

16 April 2014



Mr Sam Sample
1 Sample Street
SAMPLETOWN VIC 3999

041 / 11 [S03]



Employer Number: 99999999

Dear Sam,

We are writing to update you on some recent developments and important changes at the Trustee of the Fund and to provide you with some additional information on the merger with Prime Super.

IMPORTANT CHANGES AT THE TRUSTEE OF HIP

Changes to the current HIP Board and executive management team

On 26 February 2014, the HIP Board terminated the employment of the CEO and on 27 February 2014 the Board removed the Chair as a Director, as a result of an investigation by the Australian Prudential Regulation Authority into corporate expenses. A further two Directors stood aside on 1 April 2014 pending these ongoing investigations.

These changes at the Board level have resulted in the remaining Directors not being enough to constitute a quorum to make decisions as required under superannuation law. APRA has issued a modification to these requirements to enable the Trustee to continue to function with the reduced number of Directors until the merger with Prime Super on 1 May 2014.

An existing Director, Mr Bob Whyburn, will act as the Chairman of the Fund, and Ms Sirran Syme, Compliance Manager, will be the acting CEO up to the date of the merger with Prime Super.

The Trustee continues to conduct its duties under the HIP Trust Deed and superannuation laws.

Your future representation

Earlier this year, we notified you that the sponsoring bodies for HIP, the NSW Nurses and Midwives' Association and the NSW Private Hospitals Association, would retain their nominating rights and appoint two directors each to the Board of the merged fund.

This notice is issued by the Trustee of Health Industry Plan (HIP) ABN 50 030 598 247, Private Hospitals Superannuation Pty Ltd, ABN 59 006 792 749. Australian Financial Service Licence (AFSL): 247 063, MySuper authorisation number 50030598247691, RSE Licence Number L0001533 and RSE Registration Number R1056617. Registered address: Level 5, 477 Pitt Street Sydney NSW 2000. Contact Customer Service Representative: Locked Bag 23, Haymarket NSW 1236. Ph: 1300 654 099. hipsuper@superpartners.com.au. hipsuper.com.au. The merging entity is Prime Super Pty Ltd ABN 81 067 241 016. AFSL No. 219723. RSE Licence No. L0000277. ABN 60 562 335 823; RN 1000276. Registered address: Level 15, 190 Queen Street, Melbourne VIC 3000. HIP 35598.

Phone 1300 654 099 • www.hipsuper.com.au • Fax (02) 9375 7878
Health Industry Plan Postal Address: Locked Bag 23, Haymarket, Sydney NSW 1236

MELBOURNE
Level 2, Casselden Place
2 Lonsdale Street
MELBOURNE

SYDNEY
Level 5
477 Pitt Street
SYDNEY
Fax (02) 9375 7878

CANBERRA
Level 2
11 London Circuit
CANBERRA

PERTH
Level 2
12 St Georges Terrace
PERTH

ADELAIDE
Level 2
104 Frome Street
ADELAIDE

BRISBANE
Level 10
120 Edward Street
BRISBANE

HOBART
Ground Floor
119 Macquarie Street
HOBART

DARWIN
c/- Level 2
104 Frome Street
ADELAIDE

Trustee: Private Hospitals Superannuation Pty Ltd | ABN 59 006 792 749 | AFSL 247063 as the Trustee of Health Industry Plan (HIP) ABN 50 030 598 247

Both Associations will no longer have direct representation on the Board of Prime Super. It is intended that four persons who represent the health and aged care industries will be appointed to the Board of Prime Super as independent directors. They will not be nominated by the Private Hospitals Association or the NSW Nurses and Midwives' Association. Prime Super will advise you of the new Board appointees when they send you your annual statement in late August. The appointment of these independent Directors to the Board of Prime Super will provide direct health and aged care experience and representation to the Board of Prime Super, and is aimed at ensuring your interests are considered by the Board in its decision making process.

MERGER WITH PRIME SUPER

Why the merger is great for HIP members

We remain committed to providing members with the stability and service that they expect from us. However, the costs of administering a super fund have increased significantly in the last few years. We have found that the administration fees we charged members have not covered the costs of running the Fund. This shortfall has been met through a reduction in the investment returns to members (as described above).

Rather than continue this practice, we were faced with the reality of having to substantially increase member fees or find a partner to merge with so that the Fund could benefit from economies of scale. The merger with Prime Super offers this, and more, and positions members well for the future. Through the merger with Prime Super we will be able to provide members with improved services whilst ensuring that we will not be so large that we will lose focus on what is important to our members and employers.

What are the benefits of a merger with Prime Super?

- Lower costs to members – every member will be better off, regardless of account balance
- More flexibility in investment choice options
- Improved online access
- Better member and employer services
- Public offer fund available to family and friends
- The same great insurance benefits

Like HIP, Prime Super is a national industry super fund where the members' interests come first. Prime Super has over 130,000 members and 40,000 employers. The merger will also provide HIP members with greater regional support and access to super education.

New contact details from 1 May 2014

There will be new contact details from 1 May when the merger with Prime Super is official. Please update your records to avoid any delays or inconvenience.

Postal address:	Locked Bag 5103, Parramatta NSW 2124
Freecall:	1800 675 839
(International)	+612 9374 3967
Freefax:	1800 023 662
(International)	+612 9372 6210
Email:	administration@primesuper.com.au
Web:	www.primesuper.com.au

Limited processing period for transactions

As part of the merger, your account will be transferred to a new administration provider. This is a complex task and there will be a period of time where access to member information or services may be limited and you may experience delays in paying contributions or viewing your account details. This limited processing period is expected to take place between **24 April 2014** and **2 June 2014**.

For employers, this means that during this period:

- You won't be able to make changes to your online services account; and
- Whilst you can still make contributions on behalf of members, we will not be able to verify (either via your online account or over the phone) if the contribution has been allocated to the member.

If there is any change to these dates or any further impact on the service we provide to you, we will do our best to let you know via the HIP website (www.hipsuper.com.au) until 30 April 2014 and the Prime Super website (www.primesuper.com.au) from 1 May 2014.

Online services

There will be a new online service system for employers to use called *EmployerOnline* from 2 June 2014. You will need to register for an *EmployerOnline* account.

To do this you will need your HIP employer number, postcode and email address.

Changes to payment details from 1 May 2014

Please make a note of the new payment details effective from 1 May 2014.

BPAY Details:

Bill Name	Prime Super Employer Contribution
Bill Code	584573
CRN	A new CRN will be issued to all employers after 1 May 2014

EFT Details:

Account Name	National Nominees Ltd as Nominee for Prime Super Pty Ltd as Trustee for Prime Super
BSB Number	064 000
Account Number	10482771

Cheques

All cheques must be made out to Prime Super.

Direct Debit Authorities

All employers with a Direct Debit Authority in place will be required to sign a new authority post May after the merger with Prime Super. Prime Super will write to all affected employers after 1 May 2014 to organise a new authority.

If you have any questions or would like further information on the issues contained in this notice, please call our information service on **1300 654 099**. To view the latest updates from HIP, visit the Newsboard section of the website at www.hipsuper.com.au. Alternatively you can write to us at: Locked Bag 23, Haymarket NSW 1236.

Yours sincerely,



Sirran Syme

Acting Chief Executive Officer

Health Industry Plan

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