Norwich Union Pensioner's Network Account-based Pension

Annual Report 2007/2008

Disclaimer

The Trustee has made every attempt to ensure the accuracy of the information included in this Annual Report and the 2007/08 Statement of Account. 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.

Contents

Your investment forms part of the Norwich Union Superannuation Trust ("NUST" or "the Fund") ABN 31 919 182 354.

The Trustee is NULIS Nominees (Australia) Limited ("the Trustee") ABN 80 008 515 633, Australian Financial Services Licence Number ("AFSL number") 236465, RSE Licence number L0000741.

The Administrator for the Norwich Union Pensioner's Network Account-based Pension is Norwich Union Life Australia Limited ("NULAL" or "the Administrator") ABN 34 006 783 295 AFSL number 241686.

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.

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.

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

Your Annual Report for 2007/2008

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 for information on your individual investment.

If you have any enquiries about your investment including current details of investment strategies, contribution options or insurance cover please call our Client Services Team on freecall 1800 035 687.

Section two

Investment information

Important information about your investment.

The range of investment choices available provides you with the opportunity to tailor your future financial needs your way. With a range of both diversified and sector investment funds to choose from, there are choices likely to suit everyone from the very conservative to the very aggressive investor.

You have the choice of selecting from a single investment fund or a combination of funds available to suit your financial needs.

The diversified funds allow our investment management team to spread your investment across a diverse range of asset classes. Sector funds give you access to both domestic and international financial markets in specific investment classes or "sectors".

The Trustee invests wholly in life policies issued by NULAL. The assets for each of the investment funds offered for these products are managed by Portfolio Partners Limited in accordance with the investment strategies set by the Trustee.

For the 2007/08 financial year members were given a choice of investment strategies. Those strategies were:

- Capital Guaranteed
- Capital Stable
- Balanced
- Growth
- Cash
- Australian Fixed Interest
- Listed Property Trusts
- Australian Shares
- International Shares
- Industrials
- Mortgage

Choosing your investment funds

You can set your own investment goals and then choose the most appropriate investment fund, or combination of investment funds, for your superannuation investment.

A combination of investment funds can be chosen by allocating a percentage of each investment contribution to the selected investment fund.

When you are choosing your investment funds there are a variety of issues to consider. Some of these include:

- your attitude to risk
- the prevailing economic conditions
- your age
- how long until you retire
- the current preservation requirements, and
- legislative changes

Of course your goals may change and the appropriate investment funds selected can be changed accordingly.

We recommend that you review your investment goals, in consultation with your financial adviser, at least once a year to ensure the selected investment funds are still appropriate.

Risk profile of the investment funds

The relationship between the amount of risk that you are willing to take and the potential return on your investment is known as your 'risk profile'. In general, investment funds that earn high returns, such as Growth, carry the highest risk. Not only can the rate of return fluctuate, but the value of your capital can rise or fall. For investment funds that generally earn lower returns, such as Capital Stable, the capital value is less likely to fluctuate.

Diversification (spreading your investments across a number of asset classes) can help to reduce the overall risk of your portfolio.

Investment guarantees

Two investment funds offer guarantees. NULAL is responsible for meeting these guarantees.

The Capital Guaranteed Fund

This guarantees the return of both capital and declared interest (once allocated), net of switches, withdrawals, pension payments, fees and tax (if applicable).

The Cash Fund

This offers a guarantee ensuring that the unit price used for withdrawals, switches or pension payments from the Cash Fund will always be the highest price achieved during the term of that investment.

As mentioned previously, there is a relationship between the amount of risk associated with an investment and the potential return on that investment.

A capital guaranteed or cash fund generally provides a lower risk investment and therefore, tends to receive a lower but steady rate of return.

Lower returns mean that over time your benefit may grow at a slower rate than benefits invested in other investment options, which offer higher returns for higher risk. However, it also means that the capital value of your investment is less likely to fluctuate.

You may wish to compare the rates of return achieved by other investment options with your guaranteed investment. You should bear in mind that a capital guaranteed or cash investment offers greater protection for your invested capital while maintaining a steady rate of growth.

Capital Protection (also known as Deferred Guarantee) (optional)

Other investment options carry no investment guarantee unless you select the Capital Protection option. Under this option, NULAL undertakes that after expiry of a deferred period, and upon full withdrawal or full switch from the investment option, the amount available will not be less than the protected amount in the investment option when the deferred period commenced.

Capital Protection is selected at the option level, allowing you to protect those investment options from negative market movements. When investment markets are volatile, Capital Protection gives you peace of mind with the knowledge your investment is protected.

The protected amount will be equal to:

- the gross investment in the investment option (less tax if applicable), if the option was selected at the time of the initial investment; or
- the account balance of the investment option (less tax if applicable) at the time you choose the capital protection option, if the option was selected at any other time.

Each partial withdrawal, pension payment or switch from an investment option with Capital Protection will reduce the previous amount protected on a proportional basis. The Capital Protection fee is a percentage per annum of the amount you have invested in the relevant option and applies to the individual investment option, not the policy as a whole. It protects all amounts in that investment option. If you choose the Capital Protection option, you must choose to protect all the units which you hold in the relevant investment option. Please refer to page 16 for important information in relation to Capital Protection (Deferred Guarantee).

Capital Protection is available on the investment funds listed below:

Funds	Deferred Period [1,3] (Years)	Deferred Period [2,3] (Years)
Capital Stable	3 years	3 years
Balanced	4 years	4 years
Growth	5 years	5 years
Australian Fixed Interest	3 years	3 years
Australian Shares	7 years	9 years
International Shares	7 years	9 years
Listed Property Trusts	7 years	9 years

1. For Capital Protection turned on up to 31 October 2001.
2. For Capital Protection turned on after 31 October 2001.
3. Deferred periods may vary for policies issued under different dates. Refer to your Fund Information or Customer Information Brochure for full details of Capital Protection.

Capital Protection can be turned on and off at any time for the Capital Stable Fund, the Balanced Fund, the Growth Fund and the Australian Fixed Interest Fund. If it is turned off and subsequently re-applied, a new deferred period commences from the date of the re-application. For the:

- Australian Shares Fund (with Capital Protection, deferred guarantee),
- International Shares Fund (with Capital Protection, deferred guarantee),
- Listed Property Trust (with Capital Protection, deferred guarantee), and
- Industrials Fund (with Capital Protection, deferred guarantee),

from 1 October 2004, you can not turn capital protection on and off.

How your benefits are calculated

Account balance

This depends on your investment options:

Capital Guaranteed Fund

Benefits paid are determined by the account balance at the date of withdrawal, including any interim interest earned from the last interest rate declarations, less fees and taxes where applicable. Interim interest is calculated on the daily account balance. On partial withdrawal, interim rates do not apply. If you make a partial withdrawal between declarations, the last declared rate will apply to the daily account balance, adjusted for withdrawals, additions, pension payments, fees and tax.

Other investment options

This is determined by the number of units withdrawn multiplied by the unit price at the date of withdrawal, less fees and taxes where applicable.

If Capital Protection has been selected, NULAL undertakes that after expiry of a deferred period, and upon full withdrawal or full switch from the investment option, the amount available will not be less than the protected amount in the investment option when the deferred period commenced, adjusted for any earlier partial withdrawals, pension payments and switches.

Pension payments

Since 1 July 2007, Aviva pensions which met the requirements for allocated pensions now meet the more liberal requirements for account-based pensions regulations. For account-based pensions the old minimum and maximum pension valuation factors are replaced by a minimum percentage by age bracket. The maximum pension requirement has been removed completely, except for transition to retirement pensions. (You should have already received these details, together with your minimum pension for 2008-2009.)

The table below shows the new minimum annual pension requirements:

Age	Percent of account balance for new pensions
Under 65	4%
65 -74	5%
75 -79	6%
80 – 84	7%
85 -89	9%
90 -94	11%
95+	14%

Growth pensions (term allocated pensions) commenced before 20 September 2007 will retain their full or partial Social Security asset test exemption. The method for calculating annual pension payments has not changed. Growth Pensions commenced after 20 September 2007 are not be eligible for any asset test exemption.

Pensions started up under the transition to retirement rules will have a maximum annual pension level of 10%, until a full condition of release is met.

How your investment returns are calculated

Unit Prices

Each investment fund (other than the Capital Guaranteed Fund) has its own unit price. Unit prices are calculated daily by NULAL on the following basis.

The assets of each investment fund are valued each Melbourne working day (or at a greater frequency if considered appropriate). Assets are valued as follows:

- listed shares at the latest sale price quoted on the Australian Stock Exchange (or other exchange as appropriate)
- fixed interest securities at market value
- other assets on the appropriate basis at the time

The value of the investment fund is adjusted to take into account:

- any liabilities of the fund
- tax which may be payable including tax on unrealised capital gains
- the management fee, and
- the Capital Protection fee, if applicable

The unit price is the value of the investment fund determined above divided by the number of units in the investment fund. The value of units may rise and fall. In exceptional circumstances the Trustee may be unable to calculate daily unit prices for one or more of the available investment options, or may decide that it is in the best interests of members not to do so. Switching, redemption and investment requests will not be processed while the Trustee has suspended calculation of the unit price for that option. NULAL reserves the right to withhold the declaration of daily unit prices in exceptional circumstances.

Interest rate on the Capital Guaranteed Fund

For the Capital Guaranteed Fund, interest is declared twice a year, on 30 June and 31 December. NULAL may, in the future, elect to change the frequency at which it declares interest rates. The method of calculating the declared rate for the Capital Guaranteed Fund is as follows:

- Firstly, the gross investment earnings are determined, including investment income, realised and unrealised gains and losses received over the declaration period.
- Deductions are made from the gross investment earning rate for fund earnings tax (including deferred taxation on unrealised capital gains or losses, if applicable) and the management fee, to determine the net investment earning rate.

At the time of declaring a rate NULAL will have regard to the following issues:

- The net investment earning rate over the declaration period,
- The size of the Interest Equalisation Reserve (see below) at the declaration date, and
- The likely future economic outlook and the likely investment earning rate.

Interim interest rate

If a full withdrawal or full switch is made, interim interest is credited for the period between the last declaration date and the date of withdrawal. When setting the interim rate NULAL will have regard to similar issues to those considered when setting the declared rate (as set out above).

Interim rates are not guaranteed and may be changed at any time without prior notice. The new interim rate will apply from the last declaration date.

Interest Equalisation Reserve

Investment earnings can be volatile. In order to produce smoother declared rates, an amount will be paid into an Interest Equalisation Reserve when the net investment earning rate exceeds the declared earning rate. Conversely, an amount will be taken out of the Interest Equalisation Reserve when the net investment earning rate is below the declared earning rate. The Interest Equalisation Reserve is maintained such that all the net investment earnings of Capital Guaranteed policyholders' assets are attributable, over time, to continuing Capital Guaranteed policyholders. The Australian Prudential Regulation Authority ("APRA") has prescribed industry limits on the size of the Interest Equalisation Reserve. This will limit the amount of smoothing of declared rates when investment earning rates are volatile. The upper and lower limits of the Interest Equalisation Reserve are prescribed so that the aggregated Capital Guaranteed surrender value must not fall below 95% or rise above 103% of the Capital Guaranteed policyholders' assets.

It is a policy of NULAL not to declare a negative earning rate for the Capital Guaranteed Fund.

Allocation and redemption of units

As contributions or rollovers are paid into the Fund, units will be allocated to your account in the investment funds you have selected. Units are normally allocated at the unit price on the day NULAL processes the contribution/rollover.

If you decide to switch from one investment fund to another, the units in the new fund will normally be determined at the unit price on the day the switch is processed.

If you switch out of or make a withdrawal from an investment fund (including pension payments), units will normally be redeemed at the unit price of the day NULAL processes your switch or withdrawal.

Restrictions

Restrictions may be placed on access to or switches into or out of certain investment funds from time to time. In the event the Trustee elects to close an investment fund in which you have invested, you will be given the opportunity to select an alternative fund. If you do not make a valid selection, the Trustee will select an alternative fund that most closely resembles the closed fund.

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

Investment performance

Outlines the investment objective, asset allocation and investment performance of the investment funds offered.

Please refer to your enclosed statement which outlines your opening and closing balances for each fund as at 1 July 2007 and 30 June 2008.

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 Derivatives Risk 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.

Note:

1. Past performance should not be taken as an indication of future performance
2. "5 year average" for returns is the compound average value of the yearly performance figures over the last five years.

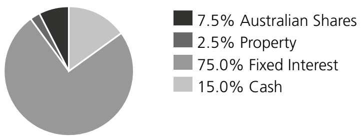
Investment Strategy

Capital Guaranteed Fund

Investment Objective: The Capital Guaranteed Fund is designed for investors seeking immediate security with relatively steady positive returns over the term of investment. The fund is conservatively managed and carries a guarantee of return of both capital and interest (once allocated) net of switches, withdrawals, pension payments and tax (if applicable).

Investment Strategy: To invest a high proportion of the fund in fixed and other interest bearing securities with smaller amounts invested in property and shares to provide for capital growth. Reserves are maintained and applied for the purpose of smoothing future returns to investors.

Target asset allocation at 31 May 2008 for members joining the fund pre 1/02/1995



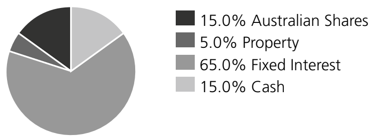
Market value

	$MILLION
31/05/2008	16.8

Returns % pa:

One year to	Entry & Service
30/06/2008	4.3
30/06/2007	6.0
30/06/2006	5.4
30/06/2005	5.0
30/06/2004	4.9
5 year compound average	5.1

Target asset allocation at 31 May 2008 for members joining the fund post 31/01/1995



Market value

	$MILLION
31/05/2008	59.1

Returns % pa:

One year to	Entry & Service
30/06/2008	3.9
30/06/2007	9.7
30/06/2006	6.2
30/06/2005	5.2
30/06/2004	4.3
5 year compound average	5.8

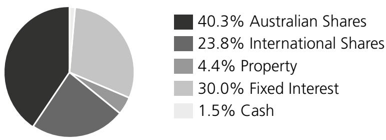
Investment Strategy

Growth Fund

Investment Objective: The Growth Fund has a high proportion of assets in selected share and property investments in order to provide high real rates of return over the longer-term.

Investment Strategy: By maintaining a high proportion of the fund's assets in equities and property, it is expected in the long term, to achieve high returns. The fund also invests in overseas assets to diversify investments and further manage risk.

Asset allocation at 30 June 2008



Market value

	$MILLION
30/06/2008	25.05

Returns % pa:

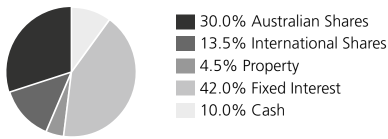
One year to	Entry & Service
30/06/2008	-12.3
30/06/2007	14.1
30/06/2006	12.9
30/06/2005	12.0
30/06/2004	13.9
5 year compound average	8.8

Balanced Fund

Investment Objective: The Balanced Fund has a blend of capital growth and income producing assets and is expected to produce consistent growth over the medium to long term, whilst maintaining a lower level of risk than the Growth Fund because of the reduced exposure to shares.

Investment Strategy: To maintain a balanced spread of investment between fixed interest, cash and growth assets.

Asset allocation at 30 June 2008



Market value

	$MILLION
30/06/2008	37.89

Returns % pa:

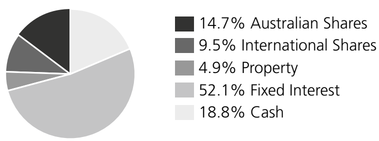
One year to	Entry & Service
30/06/2008	-8.4
30/06/2007	11.3
30/06/2006	9.6
30/06/2005	10.0
30/06/2004	0.9
5 year compound average	4.8

Capital Stable Fund

Investment Objective: The Capital Stable Fund has a high proportion of its assets invested in cash and fixed interest securities to provide a high level of capital stability over time, but with a moderate exposure to equity investments to provide the potential for growth.

Investment Strategy: To invest a high proportion of the fund's assets in cash and fixed interest securities with the balance in growth assets.

Asset allocation at 30 June 2008



Market value

	$MILLION
30/06/2008	6.81

Returns %:

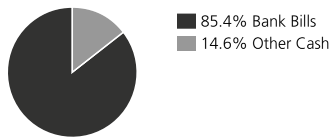
One year to	Entry & Service
30/06/2008	-4.6
30/06/2007	7.6
30/06/2006	6.1
30/06/2005	8.3
30/06/2004	6.1
5 year compound average	5.0

Cash Fund

Investment Objective: The Cash Fund is a safe portfolio with assets spread across a range of short term securities comprising cash deposits, fixed interest and government and bank backed securities. NULAL guarantees that the unit price upon redemption from the Cash Fund will be the highest over the period you have invested in the Cash Fund.

Investment Strategy: To invest in a diverse range of Australian cash and fixed interest securities only.

Asset allocation at 30 June 2008



Market value

	$MILLION
30/06/2008	0.81

Returns % pa:

One year to	Entry & Service
30/06/2008	4.4
30/06/2007	4.4
30/06/2006	3.8
30/06/2005	3.8
30/06/2004	3.3
5 year compound average	4.3

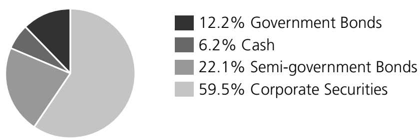
Investment Strategy

Australian Fixed Interest Fund

Investment Objective: The Australian Fixed Interest Fund seeks to add value by forecasting the future direction of interest rates along with yield curve positioning, sector selection (credit spreads) and arbitrage. An active approach is taken, concentrating on investments in Commonwealth, state government and investment grade corporate bonds.

Investment Strategy: The underlying strategy includes economic research, top down formulation and security selection. Risk is controlled through duration constraints and the stocks held have high minimum credit ratings.

Asset allocation at 30 June 2008



Market value

	$MILLION
30/06/2008	0.12

Returns % pa:

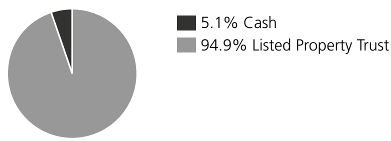
One year to	Entry & Service
30/06/2008	1.9
30/06/2007	2.6
30/06/2006	1.6
30/06/2005	5.9
30/06/2004	0.9
5 year compound average	2.7

Listed Property Trusts Fund

Investment Objective: The Listed Property Trusts Fund is a portfolio of property-related securities listed on the Australian Stock Exchange providing diversity of property type and location, yield and liquidity. It seeks to take advantage of returns from property investments without the difficulties associated with investing in direct property.

Investment Strategy: To invest in a diverse range of listed Australian property trusts.

Asset allocation at 30 June 2008



Market value

	$MILLION
30/06/2008	1.74

Returns % pa:

One year to	Entry & Service
30/06/2008	-32.7
30/06/2007	25.3
30/06/2006	16.7
30/06/2005	18.5
30/06/2004	12.8
5 year compound average	6.3

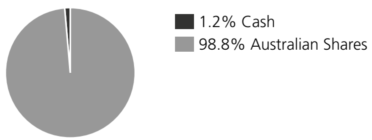
Investment Strategy

Australian Shares Fund

Investment Objective: The Australian Shares Fund is a diversified portfolio of industrial and resource companies listed on the Australian Stock Exchange.

Investment Strategy: To invest in a diverse range of listed industrial and resource companies whose earnings capabilities are not reflected in the current share price.

Asset allocation at 30 June 2008



Market value

	$MILLION
30/06/2008	15.23

Returns % pa:

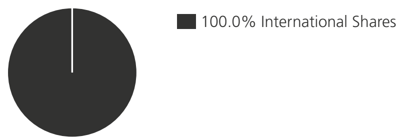
One year to	Entry & Service
30/06/2008	-14.1
30/06/2007	27.7
30/06/2006	22.6
30/06/2005	24.1
30/06/2004	24.2
5 year compound average	21.5

International Shares Fund

Investment Objective: The International Shares Fund is a broad portfolio of sharemarket investments selected to replicate those stocks held in the Morgan Stanley Capital International (World ex-Australia) Index ("MSCI"). It provides access to quality shares and industries not available on the Australian sharemarket. The management of the underlying assets of the fund is undertaken by Morley Fund Management (UK), member of the international Aviva plc group.

Investment Strategy: To invest across a diverse range of industries and companies in major overseas markets in the MSCI. The fund is managed on a fully unhedged basis in order to provide the benefits of diversification available in non $A assets.

Asset allocation at 30 June 2008



Market value

	$MILLION
30/06/2008	1.60

Returns % pa:

One year to	Entry & Service
30/06/2008	-22.4
30/06/2007	5.9
30/06/2006	16.8
30/06/2005	-2.4
30/06/2004	16.7
5 year compound average	1.9

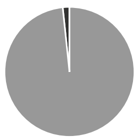
Investment Strategy

Industrials Fund

Investment Objective: The Industrials Fund is a portfolio of Australian industrial shares listed on the Australian Stock Exchange. Diverse industries react differently to various economic conditions. As a result, a diverse range of industrial sub-sectors are included within the portfolio.

Investment Strategy: To invest in a diverse range of listed Australian industrial companies whose earnings capabilities are not reflected in the current share price.

Asset allocation at 30 June 2008



Market value

	$MILLION
30/06/2008	7.13

Returns % pa:

One year to	Entry & Service
30/06/2008	-23.6
30/06/2007	26.8
30/06/2006	14.3
30/06/2005	20.1
30/06/2004	21.0
5 year compound average	12.2

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Mortgage Fund

Investment Objective: To provide a stable and predictable level of return over the short to medium term, with a high level of capital stability from a broad allocation of mortgages and other income producing assets.

Investment Strategy: To invest in a range of mortgages including: residential, retail, industrial and commercial, with the management of the underlying assets of the fund undertaken by Challenger Managed Investments Limited.

Asset allocation at 30 June 2008

Asset allocations at 30/06/08 are unavailable as there was no funds invested in this option at that date.

Market value

	$MILLION
30/06/2008	0.0

Returns % pa:

One year to	Entry & Service
30/06/2008	5.3
30/06/2007	6.5
30/06/2006	3.7
30/06/2005	4.5
30/06/2004	5.3
5 year compound average	5.6

Section four

Fees and charges

The fees and charges that apply to your investment are fully described.

The following section summarises the fees as they relate to the Norwich Union Pensioner's Network Allocated Pension for the 2007/08 year. Investors should refer to their statements for the actual fees charged during the year.

	Entry Fee Option	**Service Fee Option (only available for clients below 75 years of age)**
Contribution Charge/ Service Fee	Up to 4.25% of the purchase price.	For unit linked funds, 0.355% of the original number of units held in each investment fund will be cashed quarterly from those investment funds for three years, with the proceeds being the service fee for the quarter. For the Capital Guaranteed Fund, up to 0.425% of the purchase price will be deducted quarterly from your account for three years.
Exit Charges	Nil	Equal of any remaining unpaid service fee, if a full withdrawal is made within three years of each investment.

	Fund	% p.a. of assets under management
Ongoing Management Charges*	Capital Guaranteed	2.65%
	Cash, Australian Fixed Interest & International Fixed Interest	1.90%
	Mortgage	2.45%
	Other unit linked funds	2.15%
Early Withdrawal Penalty	1% for withdrawals and/or commutations or switches made from the Capital Guaranteed Fund within twelve months of the investment date.	
Capital Protection Option	Up until 31 December 2004, a Capital Protection Fee (Deferred Guarantee) of 0.2% p.a. was calculated daily on the balance in the selected investment fund and deducted before the unit price was declared. From 1 January 2005, the Capital Protection Fee (Deferred Guarantee) outlined on pages 4-5, was increased from 0.2% p.a. to the following amounts:	
	Fund	**New Fee**
	Australian Shares	0.4% p.a.
	International Shares	0.4% p.a.
	Listed Property	0.4% p.a.
	Industrials	0.4% p.a.
	Growth	0.4% p.a.
	Balanced	0.3% p.a.
	These fees apply to new and existing investments.	
Account Keeping Fee	This is a fee of $3.21 per pension payment.	

* For the Capital Guaranteed Fund, the management fee is deducted prior to the declared rate being announced. For all other strategies, the gross management fee is deducted daily before the unit price is determined.

Other Management Costs

'Other management costs' is your estimated share of 'common fund' costs. These are the ongoing costs, fees and expenses that are deducted from your investments by either the Trustee, NULAL or the manager of an underlying managed investment before the unit prices for your investments (or declared earning rate for a few investment options) are set.

'Total fees you paid' then adds together the costs charged to your account by transactions shown on your Statement (as shown in previous years), less any rebates shown, plus the amount of Other Management Costs – to give you a picture of the total costs and charges for your investment.

Legislation for how these items were to be arrived at means that they will be estimated on a comparable basis by all investment managers and superannuation funds.

You will also see details of any contributions received during the year, helping you to confirm them.

Talk to your adviser or our Client Services Team regarding this new information about your existing costs.

Section five

Taxation

Your Key Features Statement and Fund Information Brochure set out the tax treatment of superannuation contributions and benefits. Some of the thresholds referred to in the Brochure are indexed annually. The limits and thresholds that relate to 2007/08 and 2008/09 are detailed below.

Please note contributions cannot be made to an Account-based Pension.

Taxation of superannuation lump sum benefit payments

Any withdrawal from the Plan of a lump sum payment is a superannuation lump sum benefit, a component of which can form part of your assessable income (and may be subject to concessional tax treatment), unless rolled over to another complying superannuation fund or approved deposit fund. The Trustee may be required to make a PAYG withholding deduction from your superannuation lump sum benefit.

The tax treatment of the components of a lump sum benefit are detailed in the following table. We will provide you with a superannuation lump sum benefit Payment Summary (2 copies) for the amount of the superannuation lump sum benefits paid, which contains details of any PAYG deducted and an assessable amount which need to be transferred into your next tax return.

The Medicare levy is also payable on the amount included in your taxable income (1.5% for 2008/09).

The tax free component of each lump sum payment is the same proportion of the payment that the whole of your total tax free component bears to your total account value.

Tax on death benefits

Death benefits are tax free when paid to a death benefit dependant, which can be a spouse (including a de facto spouse), a former spouse where financially dependent, a child aged less than 18, a person with whom you have an interdependency relationship or a financial dependant. Adult children are not death benefit dependants for tax purposes unless they are financially dependant on, or in an interdependency relationship (see page 20) with the deceased member. Death benefits paid to an estate are also tax free provided they are distributed to one or more death benefit dependants.

Where the benefit is paid directly to a person who is not a death benefit dependant, it is taxed as a superannuation lump sum benefit received by them and PAYG withholding amounts are deducted. Any tax free component amount of the deceased member's account is tax free to these beneficiaries in proportion to the amount of their benefits to the whole account. The balance is their taxable component and is taxed at not more than 15%, unless there is insurance included in the benefit, when there can be an amount taxed at not more than 30%.

Age	Tax free component	Taxable Component
Aged 60 and over	Not subject to tax (and not assessable income)	Not subject to tax (and not assessable income)
Over preservation age and under age 60	Not subject to tax (and not assessable income)	First $145,000* is tax free and the balance is taxed at not more than 15%
Under preservation age	Not subject to tax (and not assessable income)	Taxed at not more than 20%

* applicable for the 2008/09 financial year and is increased each 1 July in line with AWOTE index rounded down to the nearest multiple of $ 5,000.00.

PAYG withholding instalments are not deducted by the Trustee on death benefits paid to the deceased member's legal personal representative (their estate). This is the responsibility of the executor or trustee of the estate.

Death benefits paid as a pension receive concessional tax treatment, but cannot be paid to a non-dependant.

You may wish to obtain further information and discuss the options for death benefits with your Plan's financial adviser.

Tax on disablement benefits

Payments made as a result of temporary disablement (income protection) are taxed as normal income.

Payments made as a result of total and permanent disablement may qualify for concessional treatment.

Reasonable Benefit Limits

Reasonable Benefit Limits were abolished from 1 July 2007 as part of the Better Super changes.

Tax File Numbers (TFN)

Providing your tax file number is not compulsory. However, without a TFN:

- the Plan must return any contribution you make for yourself within 30 days of receiving the contribution.
- employer contributions may be taxed at the highest marginal rate plus the Medicare Levy.
- you cannot find lost superannuation money.
- the ATO cannot determine your entitlement to Government Co-contributions.

Your employer may pass your TFN to the Trustee of the super fund which may only pass the TFN to another super fund or provider on rollover or transfer of the benefits (unless directed otherwise).

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.

Personal income tax thresholds and rates

2007-2008 Thresholds	Tax Rate	2007-2008 Thresholds	Tax Rate
$0 - $6,000	Nil	$0 - $6,000	Nil
$6,001 - $30,000	15%*	$6,001 - $34,000	15%*
$30,001 - $75,000	30%*	$34,001 - $80,000	30%*
$75,001 - $150,000	40%*	$80,001 - $180,000	40%*
$150,001 or more	45%*	$180,001 or more	45%*

*Plus Medicare Levy 1.5%)

The information in this publication reflects our 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 any way. The information is not, nor is it intended, to be comprehensive or a substitute for advice on specific circumstances.

Section six

Further information

Death benefits

Benefits paid on death are, generally, the account balance less any exit fees (if applicable). Taxation legislation provides for an automatic "anti-detriment" addition to death benefits paid to dependants of a deceased member to adjust for the impact of tax on contributions. The amount and applicability of this addition varies from member to member. (Conditions apply.) Anti-detriment payments will only apply to death benefits paid as a lump sum to eligible beneficiaries.

If you are a pensioner and you have named a reversionary pensioner, your pension will automatically be paid to that person on death.

Please note, new restrictions apply from 1 July 2007 on payment of reversionary pensions to adult children. Contact your financial adviser or call Client Services on 1800 035 687 if you need more details.

In any other case, benefits on death will be paid to an eligible beneficiary. That is:

- your spouse (including de facto)
- your children (including step children and adopted children)
- a person with whom you have an "interdependency relationship" (detailed below)
- anyone else who is wholly or partly financially dependent on you, and
- your legal personal representative (that is, the person responsible for administering the estate)

Two persons have an "interdependency relationship" if:

a. they have a close personal relationship; and
b. they live together, and
c. one or each of them provides the other with financial support, and
d. one or each of them provides the other with domestic support and personal care.

(If they have a close personal relationship but either or both of them suffer from a physical, intellectual or psychiatric disability such that the disability is the reason that they cannot satisfy the other requirements above, they still have an "interdependency relationship".)

If you wish to nominate a person with whom you have an interdependency relationship as a beneficiary please contact your financial adviser or call Client Services on 1800 035 687.

You should be aware that superannuation death benefits do not automatically form part of your estate or become subject to the terms of your will (unless you have nominated your legal personal representative under a binding nomination). It is important that you take this into consideration when preparing your will and, if appropriate, seek legal advice.

You have two choices when it comes to nominating beneficiaries to receive death benefits:

1. **A binding nomination, or**
2. **Non-binding nomination (Trustee discretion)**

Binding Death Nominations

A binding death nomination means that the Trustee will be bound to pay your death benefit to the person(s) you have nominated (provided they are still eligible beneficiaries) and in the proportion(s) indicated. No one else will have a right to receive the benefits. If you nominate your legal personal representative, your benefit will be paid to your legal personal representative and distributed as part of your estate, according to your will (or intestacy rules if no will). Only eligible beneficiaries (detailed on page 20) can be nominated.

To be valid, a binding nomination must satisfy certain conditions, including being witnessed by two independent adults. Under the legislation, the binding death nomination must be renewed every three years or it will lapse. You will be notified in your statement of any binding nomination.

This will give you the chance to renew, revoke or amend your binding nomination if necessary.

Your binding nominations are made on the Application for Binding Death Nomination form.

Please note that family law splitting of superannuation benefits between spouses on separation may override the terms of a binding death benefit nomination.

Non-binding nominations (Trustee discretion)

If you complete a non-binding nomination, the Trustee will not be bound by the nominations you make, but may take these nominations into consideration when exercising its discretion.

Terminal Illness

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 (see page 18). 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 Fund is NULIS Nominees (Australia) Limited, ABN 80 008 515 633, RSE Licence number L0000741, an RSE licensee under the Superannuation Industry (Supervision) Act 1993 ("SIS").

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 (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 conditions imposed on the Trustee to be the trustee of a public offer superannuation fund 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 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 September 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 814 899 quoting your member number.

Making enquiries or complaints

We have set up formal internal procedures for dealing with complaints within 90 days. We may be able to solve the problem over the phone, but if not, we will ask you to put it in writing at the address below. Our Client Services team can be contacted on freecall 1800 035 687.

Aviva Australia
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 postal address is:

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

Keeping in touch

It is very important that you advise Aviva Australia 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 Aviva Australia.

Lost members

When a member becomes uncontactable (or "lost"), the Trustee may 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.

The Norwich Eligible Rollover Fund ("NERF") is the nominated ERF of the NUST. NULIS Nominees (Australia) Limited is the Trustee of the NERF.

The contact details for the NERF are:

The NERF Administrator
Norwich Union Life Australia Limited
GPO Box 2567W
MELBOURNE VIC 3001
Phone: 1800 814 899 (toll free)

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

Each year the Trustee is required to notify the ATO of the details of those investors with whom it has lost contact so that they can be included on the Lost Member 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 Australian Taxation Office.

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) or you wish to inspect the Fund documents please contact our Client Services Team on toll free 1800 035 687.

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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Aviva Guiding Star

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.

" 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

Postal Address: GPO Box 2567W Melbourne Victoria 3001

Telephone: Client Service on freecall 1800 035 687 Fax 03 9829 8699

avivagroup.com.au

Aviva Guiding Star

AVIVA

Proudly supporting Camp Quality

camp quality® laughter is the best medicine.

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