



Media release

June 2008

Plum: Three key decisions aid members' super strategies

Plum Financial Services Limited (Plum) is helping members focus on some of the key decisions that could help boost their superannuation savings with a new education module, called *Three keys to help unlock your super growth*.

The new module is designed to cut through all the differing, and sometimes confusing, financial savings messages available in the market and focus on three key decisions that could help put members on the right track to achieving their retirement goals.

According to Plum's Managing Director Mike Fitzsimons the new module will be rolled out to members as part of Plum's ongoing education program in the coming months.

'Even if members do nothing else but make these three decisions, it is more likely to result in a better retirement outcome. These decisions are relevant to almost every individual who has a superannuation account, and at the core of an individual managing their own super savings.'

The three key decisions include:

- Where to invest (your asset allocation)
- How much to invest (your level of contributions)
- How long to invest for (your time to and in retirement)

'Increasingly people are being bombarded by differing financial messages in the media, at home on television and the radio, at work and even when doing leisure activities such as shopping. It is no wonder that people are often unsure which decision is the right decision to make,' Mr Fitzsimons said.

'We are making it easier for members to understand the decisions that can affect their superannuation savings growth and give easy and simple-to-apply tips on ways to grow savings. We also provide more detail and online tools, calculators and checklists for those members who prefer more information before making a decision.'

Plum's hypothetical case study (see Appendix A below) illustrates how taking charge of these decisions could substantially alter an individual's retirement income. In this example, David makes changes to his level of contributions and asset allocation and extends his retirement age.

Each decision by itself has a positive effect on his retirement income. Combined, the three decisions all result in his estimated retirement income increasing from 33% of his pre-retirement salary each year to 78% of his pre retirement salary every year.

- more -

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The module encourages members to consider their current asset allocation, level of contributions and retirement age and then give some thought to what action, if any, they should take to change or adjust these.

'If we can get members to think about these decisions and their positions now, even if they decide they have already made the best decisions for them and no change is required, then we have achieved our goal with this module,' Mr Fitzsimons said.

'Our objective is to ensure all our members are in the best possible position to achieve their retirement goals, and we do that by giving them the tools and education they need to make the best possible decisions about their superannuation.'

The module will be rolled out via face to face seminars and is supported by online webcast and printed materials available to members.

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Further information:

For more information on Plum, photos or an interview with our Managing Director Mike Fitzsimons please contact:

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About Plum

Plum Financial Services Limited ABN 35 081 812 731 AFSL 243356, a wholly owned subsidiary of MLC Limited, provides integrated superannuation solutions for medium to large Australian corporations. Purpose-built for the era of member investment choice, Plum's philosophy is about providing members with a meaningful education experience to help build their knowledge and understanding of superannuation so that they are empowered to manage their financial future. One of Australia's fastest growing corporate superannuation providers, Plum now administers approximately \$9 billion of committed assets for 82 clients and approximately 132,000 members. More information about Plum is available at www.plum.com.au.

Note: An interest in the Plum Superannuation Fund (Fund) RSE R1056945 is issued by the PFS Nominees Pty Ltd (Trustee) ABN 16 082 026 480, AFSL 243357 RSE L0002912. The Fund administrator is Plum Financial Services Limited (Plum) ABN 35 081 812 731 AFSL 243356. This material has been prepared by Plum and it contains information that is general in nature. The information does not take into account your objectives, financial situation or needs. Before acting on the information you should consider whether it is appropriate having regard to your personal circumstances. Plum recommends that you consider the Fund's Product Disclosure Statement (PDS) before you make any decisions about your superannuation. If you need help in making a decision Plum recommends that you seek advice from a qualified financial planner. Neither Plum, the Trustee, nor any other company in the National Australia Group accepts liability whatsoever for any decision that is made on the basis of or in reliance of the information contained in this material. To obtain a copy of the Fund's PDS please call a Plum Member Services Consultant on **1300 55 7586**. Please note that the information contained in this material is current as at May 2008. Any changes in law or policy have not been incorporated.

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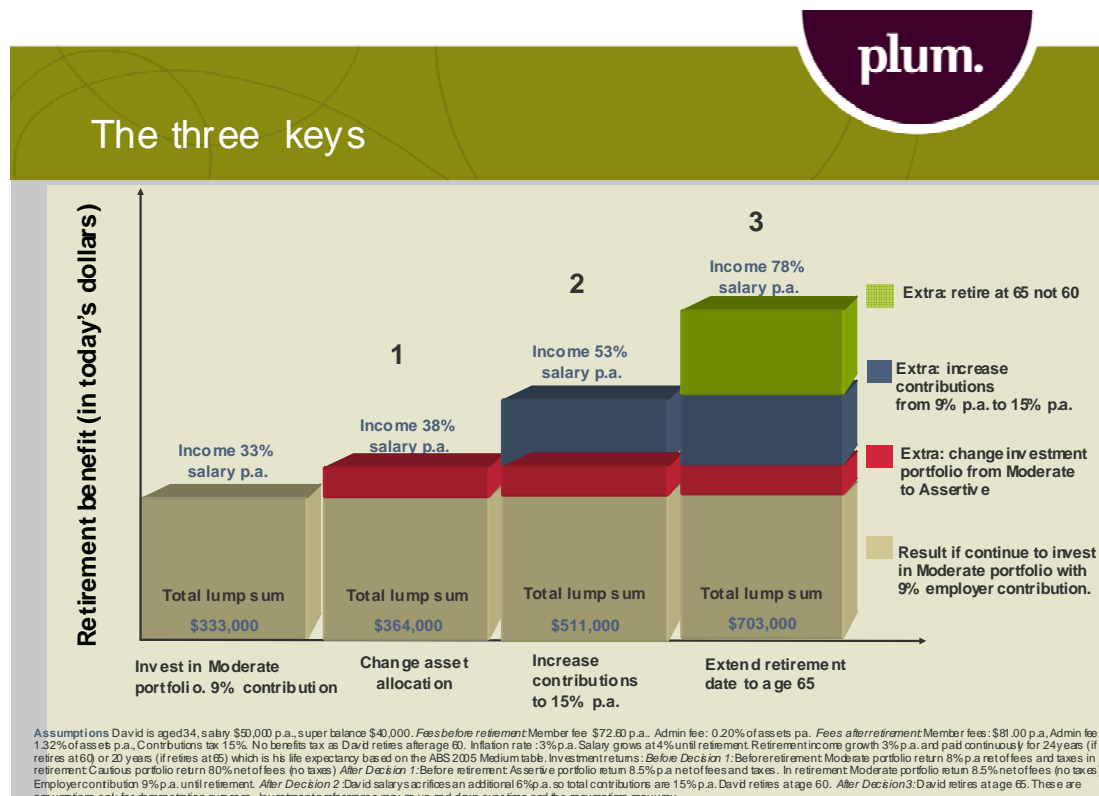
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Appendix A



Assumptions David is aged 34, salary \$50,000 p.a., super balance \$40,000. *Fees before retirement:* Member fee \$72.60 p.a., Admin fee: 0.20% of assets p.a. *Fees after retirement:* Member fees: \$81.00 p.a., Admin fee: 1.32% of assets p.a., Contributions tax 15%. No benefits tax as David retires after age 60. Inflation rate: 3% p.a. Salary grows at 4% until retirement. Retirement income growth 3% p.a. and paid continuously for 24 years (if retires at 60) or 20 years (if retires at 65) which is his life expectancy based on the ABS 2005 Medium table. Investment returns: *Before Decision 1:* Before retirement: Moderate portfolio return 8% p.a. net of fees and taxes in retirement: Cautious portfolio return 8.0% net of fees (no taxes) *After Decision 1:* Before retirement: Assertive portfolio return 8.5% p.a. net of fees and taxes. In retirement: Moderate portfolio return 8.5% net of fees (no taxes). Employer contribution 9% p.a. until retirement. *After Decision 2:* David salary sacrifices an additional 6% p.a. so total contributions are 15% p.a. David retires at age 60. *After Decision 3:* David retires at age 65. These are assumptions only for demonstration purposes. Investment performance may go up and down over time and the assumptions may vary.

Source: ALEA Actuarial Consulting Pty Ltd

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