

Russell Private Active Pension

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Retirement isn't  
always black and white.



# Ease into retirement with the Russell Private Active Pension

There are many types of pensions and some of them aren't just for when you stop work. In fact, if you choose the right one, it can be your partner for the rest of your life.

Today, a pension can offer a flexible way to make the most of your money in the years leading up to your retirement - and can work hard for you afterwards.

The Russell Private Active Pension combines a contribution account for accumulating your superannuation and a pension account which pays you a regular income. Add to this at-call access to your pension funds once you turn 60, through facilities like EFTPOS and ATMs, and you have a one-stop-shop for your superannuation, pension and banking needs.

## Transition into retirement

Once you reach 55 you can use a transition to retirement strategy to access your superannuation even when you're working on a full-time or part-time basis. You do this by moving your accumulated super into a pension.

You can then withdraw money from that pension to supplement your income, while salary sacrificing any excess income into your super via your contribution account.

The Russell Private Active Pension is ideal for anyone looking to commence this strategy.

## The key to this strategy is the tax treatment

- › There is no tax paid on investment earnings in a pension.
- › The money you draw down from the pension is tax free after the age of 60.
- › By salary sacrificing your income, you swap your marginal tax rate for a 15% contributions tax.

These three concessions mean that you can significantly bolster your retirement savings, simply by paying less tax. And paying less tax means more money to invest.

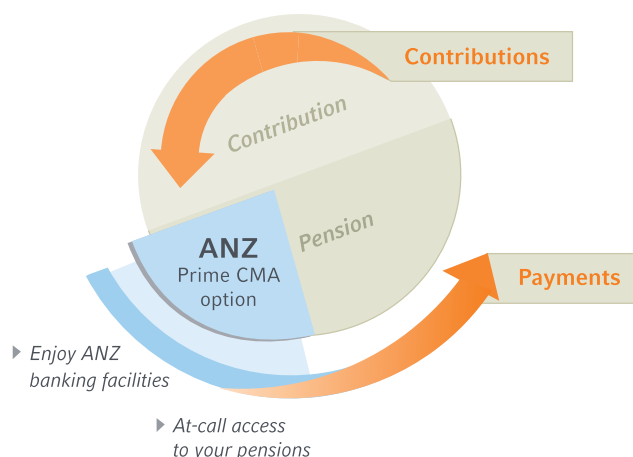
**For more information on the benefits of a transition to retirement strategy and to see how it can work for you, visit [www.russell.com.au/transition](http://www.russell.com.au/transition)**

## KEY ADVANTAGES

- › Full range of banking at your fingertips – after age 60 enjoy all the facets of integrated everyday banking.
- › Low cost – no transaction costs when moving money between your contribution and pension accounts.
- › One-stop-shop – a dedicated website means all your pension account details are at your fingertips.
- › No administration fees or fees to establish, contribute to, withdraw from, terminate or switch investments within your account. Depending on the investment option, investment buy and sell costs may apply.
- › Only one investment management fee that can be reduced by a higher balance. Rebates apply for amounts greater than \$500,000. You can also link with a family member to take advantage of the rebate.
- › Access to Russell's investment expertise and range of diversified and sector portfolios.

## An all-in-one account

RPAP provides you with seamless transactions and at-call access to your retirement savings. See how below.





### Seamless transactions

When you open a Russell Private Active Pension your funds will automatically be invested into your contribution account before being transferred free of charge to your pension account as and when you require.

If you are a defined benefit member the amount you may transfer from your current account into a pension will be limited, but you may have the option to transfer out of your defined benefit plan and commence a pension with your whole balance. Once your money is in the pension phase you no longer have to pay 15% tax on your investment earnings and as a result you will have more money to invest.

By having a contribution account you can still contribute to your super either through salary sacrificing your income or making other contributions. For instance, you may discover some lost super that you want to transfer or perhaps you have come into an inheritance that you want to put away for your retirement.

It's simple for both you and your employer to contribute to your Russell Private Active Pension with BPAY®, cheque or direct credit via the internet.

### At-call access to your retirement savings

Accessing funds from your pension account has never been easier. Once you turn 60, you can open an ANZ Prime Cash Management Account (CMA) as part of your pension account, which gives you at-call access to your funds. You can then withdraw your pension conveniently through ATMs, EFTPOS and ANZ internet or phone banking. You get all the benefits of a regular bank account including an ANZ Access card, with the security of Russell superannuation.

### Receiving your pension

When your money is in the pension account, by law you have to be paid a minimum amount each year, depending on your age.

Generally, if you are still working and under 65 years of age, then you can only withdraw up to a maximum of 10% of your pension account balance.

Visit [www.russell.com.au/rates](http://www.russell.com.au/rates) for the latest figures.

### Making the most of your money

As the ANZ cash account is within your pension account, you don't have to access money ahead of time but rather as you need it. Mark, 67, is planning a world trip with Wendy and they estimate it will cost them \$40,000. If he were to take the full amount out of his pension and then discover he only needed \$25,000, he would have lost the ability to return that money into the super environment. As he is over 65 (but under 75) he would have to work for 40 hours in a 30-day period to qualify to make a contribution.

With the ANZ Prime CMA, Mark can keep the money in his pension account even while he is travelling and just withdraw the funds as and when he needs them. In the meantime the money is still working hard for him in the tax-free environment and what he doesn't spend on his holiday can stay there.

# Russell's investment expertise

When you invest with us, you can be sure you're in safe hands. We are a global investment management company working with investors of all sizes in 46 countries.

We continually monitor around 8,000 investment products and select only the best-of-breed investment managers to put to work in our portfolios. With over 70 years' experience in researching, selecting and constructing portfolios – not only for some of the world's largest investors, but also individuals like you – we've come to know a thing or two about building diversified, stable portfolios that deliver consistent returns.

But don't just take our word for it. We've been acknowledged by some of Australia's, and indeed the world's most reputable researchers and industry experts.

*Russell's investment quality has been recognised and validated by the industry's top experts.*



Russell Private Active Pension (2007, 2008, 2009, 2010)

## Would you like to know more?

Making a financial choice is an important decision. While the Russell Private Active Pension is an effective solution for anyone over 55 years who is either in the workforce or retired, you should still assess whether the product is right for your particular circumstances. Our specialists on the Pension Helpline can assist you with this, or alternatively, speak with your financial adviser.

If you don't have a financial adviser and would like to be referred to one we can help. Call our Helpline today.

## More information

### Helpline

**1800 300 353**

Monday to Friday, 9am - 5pm

### Email

[russellpension@russellsuper.com](mailto:russellpension@russellsuper.com)

### Website

[www.russell.com.au/transition](http://www.russell.com.au/transition)

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