointly issued by Maritime Financial Services Pty Limited (MFS), ABN 16 105 319 202 AFSL No. 241735, and Seafarers Retirement Fund Pty Ltd (SRF), ABN 29 063 788 670 AFSL No. 230728. While every effort has been made to ensure the accuracy of this brochure, MFS and SRF give no warranty as to the reliability of this information. This brochure contains general advice only and does not take into account your individual objectives or financial situation or needs. Consequently, you should consider the appropriateness of any general advice in relation to your situation before making an investment decision. MFS and SRF recommend you seek individual advice before making any decisions concerning your superannuation. It is also important for you to read your Product Disclosure Statement (PDS) before you make an investment decision. You should consider the PDS in deciding whether to acquire or to continue to hold a product. Copies of the PDS for the Seafarers Retirement Fund (ABN 54 603 323 524) and the Stevedoring Employees Retirement Fund (ABN 77 455 663 441), and SRF's and MFS' Financial Services Guide (FSG) are available as follows:

Maritime Financial Services Pty Ltd (ABN 16 105 319 202 a wholly owned subsidiary of the Trustee, Stevedoring Employees Retirement Fund Pty Limited ABN 43 058 013 773).

Call Member Services on 1800 804 020 or visit www.serf.com.au for copies of the PDS and FSG.

Seafarers Retirement Fund Pty Ltd

Call the SRF Hotline on 1800 674 264 or visit www.srf.com.au for copies of the PDS and FSG.

The Stevedoring Employees Retirement Fund (SERF) and the Seafarers Retirement Fund (SRF) are joining forces to become one super fund for the maritime industry, Maritime Super.

This brochure outlines the reasons behind the merger and provides more detail on the improved products and services from which you, our members, can benefit.

Your merger checklist on page 12 outlines what you may need to do (if anything) when we merge.



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Merging makes sense

Maritime Super will always put the members and their families first

SERF and SRF have a long, proud history of providing retirement security for maritime workers, so it makes sense to join forces and become one super fund for the maritime industry.

Over 40 years ago, the Waterfront Workers Federation won the right for waterfront workers to have a pension that was partly funded by the employer and partly funded by the worker. Six years later, the Seaman's Union won that same right for seafarers.

Both were significant accomplishments for maritime workers, as they had traditionally needed to work to extremely old ages to earn enough income on which to survive. A pension provided them with a well-earned 'peaceful place in the sun'.

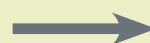
Today, members of SERF and SRF are retiring with account balances well above the national average, and there are some very clear reasons for this. Making additional contributions regularly and the benefit of time are key contributors, as are both funds' history of strong long-term investment returns and low fees. Part of this success can also be attributed to the dedication and commitment toward members from the Trustees of the funds. Both SERF and SRF are member-focused funds – which means that members' interests come first in all decisions and profits are returned to members in the form of lower fees and improved services.

Maritime Super's new member divisions

When we merge, there will be three divisions of Maritime Super.

Current membership

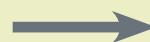
Allocated Pension, N-CAP or WISP member of either fund



New member division

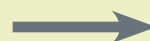
Maritime Super division

SERF member



Stevedores division

SRF member



Seafarers division

You'll get ...

Maintaining value for money

Running a super fund today incurs a lot more cost and is much more complex than it was in the past. This is due to an increasing need for greater administrative services, broader knowledge of global investment markets and compliance and legal expertise. By merging, the fund can minimise any cost increases and operate more efficiently.

Both funds have always carried a good reputation with members for providing a high quality of member services at a low cost. Additionally, as a larger super fund, Maritime Super will have greater purchasing power which means it can improve services and offer a broader range of products whilst maintaining value for money for members.

Members' best interest

This merger is taking place because it is in the best interest of all members.

The merger will be on a successor fund basis for most members, which can only occur if there are equivalent rights for members. This means that there will be no adverse impact on your benefit when the funds merge.

Any benefits, entitlements, insurance cover and defined benefit calculations will remain the same for existing members when the funds merge.

It's up to you if you'd like to change your investment option or increase insurance cover – we won't make any changes unless you request us to.



more from Member Services

Two fully serviced offices will operate in Sydney and Melbourne, with representatives available between 8.30am and 5.30pm (AEST) Monday to Friday.



a range of investment options to choose from

You can choose from five options – Cash, Cash Enhanced, Conservative, Balanced or Growth. You can also mix and match these options to suit your own profile by spreading your super investment across the range. See pages 6-9 for more information.



greater investment flexibility

Weekly investment switching is available from 1 March 2009. See page 6 for more information.



enhanced online services

Member Online provides 24-hour access to view your account balance and transactions. See page 5 for further information.

Important information about March 2009

The merger of SERF and SRF to become Maritime Super takes effect from 1 March 2009.

The merger will involve some system and process changes to ensure that members can benefit from the new products and services available. **This may result in some delays confirming transactions and benefit details during the first three weeks of March. During this time, Member Online may also not be kept up to date.**

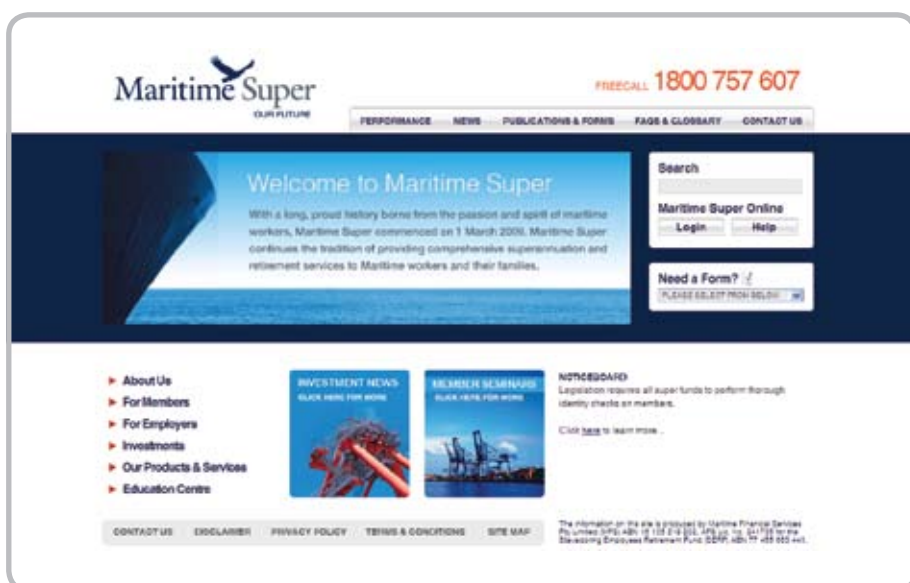
We ask that you be patient during this period and allow us a little extra time to action your requests.



Maritime Super goes online

Access to a wealth of superannuation resources is now just a click away at www.maritimesuper.com.au

The internet is increasingly becoming an important tool for managing information and finances, so we have taken some time to review the type of online services and information that is important for our members.



In March 2009, Maritime Super launches its new website, which has been specifically developed as a user-friendly, one-stop source of information and services for members.

As well as access to a wealth of resources (including an education centre and publication library), members may register for Member Online; a secure section that provides up to date information regarding members' accounts, contributions and much more.

Please note that, in the first three weeks of March, Member Online may not be kept up to date as we implement all of the changes required for the merger. If you require up to date account information during this time, please contact Member Services.

Introducing Member Online

Member Online is an online service for Maritime Super members that has been developed to help you make informed decisions about your superannuation and help simplify your super investments - giving you greater control over your superannuation.

With Member Online, you can view your account balance, contributions, benefit payments, contact details, investment options and beneficiaries (information is updated weekly).

To access Member Online

During March 2009, we will send you a secure password for Member Online. Once you have received your password, visit www.maritimesuper.com.au and click on the 'Login' button on the home page.

If you don't receive your password, contact Member Services on 1800 757 607.

We are continually working on enhancements for Member Online to ensure that it meets our members' needs, so keep an eye out during the year for additional features.

Features at a glance

- ✓ **check** your super account balance
- ✓ **view** all of your superannuation contributions
- ✓ **arrange to update** your personal details
- ✓ **request to switch** your super between our five investment options
- ✓ **access** a wealth of information, including quarterly newsletters, annual reports and member guides
- ✓ **learn** all about superannuation and investment markets through our member Education Centre
- ✓ **monitor investment performance** - investment earning rates are updated daily in the performance section of the website. You can also view historical performance for all of the investment options - including month-to-date, year-to-date and annual returns.



Quick questions about Member Online

How do I get a password for Member Online?

We will send you a password during March 2009. If you don't receive your password, call Member Services on 1800 757 607.

Once I have received my password, how do I access Member Online?

Just visit www.maritimesuper.com.au and click on the 'Login' button (on the home page). You will be asked to type in your Member Number and password, so make sure you have both handy.

How do I know my that personal information is secure in Member Online?

Maritime Super regularly assesses the security of our online systems to ensure that your personal information is safe. We use secure coding practices and encrypt essential information to prevent unauthorised access.

I would like to use the online services but I am not comfortable with using the internet. Do you offer any assistance?

Yes - simply contact Member Services and they will talk you through the website and Member Online step by step.



Range of investment options

You can choose whether to have your super invested in one option or spread across two or more options - it's up to you

You can choose from five investment options: Cash, Cash Enhanced, Conservative, Balanced and Growth.

The investment range not only incorporates the new options introduced on 1 January 2009; we have also made some changes to the asset allocation and underlying asset classes for the existing options, so we can continue to meet our members' investment needs. In reviewing each of the options, we have also revised the fee ranges – in no instance has there been a fee increase and for some members, fees will decrease from 1 March 2009. The fee ranges are set out on pages 8-9.

It's important that you read the following investment information and review each option to ensure that your chosen investment option is right for your needs.

Weekly switching from 1 March 2009

Switches take effect on the Wednesday of each week and will only be implemented on receipt of a correctly completed *Investment Switching form* received before 5pm AEST on the preceding Sunday. Note that Maritime Super may nominate an alternative day to process a switch request. Please also note that only 12 switches per year per member are permitted. Switching continues to be free of charge to members.

The options

The Maritime Super options cover a range of risk and return profiles – from Cash through to Growth, each with varying proportions of growth and defensive assets.



■ Growth assets
■ Defensive assets

Will your existing option(s) change?

No, your option(s) will not change unless you ask us to. However, we have changed the name of some of the options, as shown in the table below:

Current investment option name		New investment option name
SERF Cash, SRF Cash	→	Cash
SERF Capital Protected, SRF Cash Enhanced	→	Cash Enhanced
SERF Capital Stable, SRF Stable	→	Conservative
SERF Balanced, SRF Balanced	→	Balanced
SERF Growth, SRF Growth	→	Growth

What you should think about before changing

When reviewing your investments to decide whether you'd like to stay with the same option(s) or change, make sure you think about your investment timeframe (or how long before you need to access your super) and the amount of risk you are comfortable with.

People's attitude to risk varies widely, so when choosing an investment strategy it's important for you to know how you feel about a negative return from time to time, and to get the right balance between risk and return given your levels of tolerance.

If you would like help in working out what's right for you, a licensed financial planner can work with you to choose the right investment option to suit your needs and goals. To arrange an appointment with a qualified planner, contact Member Services.

Changing your investment options

If you would like to change your investment option(s), complete the new Maritime Super *Investment Switching form* and return it to us (copies of the form are available on the website). Alternatively, you can request a switch via Member Online (see pages 4-5 for more information).

You can change your investment option(s) for all or part of your existing account balance, or you can nominate a different option(s) for your future contributions.



Quick questions about investments

Do I have to do anything about my investment options?

No. Your investment option(s) will remain the same in Maritime Super, unless you tell us that you would like to make a switch.

Will my investment option(s) change?


In some instances, the name of your investment option will change. The diagram above describes the name changes. There may also be a change in the investment objective, asset allocation, investment strategy and fee range for each option. You should read the information on pages 8-9 to ensure that your investment option(s) continues to suit your needs, investment timeframe and tolerance to risk.


What should I do if I'm not sure which investment option is right for me?

A financial planner can help you work out your investment timeframe and risk tolerance, then determine an appropriate option to suit your needs. Maritime Super can arrange for a qualified financial planner to assist you.


Investment options


Investment objective
Suitable for
Risk versus return
Fee range¹
Asset mix²
Growth assets
Australian shares
Overseas shares
Listed property
Direct property
Private equity
Growth alternatives
Growth absolute return funds
Total Growth assets
Defensive assets
Defensive alternatives
Defensive absolute return funds
Fixed interest
Cash enhanced
Cash
Total Defensive assets


CASH	
To achieve a rate of return that matches the UBSA Bank Bill Index, less tax and fees, over rolling five-year periods.	
This option may be most suitable if: <ul style="list-style-type: none"> you expect to need your super as a cash lump sum in the near future; or your most important consideration is that there is little chance of a negative return in any one year. 	
The Cash option provides long-term security but do not expect any growth over inflation. It provides the lowest risk of short-term losses. A negative annual return is very unlikely.	
0.35% - 0.52% pa	
	
Range (%)	Target (%)
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
100	100
100	100

CASH ENHANCED	
To achieve a rate of return that exceeds the return on the Cash option by 0.25% per year over rolling five-year periods.	
This option may be most suitable if: <ul style="list-style-type: none"> you expect to need your super as a cash lump sum in the near future your most important consideration is to minimise the chance of a negative return in any one year (although the chance of a negative return is higher than for the Cash option); or you wish to earn a small premium over the Cash option return, for a low level of risk. 	
The Cash Enhanced option provides long-term security but do not expect any significant growth over inflation. It has a very low risk of short-term losses. A negative annual return is very unlikely.	
0.35% - 0.52% pa	
	
Range (%)	Target (%)
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
100	100
0	0
100	100



CONSERVATIVE	
To achieve a rate of return that exceeds the return on the Cash option by 1.5% per year over rolling five-year periods.	
This option may be most suitable if: <ul style="list-style-type: none"> you expect to need your super as a cash lump sum within approximately five years; or your most important consideration is a low risk of a negative return in any one year. 	
The Conservative option provides a moderate level of short-term security with the potential for some capital growth in the long term.	
It offers a lower risk of short-term losses than the Balanced or Growth options but lower expected returns.	
A negative annual return is anticipated on average two years in every thirty years but negative returns may in fact be more or less frequent.	
0.55% - 0.75% pa	
 <ul style="list-style-type: none"> Growth assets - 30% Defensive assets - 70% 	
Range (%)	Target (%)
0-20	10
0-20	10
0-8	4
0-10 ³	3 ³
0-10 ³	2 ³
0-10 ³	1 ³
0-4	0
25-35	30
0-4 ³	0 ³
0-15	10
10-50	20
Balance	40
0	0
65-75	70

BALANCED	
To achieve a rate of return that exceeds the return on the Cash option by 3.0% per year over rolling five-year periods.	
This option may be most suitable if: <ul style="list-style-type: none"> you expect to have five years or more until you need your super as a cash lump sum; or you are willing to accept a moderate risk of a negative return in any one year. 	
The Balanced option has significant emphasis on growth assets with the aim of achieving higher returns, together with some lower risk defensive assets to reduce the short-term risks associated with growth assets.	
It offers a higher expected long-term return than the Conservative option.	
A negative annual return is anticipated on average two years in every eleven years but negative returns may in fact be more or less frequent.	
0.85% - 1.10% pa	
 <ul style="list-style-type: none"> Growth assets - 70% Defensive assets - 30% 	
Range (%)	Target (%)
10-40	24
10-40	24
0-8	4
0-30 ⁴	6 ⁴
0-30 ⁴	6 ⁴
0-8 ⁴	4 ⁴
0-6	2
65-75	70
0-10 ⁴	3 ⁴
0-15	9
0-20	12
Balance	6
0	0
25-35	30

GROWTH	
To achieve a rate of return that exceeds the return on the Cash option by 4.0% per year over rolling five-year periods.	
This option may be most suitable if: <ul style="list-style-type: none"> you expect to have five years or more until you need your super as a cash lump sum; or your most important consideration is high returns and you are willing to accept a higher risk of a negative return in any one year than under the Balanced option. 	
The Growth option has the strongest emphasis on growth assets with a view to achieving higher returns and therefore carries more investment risk. The value of your super may vary significantly up or down over the short term. However, higher investment returns over longer periods are generally expected.	
A negative annual return is anticipated on average two years in every nine years but negative returns may in fact be more or less frequent.	
0.90% - 1.10% pa	
 <ul style="list-style-type: none"> Growth assets - 90% Defensive assets - 10% 	
Range (%)	Target (%)
20-50	33
20-50	32
0-8	4
0-30 ⁴	10 ⁴
0-30 ⁴	10 ⁴
0-5 ⁴	1 ⁴
0-4	0
85-95	90
0-4 ⁴	0 ⁴
0-5	1
0-15	7
Balance	2
0	0
5-15	10

¹ Actual fees may be lower in some circumstances.

² The asset mix is the investment strategy for each option.

³ These assets are generally less liquid (able to be cashed) than other assets. The combined allocation to these asset classes has a range of 0-20%.

⁴ These assets are generally less liquid (able to be cashed) than other assets. The combined allocation to these asset classes has a range of 0-35%.



Other important investment information

If you don't make a choice, your money will be invested in the Growth option

The default options

The Trustees have revised the default investment options for Maritime Super.

You can choose to nominate or change your investment option(s), generally at any time. If you don't choose an option, the Growth option is the default option where your money will be invested.

However, even if you have made an investment choice or your benefit is invested in the Growth option, there are some exceptions that apply (where these events occur after 28 February 2009):

Withdrawals will be taken from your Growth account until exhausted, then from Balanced, then Conservative, then Cash Enhanced until each is exhausted and then finally from Cash. Alternatively, when you withdraw you can specify the amount to be taken from each investment option on the *Withdrawal form*.

Death benefits will be invested in the Cash option once we receive a copy of your Death Certificate. Only once the benefit recipients have been determined by the Trustee may they change this option.

Benefit splits under the Family Law Act will be invested in the Cash option, unless the non-member spouse has an existing Maritime Super membership or advises another option.

Outside these circumstances, when benefits are moved between categories or divisions in Maritime Super, they will retain their existing investment option(s).

Learn more about your investment options

The Maritime Super options cover a range of risk and return profiles – from Cash through to Growth - each with varying proportions of growth and defensive assets.

Defensive assets are generally regarded as lower-risk investments as they are more likely to provide lower and more stable returns over time (such as fixed interest or cash).

Growth assets are generally regarded as higher-risk investments as they have the possibility of higher returns over time, but with more volatility (such as shares, property and private equity).

The assets that make up the Maritime Super options include:

Australian shares

Australian shares are shares in companies listed on the Australian Securities Exchange. Investing in shares means the shareholder owns a proportion of that company. Investment returns arise from movement in share price due to company or sector performance and from dividends (which are company profits distributed to shareholders). Shares can be held directly or through a trust. A trust generally pools money from a group of investors (for example, other super funds) and uses the money to purchase a range of shares.

Overseas shares

Overseas shares are shares in a company listed on the stock exchange of another country. In addition to the above, overseas shares can be affected by movements in the currency exchange rate. Changes in value in foreign currency may increase or decrease investment returns. Overseas shares are generally held through a trust.

Property – direct and listed

Investing in property usually involves investing in a property trust. Property trusts generally pool money from a group of investors and use the funds to buy a range of retail, commercial or industrial properties. They may be listed on the Australian Securities Exchange or unlisted.

Private equity

Private equity is investment in a company or enterprise that is not listed on a stock exchange. These companies often have an established track record in their field of business and require new funding to finance expansion.

Alternatives (growth and defensive)

Alternatives cover a wide range of investments which do not readily fall into any other asset class. They are generally unlisted and relatively illiquid, such as investments in infrastructure. Examples of infrastructure investments include transport, roads and airports. Alternatives may be either growth-oriented or have a defensive focus.

Absolute return funds (growth and defensive)

Absolute return funds aim to consistently produce a return greater than zero regardless of the prevailing market conditions. They encompass a wide range of strategies and are usually held through trusts, which themselves may invest in a range of trusts.

Fixed interest

Fixed interest investments (for example, government bonds) provide a rate of interest for a specific period of time, although the return will vary if the investment is sold prior to the maturity date. These securities are affected mainly by the level of interest rates as they rise or fall.

Cash enhanced

Cash enhanced assets include a wide range of money market and short-term fixed interest investments. Changes in the level of interest rates will affect returns.

Cash

Cash invests in a narrow range of short-term money market investments which aim to produce a return that closely matches the UBSA Bank Bill Index (less fees and taxes).



Your merger checklist

Member Services staff are on hand to assist you between 8.30am - 5.30pm Monday to Friday

Wherever possible, we have ensured that the merger causes no disruption or inconvenience to our members. However, there are some things you might like to do to take up some of the enhanced products or services available.

Would you like to...



Do nothing

When Maritime Super takes effect from 1 March 2009, you will have equivalent rights. In other words, there is no reason for you to take any action unless you want to.



Access Member Online

Once you have received your password in March, visit our website at www.maritimesuper.com.au and log in. If you don't receive your password, contact Member Services.



Switch your investment option

Simply complete the new Maritime Super *Investment Switching form* and return it to us, or request a switch via Member Online. Weekly switching is available from 1 March 2009.



Make additional contributions via direct debit

If you already make additional contributions via direct debit, or wish to do so, the bank account name has changed. The details are as follows:

	Seafarers Division	Stevedores Division
Bank	National Australia Bank	Commonwealth Bank of Australia
Account Name	Maritime Super	Maritime Super
BSB	083 001	062 000
Account Number	57 954 3660	1006 4581

Please enter your Member Number, name and contribution type as the reference.



Combine your super into one fund

If you have more than one super fund, now may be a good time to combine (roll over) your super into one fund. Combining your super can help you save on fees, make it easier to keep track of your investment and reduce your paperwork.

For more information on rolling over into Maritime Super, contact Member Services.

Please use the new Maritime Super forms after 1 March 2009 so we can process your request efficiently.



Mixed Sources

Product group from well-managed
forests and other controlled sources

www.fsc.org Cert no. SCS-COC-001360

© 1996 Forest Stewardship Council

Contact us

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