

Norwich Union Superannuation Trust

This report is for members with:

- Whole of Life
- Endowment Contracts
- Guaranteed Cash
- Long Life

Annual Report 2008/09



Disclaimer

The Trustee has made every attempt to ensure the accuracy of the information included in this Annual Report and the 2008/09 Annual Statement. However, some of the underlying information can change quickly and members should be aware their data may also change. In addition, the Trustee has in some cases, relied on information provided by third parties and the Trustee does not accept responsibility as to the accuracy and completeness of this information provided from another source.

The Trustee excludes, to the maximum extent permitted by law, any liability which may arise as a result of the contents, including but not limited to any errors or omissions.

The Annual Report does not constitute a recommendation or financial advice. The Annual Report has not been prepared to take into account the particular investment objectives, financial situation and particular needs of any particular person. Before acting on any information contained in the Annual Report a member or prospective member needs to consider, with or without the assistance of a professional adviser whether the product is appropriate in light of their particular investment needs, objectives and financial circumstances.



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between 8.30am and 6.00pm
Melbourne time



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Contents

About Aviva	2
Investment performance	3
Outlines the investment objective, asset allocation and application of investment earnings	
Taxation	5
Taxation matters affecting your investment	
Further information	7
Other things you should know	

Your superannuation is provided by a life insurance policy issued by Norwich Union Life Australia Limited ('NULAL' or 'the Administrator') ABN 34 006 783 295 Australian Financial Services Licence number ('AFSL No.') 241686 through the Norwich Union Superannuation Trust ('NUST' or 'the Fund') ABN 31 919 182 354.

The Trustee of the Fund is NULIS Nominees (Australia) Limited ('the Trustee') ABN 80 008 515 633, AFSL No. 236465.

The Trustee and the Administrator are a part of the Aviva Australia group (also referred to as 'Aviva' and 'Aviva Australia'). Aviva Australia is currently in the process of being sold by its parent, Aviva plc Group, to the National Australia Bank group ('NAB'). The sale has received regulatory approval and is expected to be complete by 1 October 2009. Following completion of the sale, Aviva Australia will be owned by NAB and the Aviva name will be used under licence from the Aviva plc Group.

Further details about the sale will be made available at aviva.com.au

The investment assets of the Fund are managed on behalf of NULAL by Aviva Investors Australia Limited ('Aviva Investors') ABN 85 066 081 114 AFSL No. 234483 in accordance with the investment strategy set by the Trustee. Aviva Investors is a member of the Aviva plc Group and from the date of sale, will no longer be related to Aviva Australia.

Section one

About Aviva

Aviva – helping you to grow your investment portfolio

Aviva Australia has over 150 years of continuous operation in Australia. Today our main activities are life insurance, investments and superannuation. Our funds under administration and management are \$17.1 billion as at 30 June 2009.

Aviva Australia has a reputation for high quality service and highly rated products.

Your investment

This Annual Report is designed to provide all the information you need to know about your investment and performance for the period 1 July 2008 to 30 June 2009.

You should read this report in conjunction with your Annual Statement (issued on a calendar year basis, January to December) for information on your individual investment. Your statement for the year ending 31 December 2008 was issued in June 2009.

If you have any enquiries about your investment including current details of investment strategies, contribution options or insurance cover please call Client Services on 1300 428 482.

Section two

Investment performance

Outlines the investment objective, asset allocation and application of investment earnings.

The investment objective for your policy

To produce sound growth, investing for the long term. (The assets backing your policy are held in the Conventional sub-fund of NULAL's No. 1 Statutory Fund.)

Allocation of assets of the Conventional sub-fund

Asset Class	As at 30 June 2009	As at 30 June 2008
Australian Shares	41.4%	41.3%
Property	8.6%	11.4%
Fixed Interest	28.0%	21.3%
Cash	22.0%	26.0%

Application of investment earnings

Your benefit does not accumulate like a bank account. Your policy has a value called the Sum Insured. This is the value that was agreed when the policy started, to be paid in certain events. These events are specified in your policy document.

Depending on the type of policy, these events include death, or disablement of the life insured, or on reaching a specified date (the Maturity Date).

The investment earnings of the assets backing your policy are applied first to help fund the Sum Insured if payment is required. If the level of investment performance or other sources of profit for a year are higher than the level anticipated for this purpose, additions to the Sum Insured called Bonuses are made for some types of policies.

If your policy is surrendered before the occurrence of one of the specified events, the value available of your benefit is determined by calculating how much of the Sum Insured has been funded to that date.

The premiums for your policy were determined at the start of the policy in order to provide for the payment of the Sum Insured. In calculating the amount of premiums which should be paid, NULAL took into account:

- The likely occurrences of the events in your policy when the Sum Insured would become payable,
- The expected expenses of maintaining the policy, including an appropriate share of taxation liabilities,
- The expected investment earnings of the assets backing the policy.

Relevant bonuses applying to your policy

Not all policies receive Bonuses. Please refer to your policy document to see what Bonuses your policy is eligible for.

Reversionary bonuses

(Whole of Life Policies and Endowment With-Profit Contracts)

A Reversionary Bonus is an additional allocation to the Sum Insured under a participating policy, and is paid on the same events as the Sum Insured. Reversionary Bonuses are currently declared annually in arrears and once declared will not be decreased.

Reversionary Bonuses are determined by taking into account investment income and other sources of profit actually received by NULAL.

Capital Growth bonus

(Whole of Life Policies and Endowment Contracts – if applicable)

Certain policies qualify for a Capital Growth Bonus as well as Reversionary Bonuses. This is another way NULAL distributes any excess investment earnings available. Capital Growth Bonuses are paid when the Sum Insured becomes payable, as an extra percentage of the sum insured, but are not guaranteed.

Capital Growth Bonuses are a way of recognising the increase in market value from time to time of assets that are still held, for benefits being paid before the assets are realised. Capital Growth Bonus levels are reviewed from time to time to reflect any changes in the capital value of the assets. This can result in an increase or decrease in the Capital Growth Bonus rate.

Trustee policy on use of derivative securities

In formulating the investment strategies for the fund the Trustee has recognised the use of derivatives by authorised investments of the fund for the efficient risk management of a portfolio, or reduction of investment risk.

The Trustee relies on the provision of Risk Derivatives Statements where appropriate, in respect of each authorised investment into which the fund invests to determine whether investment in derivatives is made under appropriate controls having regard to investment objectives, investment restrictions and risk profile.

Section three

Taxation

Taxation limits and thresholds for your superannuation

Your original Fund Information Brochure or Customer Information Brochure set out the tax treatment of superannuation contributions and benefits at that time, and your Annual Reports since have updated that treatment. Some of the thresholds referred to in those documents are indexed annually. Below are the thresholds for the 2008/09 and 2009/10 years.

Contribution deduction limits and caps

Penalty rates of tax apply to contributions, now called concessional contributions, in excess of set caps, shown in the table below.

Penalty rates of tax also apply for member contributions not claimed as a tax deduction, now called non-concessional contributions, in excess of the cap for these contributions, shown in the table below.

(The Government has established these caps as an alternative way for limiting individuals' tax concessions for superannuation, in place of Reasonable Benefit Limits.)

Details of when you can make contributions, and when you have to stop, are set out on page 7.

Important Superannuation Values	2008/09	2009/10
Concessional contributions cap		
Up to 49 years	\$50,000	\$25,000
Age 50 years or more	\$100,000	\$50,000
Non-concessional contributions cap		
	\$150,000	\$150,000
Tax free portion after preservation age of taxable component		
Upper Limit	\$145,000	\$150,000
Superannuation Guarantee		
Minimum contribution percentage	9%	9%
Maximum contribution base (quarterly limit)	\$38,180	\$40,170

'Anti-detriment' payments

Taxation legislation provides for an 'anti-detriment' addition to death benefits paid to eligible beneficiaries of a deceased member (conditions apply), to adjust the impact of tax on contributions. The amount and applicability of this addition varies from member to member.

Superannuation Surcharge

The surcharge ceased to apply to contributions from 1 July 2005. Surcharge assessments will continue to be received for some time by superannuation funds in respect to contributions made in previous years. For further information please consult your financial adviser.

The information in this publication reflects the Trustee's understanding of existing legislation, rulings etc as at 1 July 2009. While it is believed the information is accurate and reliable, this is not guaranteed in anyway. The information is not, nor is it intended, to be comprehensive or a substitute for advice on specific circumstances.

Section four

Further information

Superannuation and your retirement

By purchasing this NULAL policy as superannuation, you have chosen to save towards your retirement, as well as provide for a death benefit for your dependants along the way.

You can access your superannuation once you have retired after your preservation age (55 for those born before 1 July 1960), reach age 65, or by meeting other conditions of release.

There are numerous rules and regulations affecting your superannuation. Some of these rules and regulations directly affecting your policy are set out below.

When can you contribute to super?

Superannuation contributions can be accepted based on the following:

Under age 65:

- Superannuation contributions can be accepted for any members aged under 65

Age 65 to less than 70:

The following contributions can be received:

- Mandated employer contributions, these are made in satisfaction of the Superannuation Guarantee contributions and contributions made under an agreement certified or an award made by an industrial authority.

- Personal contributions, spouse contributions and voluntary employer contributions where you have worked at least 40 hours in any 30 consecutive day period in a financial year.

Once this condition is met, contributions can be made for the rest of the year.

Age 70 to less than 75:

The following contributions can be received:

- Employer contributions made under a certified agreement or an award by an industrial authority, and
- Personal contributions where you have worked at least 40 hours in any 30 consecutive day period in a financial year. Once this condition is met, you can contribute for the rest of the year.

Spouse contributions cannot be made in this age category.

Age 75 and over:

Once you have reached age 75, contributions can only be made where they are made by, or on behalf of, your employer and are required under a certified agreement or award made by an industrial authority.

Rollovers and transfers

Rollovers or transfer of benefits from other superannuation funds, including family law payment splits, can be contributed at any time. (You need to provide the Australian Business Number ('ABN') of any superannuation fund to which you are rolling over benefits. The ABN of NUST is 31 919 182 354.

Important note:

These conditions are important. If you no longer satisfy them, the Trustee can no longer accept your contributions. If your circumstances change, you should notify Client Services on 1300 428 482.

Important superannuation information for temporary residents

If you are a temporary resident, or were a temporary resident and have now left Australia, the following conditions of release are available, only if you met them before 1 April 2009: retirement after preservation age, resignation from your employment after age 60, attaining age 65, commencing a pension after preservation age, to pay excess contributions tax, severe financial hardship or compassionate grounds, or employment terminated and your superannuation benefit is less than \$200.

If you are a temporary resident, or you were a temporary resident and have left Australia, and you didn't meet any of the above conditions of release prior to 1 April 2009, benefits may only be paid in the event of your death, permanent or temporary incapacity, if you suffer a terminal medical condition or because of your permanent departure.

We must pay benefit amounts for temporary residents who have left Australia to the Australian Taxation Office ('ATO') following the appropriate request from the ATO.

These restrictions and requirements to pay your benefit to the ATO do not apply to you if you hold an Investment Retirement (405) or Retirement (410) visa, have become a permanent resident or citizen of Australia or are a permanent resident or citizen of New Zealand.

The Trustee will not notify you of the payment of your benefit to the ATO, or issue a final statement (an 'exit statement') to you if your benefit is transferred to the ATO. (For this, it relies on relief granted by the Australian Securities and Investments Commission ('ASIC') from periodic statement regulatory requirements.)

Once your superannuation benefit is transferred to the ATO, we can no longer pay you your benefit, but you have the right to make an application to the ATO to arrange for payment of your benefit.

For further information regarding these requirements or the current status of your superannuation, please contact Aviva on 1300 428 482 or the ATO on 13 10 20 or www.ato.gov.au

Departing Australia Superannuation Payments ('DASP')

Members who have been in Australia on an eligible temporary resident visa and who later permanently leave Australia, can claim any superannuation they have accumulated. The payment will be subject to withholding tax. This does not apply to permanent residents in Australia or other individuals who have an option of retiring in Australia and have access to the age pension.

Terminal Illness Condition of Release

The condition of release, Terminal Medical Condition, allows terminally ill people to access their superannuation tax free. To meet this condition of release, members must satisfy the following;

- Two registered medical practitioners have certified that the person suffers from an illness or has incurred an injury that is likely to result in death within a period (the certification period) no greater than 12 months;
- At least one of the registered medical practitioners must be a specialist practising in the area related to the illness or injury suffered by the person; and
- For each of these certifications, the certification period has not ended.

Once these conditions are met, the member's entire superannuation benefit becomes unrestricted non-preserved and can be withdrawn tax-free at any time. This also applies to any contributions received for the member during the certification period.

These doctors' certificates are also the requirement for no PAYG withholding amount to be deducted from benefit payments to members under age 60.

If a member has not satisfied these requirements at the time of payment, normal superannuation lump sum tax will apply. However, if the member subsequently satisfies the definition within 90 days of the payment, the fund will pay the amount withheld for tax to the member.

If you would like further information please call Client Services, or alternatively go to the ATO's website www.ato.gov.au

The Trustee

The Trustee of the Norwich Union Superannuation Trust (the 'Fund') is NULIS Nominees (Australia) Limited ABN 80 008 515 633 AFSL No. 236465, RSE Licence L0000741, an RSE licensee under the Superannuation Industry (Supervision) Act 1993 ('SIS'). The Norwich Union Superannuation Trust (RSE number R1004083) is a registrable entity registered with APRA, with an appropriate risk management plan in place.

During the year 2008/09, the directors of the Trustee were:

Mr Charles (Sandy) Clark (Chairman)
Ms Elizabeth Flynn
Mr David Trenerry
Mr Sean Potter
Mr Bruce Hawkins, and
Ms Diana Taylor

Ms Anne Wright was the Company Secretary.

One of the RSE licence conditions imposed on the Trustee is a requirement to have at least \$5 million in net tangible assets, or to have secured a bank guarantee for that amount. The Trustee has secured such a guarantee from the Westpac Banking Corporation. This guarantee is held at the registered office of the Trustee, Level 6, 509 St Kilda Road Melbourne 3004.

The Trustee and its Directors are entitled to be reimbursed from the Fund for any costs and expenses incurred in the management and administration of the Fund. They are also entitled to be indemnified from the Fund for all liabilities arising from the management and administration

of the Fund except where the Directors have acted fraudulently, dishonestly, through wilful misconduct or have incurred a penalty for a breach under SIS. The Trustee is liable for its activities and for this reason has professional indemnity insurance.

Trust Deed and Trust Deed amendments

Members' rights are governed by the provisions contained in the Trust Deed dated 16 December 1985 (as amended).

Trust Deed amendments were made in the year 2008/09 to:

- Change the definition of 'Spouse',
- Insert a definition of 'Permanent Incapacity', and
- Update the definition of 'Total and Permanent Disability'

External legal have provided signoff that the amendments do not contravene any statutory restrictions upon the Trustee's powers of amendment and do not adversely alter beneficiaries' rights to accrued benefits so as to require the consent of beneficiaries.

Amendments to the Trust Deed can only be made by the Trustee and must be made in accordance with the requirements of superannuation law.

If you would like to view the Norwich Union Superannuation Trust Deed, please contact Client Services on 1300 428 482.

The Insurer

Norwich Union Life Australia Limited issues the policies under the Fund.

Making enquiries and complaints

The Trustee has established procedures for dealing with member enquiries and complaints.

Enquiries and complaints should firstly be made to Client Services, as we may be able to resolve the problem over the phone. Client Services can be contacted on 1300 428 482 and if we are unable to resolve your complaint over the phone we will ask you to put it in writing.

Our postal address is:

Norwich Union Life Australia Limited
Complaints Officer
GPO Box 2567W
MELBOURNE Victoria 3001

Superannuation Complaints Tribunal

If you are not satisfied with the handling of a complaint or its resolution or the Trustee or its delegate has not dealt with your complaint within 90 days, then the Superannuation Complaints Tribunal (the 'Tribunal') may be able to deal with your complaint. The Tribunal is an independent dispute resolution body set up by the Government to assist investors to resolve certain types of superannuation complaints that have not been resolved by the Trustee.

The Tribunal may be able to assist you to resolve a complaint, but only after you have made use of the Trustee's own enquiries and complaints procedures. Once the Tribunal accepts a complaint it tries to conciliate the dispute by helping an investor and the superannuation Trustee reach agreement. Where this is unsuccessful the Tribunal will formally review the matter and make a binding decision.

It is located in Melbourne and its contact details are:

Locked Bag 3060
GPO Melbourne Victoria 3001
Telephone: 1300 780 808
Fax: 03 8635 5588
Website: www.sct.gov.au

Keeping in touch

It is very important that you advise NULAL if you change your personal details. While address details may be changed over the phone, other details such as beneficiary nominations must be changed in writing. To ensure prompt service, please quote your policy number whenever you contact NULAL.

Lost members

When a member becomes uncontactable (or 'lost'), the Trustee may, in future, elect to transfer such a member's benefits to what is known as an Eligible Rollover Fund ('ERF'). ERFs have a low risk, low return investment strategy. Generally speaking, a lost member is one where at least one member communication has been sent by the Trustee to the member's last known address, and it has been returned unclaimed.

Account balances of members in an ERF are 'protected'. This means that once money is received by an ERF the account balance will never be less than the original amount transferred, except to pay tax (if any).

Each year the Trustee is required to notify the Australian Taxation Office ('ATO') of the details of those investors with whom it has lost contact so that they can be included in the Lost Members Register. If your benefit remains unclaimed by the date you reach age 65, and the Trustee of the Fund is unable to find you to pay you your benefit, it will transfer the benefit to the ATO.

The contact details for the Norwich Eligible Rollover Fund are:

The NERF Administrator
GPO Box 2567W
Melbourne Victoria 3000
Telephone: 1300 428 482

Information available on request

If you would like any further information about the Fund or your investment (including details of benefits or fees and charges) please contact Client Services on 1300 428 482.

Financial information

The Trustee invests wholly in life policies issued by NULAL, with each investment option being invested with its Fund Manager(s) through the relevant NULAL policy. For regulatory purposes, the benefits paid to each member are wholly determined by reference to life insurance products.

Regulatory requirements to provide:

- Fund accounts or abridged financial information and statements of assets and,
- Details of investments in excess of 5% of total assets,

do not apply to superannuation funds so structured, and accordingly the Trustee has not provided this information.

(Life insurance companies are subject to the provisions of the Life Insurance Act 1995, the Insurance Contracts Act 1984 and other specific prudential requirements, in addition to general corporations and superannuation regulations).

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Through funding and volunteer support of Aviva's flagship charity, the combined efforts of Aviva and our people have assisted in bringing joy and smiles to the faces of over 520 children and 410 family members, since our launch in May 2008.

Camps and fun days have been, and continue to be, supported Australia-wide. A highlight has been the Aviva Tennis Hot Shots clinic, with tennis ambassador Alicia Molik being a major hit with the kids.



Aviva's flagship charity initiative is part of the Aviva Guiding Star program, which provides a way to support Australian charities through financial contributions and staff involvement to achieve lasting changes and improvements in the community.

Camp Quality believes in bringing optimism and happiness to the lives of children and families affected by cancer through fun therapy.

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Proudly supporting
Camp Quality

in bringing optimism and happiness
to the lives of children and families
living with cancer

