



Norwich Union Superannuation Trust

This report is for members with:

Whole of Life

Endowment Contracts

Guaranteed Cash

Long Life

Disclaimer

The Trustee has made every attempt to ensure the accuracy of the information included in this Annual Report and the 2007/2008 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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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 number") 241686 through the Norwich Union Superannuation Trust ("the Fund") ABN 31 919 182 354, RSE number R1004083.

The trustee of the Fund is NULIS Nominees (Australia) Limited. ("the Trustee") ABN 80 008 515 633, AFSL number 236465, RSE Licence number L0000741.

The Trustee and the Administrator are subsidiaries of Aviva Australia Holdings Limited ABN 38 095 045 784, the parent company of the Aviva Australia Group. The Aviva Australia Group is owned by the Aviva plc group.

The investment assets of the Fund are managed on behalf of NULAL by Portfolio Partners Limited ("Portfolio Partners") ABN 85 066 081 114 AFSL number 234483 in accordance with the investment strategy set by the Trustee. Portfolio Partners is a member of the Aviva plc group ("Aviva").

Section one

Your Annual Report

Aviva – helping you to grow your investment portfolio

Aviva Australia is the local face of the global Aviva group (Aviva plc), the fifth largest insurer in the world. Aviva plc is the leading providers of life and pensions products to Europe and has substantial businesses around the world.

The main activities are long term savings, fund management and general insurance with more than A\$757 billion of assets under management. The group has more than 57,000 employees and 45 million customers worldwide as at 31 December 2007.

Aviva Australia provides investment, superannuation and life insurance products for more than 300,000 customers throughout Australia.

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 2007 to 30 June 2008.

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 2007 was issued in June 2008.

If you have any enquiries about your investment including current details of investment strategies, contribution options or insurance cover please call our Client Service Team on freecall 1800 037 022.

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 2008	As at 30 June 2007
Australian Shares	41.3%	46.8%
Property	11.4%	11.7%
Fixed Interest	21.3%	18.5%
Cash	26.0%	23.0%

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.

Changes to Australian Equity Investment Management Approach

There has been a change to the investment management approach for the Australian Equity fund and the Australian equity exposure that feeds into the diversified funds (Capital stable, Balanced and Growth funds) and Capital Guaranteed fund. It is important to note that there has been no change to the investment manager of the portfolio, the manager continues to be Aviva Investors (previously know as Portfolio Partners).

The new investment management approach essentially changes the Australian equity management style from a full active management approach, to a mix of 75% passive (index) and 25% actively managed Australian equity funds. The actively managed Australian equity funds replicate the Elite Opportunities Trust, High Growth Shares Trust, Dividend Builder, and the Emerging Shares Trust.

The key reasons to move to this new investment approach are to deliver a more attractive risk/return profile and consistency of out performance for investors.

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 2007/2008 and 2008/2009 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	2007/2008	2008/2009
Concessional contributions cap		
Up to 49 years	\$50,000	\$50,000
Age 50 years or more	\$100,000	\$100,000
Non-concessional contributions cap		
	\$150,000	\$150,000
Tax free portion after preservation age of taxable component		
Upper Limit	\$140,000	\$145,000
Superannuation Guarantee		
Minimum contribution percentage	9%	9%
Maximum contribution base (quarterly limit)	\$36,470	\$38,180

“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 professional adviser.

The information in this publication reflects the Trustee's understanding of existing legislation, rulings etc as at 1 July 2008. 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 up to age 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 up to age 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 our Client Service Team on freecall 1800 037 022.

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

A new condition of release, Terminal Medical Condition, commenced on 16 February 2008 which 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.

These changes have now been backdated to 1 July 2007 and under transitional arrangements, members had until 30 June 2008 to meet the requirements in order to have PAYG withheld from benefits already paid refunded.

If you would like further information please call our Client Services team, 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 number 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 2007 – 2008, 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 (from 29/05/2008)

Ms Diana Taylor was the Company Secretary until 29/05/2008.

Ms Anne Wright commenced as the Company Secretary from 29/05/2008.

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. To help cover these potential liabilities and protect the assets of the Fund, indemnity insurance in excess of \$20 million covers the Directors of the Trustee and its associated companies.

Trust Deed and Trust Deed amendments

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

There were no amendments to the Trust Deed in the year 2007/2008. 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 our Client Services Team on free call 1800 037 022 quoting your member number.

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 our Client Service Team, as we may be able to resolve the problem over the phone. Our Client Service Team can be contacted on freecall 1800 037 022 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: 1800 814 899 (toll free)

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 our Client Service Team on free call 1800 037 022.

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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The Aviva Guiding Star program provides a way to actively support Australian charities through financial contributions and staff involvement to achieve lasting change and improvement in the community.

Through the Aviva Guiding Star community support program, we launched Camp Quality as our first flagship charity in May 2008. It was decided to target and focus our efforts, so that Aviva's corporate support – combined with staff contributions – can make a bigger and lasting difference for our community partner.

Camp Quality is committed to bringing hope and happiness to every child living with cancer, their families and communities through ongoing quality recreational, educational, hospital and financial support programs. These programs focus on the power of fun and optimism to help children and their families overcome the challenges that cancer brings.



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“ Being a socially responsible company is gaining increasing momentum in the Australian corporate landscape, with employees demanding more from a company than just a pay cheque, and business partners expecting commitment to this area. But most importantly, being a good corporate citizen is simply the right thing to do.”

Allan Griffiths
Aviva Australia Chief Executive Officer

Trustee: NULIS Nominees (Australia) Limited ABN 80 008 515 633 AFSL number 236465 RSE Licence number L0000741

Administrator: Norwich Union Life Australia Limited ABN 34 006 783 295 AFSL number 241686

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avivagroup.com.au



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