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Contact HIP

Phone 1300 654 099
Fax 02 9375 7884
Email hipsuper@superpartners.com.au
Web hipsuper.com.au
Visit Level 5, Sydney Central
477 Pitt St, Sydney NSW
Write to Locked Bag 23
Haymarket NSW 1236

Supplementary Product Disclosure Statement

This SPDS is issued by the Trustee of the Health Industry Plan (HIP), Private Hospitals Superannuation Pty Ltd, ABN 59 006 792 749, Australian Financial Services Licence (AFSL) Number 247 063, and is to be read together with the HIP Product Disclosure Statement (Member information booklet) for members dated 1 September 2007.

The information provided is of a general nature and does not take into account your specific financial needs or personal situation. You should access your own financial position and personal objectives before making any decision based on this information. You may consider seeking independent professional advice.

Amendment to disclosed fees and charges for HIP members

The following information replaces information under the 'Fees and other costs' on pages 7-8, 'Your investment options' asset allocations and updated investment performance on page 11, as well as taxation information on pages 4-5, 13-14 of the HIP Superannuation Product Disclosure Statement (Member information booklet) dated 1 September 2007.

HIP fees at a glance

This document shows you the fees and other costs you may be charged. These fees may be deducted from your account balance, the returns on your investment or from the fund assets as a whole. Taxes and insurance costs are set out in another part of this document. You should read all the information about fees and costs because it is very important to understand their impact on your investment.

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Type of Fee or Cost	Amount	How and When Paid
Fees when your money moves in or out of the fund		
Establishment fee: The fee to open your investment.	Nil	Not applicable
Contribution fee: The fee on each amount contributed to your investment – either by you or your employer.	Nil	Not applicable
Withdrawal fee: The fee on each amount you take out of your investment.	Nil	Not applicable
Termination fee: The fee to close your investment.	Nil	Not applicable
Management costs		
Administration fee The fees and costs for managing your investment.	\$1.40 per week	Deducted from your account at the end of each financial year or at the time you exit HIP.
Investment management costs The fee for managing the Fund's investments. These are calculated annually in arrears and may change from year to year. The costs here are for each investment option as at June 30 2008.	Growth Option: 1.08% Capital Stable Option: 0.76% Cash Option: 0.27% Therefore, on a \$10,000 balance, the annual cost would be: Growth Option: \$108.00 Capital Stable Option: \$76.00 Cash Option: \$27.00	Deducted from gross investment earnings on 30 June or earlier if you leave HIP, before crediting returns to your account.
Service fees		
Investment switching fee: The fee charged for changing investment options.	The first investment switch in any financial year is free. Second and subsequent switches cost \$20 each.	If applicable, deducted from your account the month the switch occurs.

Example of annual fees and costs for HIP Growth Investment Option

This table gives an example of how the fees and costs in the HIP Growth Investment option 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 with total contributions of \$5,000 during the year
HIP Growth Investment Option		
Contribution fees	Nil	For every \$5000 you put in, you will be charged \$0.
Plus management costs	1.08% + \$72.80 (\$1.40 per week)	And, for every \$50,000 you have in the fund you will be charged \$540 each year plus \$72.80 in administration fees regardless of your account balance.
Equals cost of fund	If you put in \$5,000 during a year and your balance was \$50,000, for that year you will be charged fees of: \$612.80 What it costs you will depend on the investment option you choose.	

Other examples of annual fees and costs for HIP Growth Investment Option

Our administration fee is based on a fixed dollar amount of just \$1.40 per week, regardless of your account balance. If your account balance is less than \$50,000 refer to the table below for examples of the fees and costs that you will pay over a one year period.

Account balance	Investment fee (1.08%)	Administration fee (\$72.80 pa)	Total
\$1000	\$10.80	\$72.80	\$83.60
\$5000	\$54.00	\$72.80	\$126.80
\$10,000	\$108.00	\$72.80	\$180.80
\$25,000	\$270.00	\$72.80	\$342.80

Recent Changes to Legislation

Co-contributions

The Federal Government will contribute an amount equal to 150% of the personal after-tax contributions made in a year by eligible people earning up to \$30,342 (in assessable income plus fringe benefits) to a maximum of \$1500.

The co-contribution rate is reduced by 5 cents for every dollar you earn over \$30,342, and cuts out altogether if you earn more than \$60,343.

From 1 July 2007 HIP has not accepted after-tax contributions from members who have not provided their TFN.

Concessional contributions

A limit of \$50,000 per year (indexed) generally applies to concessional contributions (usually those made by your employer). A transitional period applies for people aged 50 and over between 1 July 2007 and 30 June 2012, who can make concessional

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contributions of up to \$100,000 per year without exceeding the cap. Contributions to other funds are included in this limit as well as superannuation guarantee contributions. Contributions in excess of the cap will be taxed at the top marginal rate (plus Medicare levy).

Non-concessional contributions

Personal contributions that are not tax-deductible (known as non-concessional) are limited to \$150,000 per year. People under aged 65 can bring forward 3 years of contributions and make a larger contribution of \$450,000. Any excess contributions (including those to other funds) will be taxed at the top marginal rate (plus Medicare levy).

What happens if I exceed the concessional contributions limit?

If the total of your concessional contributions exceeds the contribution cap in a financial year, the excess will be taxed at 31.5% (plus Medicare levy) – that’s on top of the 15% tax already paid on receipt of the concessional contributions by HIP. The excess contributions will then be counted towards your non-concessional contributions cap of \$150,000.

Taxation on payments from a superannuation fund

You pay no tax on the first \$145,000 of your total benefit less the tax free component if you withdraw it from your super after you reach preservation age, but before age 60. You may pay 15% tax plus Medicare levy on any amount over \$145,000.

Anti-Money Laundering & Counter Terrorism Financing (AML/CTF) Laws

We are required to comply with AML/CTF laws which impose on us the specific requirements to confirm the identity of members, beneficiaries and other associated persons. Thus, we may from time to time require the supply of information to assist us. If the information is not supplied this may delay a transaction or result in refusal to process a transaction until the required information is supplied to us.

Your investment options

The asset allocation as at 30 June 2008 for each investment choice is as follows:

Growth option (default)	Capital Stable option	Cash Option
Alternatives 29.1%	Alternatives 5%	Cash 100%
Australian equities 30.7%	Australian equities 10%	
International equities 26.1%	International equities 5%	
Direct property 8.1%	Direct property 10%	
International bonds 0.1%	International bonds 10%	
Australian bonds 0.1%	Australian bonds 10%	
Cash 5.8%	Cash 30%	
	Defensive alternatives 20%	

Investment Performance

For 2008 the crediting rate (as at 30 June 2008) for the investment choice options was as follows:

Growth Option -6.5%	Capital Stable Option 2.9%	Cash Option 6.1%
The 3-year compound average as at 30 June 2008 is:		
Growth Option 8.6%	Capital Stable Option 6.3%	Cash Option 3.4%
The 5-year compound average as at 30 June 2008 is:		
Growth Option 10.4%	Capital Stable Option 7.1%	Cash Option 5.2%