Life Insurance Investments **Superannuation**

AVIVA

# Aviva Business Super

- Business Super
- Employer Service
- Personal Option

## Trustee Annual Report 2008/09

You should read this Annual Report with your Annual Statement.

Aviva Business Super ('the Plan') incorporating the Aviva Super Solutions Employer Service and Aviva Business Super Personal Option are part of the Norwich Union Superannuation Trust ('NUST'), ABN 31 919 182 354. The Trustee of the Plan and issuer of interests in the Plan is NULIS Nominees (Australia) Limited ABN 80 008 515 633 Australian Financial Services Licence number ('AFSL No.') 236465 (the 'Trustee').

The Trustee currently invests wholly in, and all investment options are held through, an insurance policy issued by Norwich Union Life Australia Limited (ABN 34 006 783 295, AFSL No. 241686) ('NULAL' or 'the Administrator'). NULAL is:

- the administrator of the Plan,
- the issuer of insurance policies held by the Trustee (not issuer of interests in the Plan), and
- the guarantor of the Norwich Union Capital Guaranteed Fund and the Norwich Union Cash Fund.

The Trustee and the Administrator are 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.

Note that with the exception of the Trustee, no other member of the Aviva plc Group or NAB are issuers of interests in the Plan and do not guarantee or underwrite the Plan.

However, the Insurer guarantees investments in the Norwich Union Capital Guaranteed Fund and the Norwich Union Cash Fund.

From the date of sale Aviva Investors Limited will cease to be part of Aviva Australia. Some of the investment funds available through the Plan are issued by MLC Investments Limited ABN 30 002 641 661 AFSL No. 230705, which is part of NAB and will therefore be related to Aviva Australia.

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

## 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 needs of any person. Before acting on any information contained in the Annual Report a member needs to consider, with or without the assistance of a professional adviser whether the product continues to be appropriate in light of their particular investment needs, objectives and financial circumstances.

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# Contents

# Aviva Australia – 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 is one of Australia's fastest growing and most successful life insurers[1] with a reputation for high quality service and highly rated products.

## Award winning

Aviva Australia's consistent record of innovation in the financial planning market dates back to the early 1990s when our platform first allowed a range of investments to be consolidated into one portfolio. Our continued innovation is recognised by the following awards:

- Life Company of the Year, AFA/Plan for Life Awards 2008
- Finalist 'Best Platform Service – Navigator' as rated by Wealth Insights 2008 Service Level Survey
- 'Number one for full function adviser transactions' five years in a row and 'Best navigation and user interface' as rated by Investment Trends 2008

1 This is through its life company Norwich Union Life Australia Limited (NULAL) ABN 34 006 783 295 AFSL No. 241686 which is a part of the Aviva Australia group.

# Your Annual Report for 2008/09

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 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 Client Services on 1300 428 482.

## Section one

# Annual investment market review

## Economy

The 2008/09 financial year began with confirmation that recession had arrived almost everywhere and conditions were as bad as they had been since the Great Depression. Genuine fears of 'Great Depression 2' ('GD2') abounded. This concern saw enormous dislocation in all asset classes around the turn of the calendar year. Equities and commodities prices fell heavily, currencies swung wildly, credit related securities were trashed and bond markets enjoyed an aggressive 'flight to safety' rally down to levels once thought impossible.

Central banks throughout the world have moved aggressively on monetary policy to stave off the effects of the downturn. The US Federal Reserve's fund rate fell to 0-0.25%, and the Reserve Bank of Australia ('RBA') slashed rates by 4.25% to 3%, the lowest level seen since the 1960s. Dramatic fiscal policy easing has also taken place, with unprecedented stimulus measures offered to assist the ailing financial system.

Towards financial year end, the pace of the global economic contraction seemed to be slowing as encouraging data began to emerge. Australia, while not immune to the depressed state of the global economy, managed to avoid a technical recession with the release of the March quarter GDP figures. However, this appears to be merely a technicality, as many experts suggest that we are indeed in recession.

## Sharemarket

The domestic sharemarket endured its worst financial year in 27 years, with the S&P/ASX 200 Index falling by 24.2%. This was despite a 25% rally over the last four months from its early March lows, illustrating how far the market had fallen into the early months of 2009. Market fundamentals have been tested, and investors spooked by the sharpest global downturn since World War II amidst the near collapse of the world's financial system and the freezing of credit markets.

The pain was felt throughout the globe, with the US S&P 500 dropping 28.2%, Japan's Nikkei 225 slumping 26.1% and the UK's FTSE 100 down 24.5% for the year ending 30 June 2009.

There was a noticeably similar pattern between the Australian market and the US, with both reaching lows in March before staging strong rebounds. The domestic losses for the year were more modest than the US, thanks in part to the banking sector (down 7.2%) holding up reasonably well in the December half in the wake of the severe dislocation in financial markets following Lehman Brothers' demise. Resources underperformed (down 32.2%) the broader market over the year, however, most of these losses occurred in the first four months of the year, after which the sector staged a significant rebound as commodity prices recovered as China's economic stimulus efforts took hold. The defensive Consumer Staples (down 7.1%)

and Healthcare (down 2.9%) sectors were the better performed sectors as the local and global economies took a battering, although cyclical stocks began to recover lost ground when markets improved from early March.

Whether the rally which took place from March to June is the start of the long road to recovery or a bear market rally is still to be determined. Either way, the volatile nature of the markets of late is likely to be sustained, at least in the short term.

# Fixed Interest

To meet ever deepening challenges policy makers everywhere embarked on unprecedented measures. Central banks eased policy hard and fast dropping official interest rates to levels below current life experience. Official interest rates in Japan, the USA and UK are now effectively zero (all 0.50% or lower) and various 'quantitative easing' measures have additionally been announced. The European Central Bank ('ECB') has trimmed rates to a slim 1%. Fiscal policy was also loosened aggressively with all governments outlining large programs. These will require historically large borrowing programs – namely bond issuance – to fund and deliver.

Thankfully this globally co-ordinated response stabilised the economic freefall such that by the end of the fiscal year so called 'green shoots' of economic stabilisation and modest improvement had appeared. Respected leading indicators have edged up somewhat, and both business and consumer sentiment surveys improved. This has marked a welcome end to the severity of the collapse everywhere, and fears that we were all heading for GD2. Having said that, the global economy remains in what is now being labelled 'the Great Recession' and unfortunately unemployment rates continue to rise around the globe.

As for global bond markets, the period into calendar year end saw market yields collapse to historic lows as a 'flight to quality' gripped the globe. US 10-Year Notes, the global benchmark, fell as low as 2.06% before ending the fiscal year at 3.54%. Non-government corporate (or credit) markets recovered some of the price dislocation associated with the current financial crisis. The broad Barclays Capital Global Aggregate Bond Index (A$) returned a respectable 9.95%.

Although relatively better performed than the rest of the developed world, Australia has not been immune from the global downturn. Policy here has moved as quickly as the offshore response in an effort to ward off the worst of the slowdown. The RBA has reduced official cash rates 4.25% since last September, the last 1.25% this calendar year. The RBA says further cuts are possible if required. In addition, the Government has announced several fiscal stimulus packages, the latest of which was announced in the May Budget. Like elsewhere the spending and revenue losses forecast will require record levels of bond issuance over the next few years to fund.

The media frenzy as to whether Australia is in so called 'technical recession' (two quarters of negative growth) is moot. The domestic economy has already recessed and unfortunately unemployment is likely to trend higher well into next year. Indeed the Government forecasts as much.

As for market moves, offshore influences have been overly important for the domestic fixed income market, with the local market largely mirroring the offshore 'flight to quality' into calendar year end. The benchmark UBS Composite Bond Index returned a respectable 10.82%.

## Section two

# Investment market returns

| Investment Market Returns | 12 month return to 30 June 2009 |
|---|---|
| **Australian Cash**<br>UBSWA 90 Day Bank Bill Index | 5.48% |
| **Australian Fixed Interest**<br>UBSWA Composite Bond All Maturities Index | 10.82% |
| **Australian Shares**<br>S&P/ASX 200 Accumulation Index | -20.14% |
| **International Shares**<br>MSCI World ex-Aust Accumulation Index unhedged ($A) | -16.24% |
| **International Fixed Interest**<br>Citigroup World ex Aust Govt Bond Index hedged in $A | 11.48% |
| **Listed Property**<br>S&P/ASX 200 Property Accumulation Index | -42.27% |

Source: Aviva Research (July 2009)

## Section three

# Putting investment returns in perspective

On the surface, the 2007/08 financial year was considered challenging for investment markets, however, in comparison, 2008/09 witnessed some of the most extreme market events in decades. The Australian equity, Australian listed property and international equity asset classes, which all experienced negative returns in 2007/08, once again suffered a similar fate in 2008/09 as the global economic recession arrived.

Despite a 25% rally over the last four months from its early March lows the domestic sharemarket endured its worst financial year in 27 years, with the S&P/ASX 200 Index falling by 24.2%. This has primarily been driven by an improved economic outlook than what it was a few months ago, both on the global front and domestically. The domestic economy, whilst it has slowed sharply, has remained remarkably resilient when compared to other industrialised economies.

Volatile markets are characterized by wide price fluctuations and heavy trading. They often result from an imbalance of trade orders in one direction (for example, all buys and no sells). The key message here is that volatility moves both up and down over the short term. Markets don't simply move in one direction.

In these volatile times, it is worthwhile reflecting on a few of fundamental principles of managing risk and volatility.

Diversification has proven once again to be at the top of the list. By holding investments which are negatively correlated, that is, they move in opposite directions, the performance of the total portfolio will be less volatile. The best example of this is the performance of the Australian equities and Australian bonds over the last financial year. Despite the significant underperformance of Australian equities last year, government bonds managed to post an impressive double digit positive return.

Second on the list is the inevitable trade-off with investing, risk and return. Investors that are too aggressive, face the potential risk of losing a large amount of their life savings that they may never recover in their investing lifetime. On the other hand, if investors are too risk averse, may not build sufficient capital growth required at some stage to generate an income stream in their retirement. In essence, risk is an individual thing and more time should be spent on understanding the inevitable trade-offs.

Third on the list is the importance of taking a longer term view. The thing to realize is that market volatility is inevitable. It's the nature of the markets to move up and down over the short term. Trying to time the market over the short term is extremely difficult. For many investors this is a solid strategy, but even long-term investors should know about volatile markets and the steps that can help them weather this.

The last of the top four strategies to manage volatility is 'dollar cost averaging'. This strategy aims to invest fixed amounts of money into the markets at regular intervals, regardless of market conditions. Given it is difficult to predict the future, averaging into the market reduces the risk of investing at the top. Followed strictly, this strategy helps remove emotional decisions, making it easier to stick to a long term investment plan.

Section four

# Product enhancements

## Insurance

From 1 October 2008, the options for insurance for death benefits, Total and Permanent Disability (TPD) and Income Protection available through the Plan have been enhanced.

- TPD-only insurance cover (can be purchased as a stand alone benefit where no death cover is required)
- Accidental TPD and Income Protection insurance cover while you are being assessed for requested cover
- Removal of the maximum Death cover available in the Plan
- 'Own occupation' TPD definition available to cover AA rated occupations, as well as AAA
- Income Protection now available with a 120 day waiting period (as well as 30, 60 or 90 days)
- The continuation period for death-only cover has been extended to 60 days (previously 30 days) from the date you cease to be a member other than as a result of TPD

## Fees and commissions

With effect from 1 July 2009, the Trustee has increased both the Termination fee and Annual Management fee in line with increased operating expenses. The increased fees are outlined below:

### Management cost increase

The maximum Annual Management fee increased to 1.9% p.a. (previously 1.8% p.a.), and is deducted before daily unit prices are determined. This fee increase will apply to Plans that commenced prior to 1 March 2008. The Annual Management fee that applies to your account is calculated by referring to the total amount invested in the Plan by all employees of the participating employer (including any associated employers) and linked Spouse Account members, less any applicable rebate.

### Termination fee increase

The Termination fee increased to $100.00 (previously $77.18). It is important to note that the Termination fee will only apply when you leave Aviva. If you transfer your funds between Aviva products, no Termination fee applies.

## Ancillary Benefits

The Administrator has recently increased the availability of benefits outside the Plan. The Administrator has used the potential buying power of the Aviva Business Super membership base to arrange:

- Access to discounted Home Loans (provided by Bendigo Bank)

  Bendigo Bank

- Access to discounted Credit Cards (provided by Bendigo Bank)

  Bendigo Bank

Still available are:

- Discounted rates on Health Insurance (provided by Manchester Unity),

  ManchesterUnity caring for life

  and
- Salary packaging solutions and fringe benefits tax management where your employer engages the services of Salaris Consulting

  SALARIS CONSULTING

## Investment option addition

With effect from 1 October 2008, Perpetual's Wholesale Geared Australian Fund was added to the Business Super investment option menu.

## Illiquid investments

An investment option of the Plan may be or may become an 'illiquid investment'.

An investment is an illiquid investment for relevant regulations if it either:

- Cannot be converted to cash in less than the specified time period required to rollover or transfer a withdrawal benefit, or
- Converting it to cash within the time period specified would be likely to have a significant adverse impact on the realisable value of the investment.

At 30 June 2009, the Challenger Howard Mortgage Fund was an illiquid investment, (and was still so when this Report was prepared).

A list of any illiquid investment options of the Plan is available on aviva.com.au and updated regularly.

See Section 5, Illiquid investments, for more information.

Section five

# Investment information

## Important investment information about your plan

The range of investment choices available to you in the Plan provides you with the opportunity to tailor your future financial needs your way. With access to a broad range of investment options from 22 leading investment managers – all in the one place. You are able to track and change your investments with minimal effort and time 24 hours a day, 7 days a week via our website, aviva.com.au

Aviva Business Super investment options are split into two investment approaches:

1. Pre Select
2. Self Select

In addition we also have the Member Protected Portfolio to cater for small account balances.

## 1. Pre Select

You can choose from a range of seven Pre Select funds – each one is carefully designed to suit different investment needs. You choose your investment style and the Trustee chooses the investment options and managers. Pre Select investing involves investing with a number of investment managers rather than investing with one or a number of single investment manager portfolios.

The Pre Select investment options are designed to deliver a level of diversification across:

- asset classes
- investment managers, and
- investment management styles

### The asset allocation and investment manager configuration

Changes to asset allocations, sector allocations, investment managers and investment style bias may be made within the Pre Select options by the Trustee without prior notification to members. Information shown in this Annual Report about the composition of the Pre Select options, while accurate at the time of preparation, is only a guide and the actual composition of a particular fund may differ from what is currently shown.

## 2. Self Select

Self Select lets you design your own investment portfolio and tailor it to suit you.

Choosing this approach gives you access to an extensive range of options from some of the world's leading investment managers. With this approach, you choose the investment option(s) and manager(s) and tailor your own investment portfolio.

Options range from diversified, such as capital stable, to sector specific, such as Australian shares. There is no limit to the number of combinations of options you can select for your portfolio, and you have the flexibility to switch your choices at any time.

## Choosing your investment options

The Plan offers a range of investment options. The option(s) that suits each member best will depend on a number of factors, many of which are based on personal circumstances. When choosing your investment strategies, 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
- your intended investment time frame
- the current preservation requirements and legislative changes
- the desired investment return and security of capital

Generally the greater the expected returns of an investment the higher the risk associated with it. Everyone has a different attitude and tolerance to risk. Each member should be comfortable with the level of risk associated with their selected investment portfolio.

This also means being comfortable with the likelihood that the value of investments may go up or down over shorter time periods.

The Trustee recommends that you review your investment goals, in consultation with your financial adviser, at least once a year to ensure the selected investment options are still appropriate.

## Risk profile of the investment options

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 options 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 options that generally earn lower returns, such as capital stable, the capital value is likely to fluctuate less.

Diversification (spreading your investments across a number of asset classes) can also help to reduce the overall risk of your portfolio as one asset class may perform well while another is declining.

## Guarantees on investment options

The Trustee offers two investment options that provide guarantees and NULAL is responsible for meeting these guarantees:

- the Norwich Union Capital Guaranteed Fund guarantees the return of both capital and declared interest (once allocated), net of switches, withdrawals, fees and tax (if applicable)
- the Norwich Union Cash Fund offers a guarantee ensuring that the unit price on withdrawal and switches into other options will always be at the highest price achieved during the term of the investment

As mentioned previously, there is a relationship between the amount of risk associated with an investment and the potential return on that investment in the long term. A capital guaranteed or cash fund generally provides a lower risk investment and therefore tends to offer a lower but more consistent rate of return.

This may result in your benefit growing at a slower rate than benefits invested in other investment options that could provide higher returns for a higher risk over the long term.

You may wish to compare the rates of return achieved by other investment options with your nominated Aviva Business Super options.

You should bear in mind that a capital guaranteed or cash investment offers protection for your capital investment.

## Dynamic Default option

If you have not chosen a valid investment option and you are not invested in the Member Protected Portfolio, the Trustee will invest your money in the default investment option nominated by your employer.

If your employer has not nominated a default investment approach then the Trustee default option – 'Dynamic Default' – will apply.

The Trustee – Dynamic Default option can also be nominated by individual members at any time. If selecting this option your entire super account must be invested in this strategy.

The Dynamic Default option is an active investment option that encourages you, throughout various life stages, to review your investment strategies.

The Dynamic Default strategy works with you to highlight changing needs as you reach certain ages, to encourage you to review your asset class mix and consider reducing your exposure to more volatile growth asset classes.

The Dynamic Default option allocates members into certain Pre Select investment options depending on their age:

| Age | Investment Option | Investment manager charge p.a. as a percentage of your investment |
|---|---|---|
| Less than 35 | Pre Select High Growth Fund | 0.75% |
| Age 35 to less than 50 | Pre Select Growth Fund | 0.60% |
| 50 and over | Pre Select Balanced Fund | 0.55% |

The default is 'dynamic' because your benefits will remain in the default investment option applied at the time of joining until you are approaching the next age band. At this point the Dynamic Default will identify that you are moving into the next life stage. We will issue a letter to you advising of your pending investment reallocation. You will be given 30 days to either 'opt out' (remaining in the current investment option) or select an alternative investment option. Otherwise, the Dynamic Default will automatically transfer your benefits into the corresponding investment option according to your age.

The Dynamic Default has been designed to provide you with an interactive investment strategy. Prior to making a decision whether to switch in or out of the Dynamic Default option, you should seek professional advice from your Plan's financial adviser.

The Trustee's default option is regularly reviewed by the Trustee and may include investment funds managed by related bodies corporate of the Trustee. In formulating the default option, the Trustee will act at all times in the best interest of members.

Your Annual Statement will set out your investment allocation as at 30 June 2009.

## How your benefits are calculated

This depends on your investment options:

### Norwich Union Capital Guaranteed Fund

Your total benefit is determined by the account balance at the date of withdrawal (less fees and taxes if applicable), including interest credited to date of payment.

Your Annual Statement account balance includes interest to 30 June from the previous 1 July (or entry to the Plan if later) at the last declared interest rate, applied to the daily account balance adjusted for all transactions (including any partial withdrawals) in that period.

For total withdrawals between 1 July and 30 June, an interim interest rate will apply.

### Other investment options

This is determined by the number of units withdrawn from each investment option multiplied by the unit price at the date of withdrawal.

Your benefit entitlement is the accumulated value in your account less any exit fees and taxes on payment. If your Aviva Super Solutions Employer Service has a vesting scale, the benefit arising from voluntary employer contributions will be calculated using the vesting scale.

On death or total and permanent disablement any insurance benefit payable will be added to the benefit entitlements determined above for the Norwich Union Capital Guaranteed Fund and other investment options. On temporary disablement, income protection benefits are determined entirely by the insurance cover you have.

# Calculating investment returns

## Unit prices

Each investment option (other than the Norwich Union Capital Guaranteed Fund) offered through the Plan has its own unit price. The Administrator calculates unit prices for each investment option daily.

## The unit price for each investment option is calculated as follows:

1. The assets of the investment option are valued each Melbourne working day (or at a greater frequency if considered appropriate). The assets of each option are the units in the underlying investments held in that option. Their value is calculated by reference to the unit price (net of the investment manager's fees) quoted by the relevant manager for that underlying investment. (Where a range of unit prices is quoted by the manager, the value will be no lower than the sell price.) This gives the asset value for the particular option.
2. The asset value calculated under 1 is then adjusted by deducting any liabilities of the Plan attributable to that option, any tax which may be payable (including tax on unrealised capital gains), and the annual management fee described on page 62. This gives the net asset value for the particular option.
3. The net asset value calculated under 2 is then divided by the total number of units on issue in that option, to arrive at a unit price for the option.

The value of units in an investment option may rise and fall. In exceptional circumstances the Administrator 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 interest 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 has the right to withhold the declaration of daily unit prices in exceptional circumstances.

## Interest rate: Norwich Union Capital Guaranteed Fund

The Norwich Union Capital Guaranteed Fund has its return calculated on an annual basis on 30 June. At this time, the Administrator will declare an interest rate that will apply to the preceding twelve month period. At any time in the future, the Administrator may change the frequency of declaring the interest rate on this option.

The declared rate is calculated as follows:

1. Firstly, the gross investment earnings are determined. This includes investment income, realised and unrealised investment gains and losses received over the declaration period.
2. Deductions from the gross investment earnings are made for Plan earnings tax (including tax on unrealised capital gains or losses), and the annual management fee described on page 62 to determine the net investment earning rate.
3. At the time of declaring a rate the Administrator 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 likely investment earning rate

## Interest equalisation reserve

To smooth out the ups and downs of the rates over time, amounts are paid into or taken out of a reserve called the interest equalisation reserve. The reserve is topped up when the net earning rate exceeds the declared earning rate, and amounts are taken out when the net earning rate is below the declared earning rate. Therefore, over time all net earnings are attributable to continuing capital guaranteed policyholders.

Australian Prudential Regulation Authority ('APRA') limits the size of this type of reserve. This, in turn, limits the amount of smoothing of declared rates when earning rates are volatile. The upper and lower limits of the reserve are prescribed so that the aggregated capital guaranteed surrender value must not fall below 95% or rise above 103% of capital guaranteed policyholders' assets.

The Administrator's policy is not to declare a negative earning rate for the Member Protected Portfolio.

### Interim interest

If a full withdrawal or full switch is made, interim interest is credited for the period since the last declaration date. When setting an interim rate the Administrator will have regard to similar issues as when setting the declared rate.

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

## Cut-off times for allocation and redemption of investments

### Unit linked investments

When a contribution or investment switch request is received by the Administrator before 5pm on a Melbourne working day, new units in the investment option will generally be acquired at the prevailing unit price for that option on the day after the request is received. Units will generally be redeemed at the prevailing unit price for that option for the day the transaction is processed. If applications or requests are incomplete, the unit price for the day the transaction is processed will be applied.

Contributions are normally processed within three days of receipt, and redemption requests within five days of receipt, but may take longer if required. The Administrator may delay acting on investment switch, redemption or investment requests and may postpone the allocation or redemption of units if such a delay is considered reasonably necessary to protect the interests of members or if:

- it has not received an external manager's unit price
- it has not received sufficient monies from an external manager to process the redemption of units
- documentation is not delivered to the administrator by Australia Post (for example, if it is delivered electronically or in person), or
- the amount of the transaction is over $500,000.

#### Norwich Union Capital Guaranteed Fund

Interest will be calculated using the same effective dates as for unit linked investments.

### Restrictions

Restrictions may be placed on access to or switches into or out of certain investment options from time to time. Occasionally an investment option that you have selected may be closed. If that happens, you will be given (where appropriate) advance notice and the opportunity to choose an alternative. If you do not choose a valid alternative then your investment will be transferred to the option selected by the Trustee that most closely resembles the closed option.

## Illiquid investments

An investment is an illiquid investment if it either:

- cannot be converted to cash in less than the specified time period required to rollover or transfer a withdrawal benefit, or
- converting it to cash within the time period specified would be likely to have a significant adverse impact on the realisable value of the investment.

Investment options of the Plan may be or may become an illiquid investment.

The Trustee must generally action any requests for a rollover or transfer of a benefit within 30 days of receipt of all required documents. However, in the case of illiquid investments held for a member, the Trustee is not required to rollover or transfer the whole of your withdrawal benefit (or partial amount requested to be transferred) within 30 days, provided that the Trustee has complied with the relevant superannuation regulations concerning illiquid investments.

A liquid investment may become illiquid after you have invested in it.

The Trustee is required to give effect to your request to redeem from illiquid investments and pay or rollover your benefit as soon as practicable. You should be aware that transfer requests for a benefit that has illiquid investments may take substantially longer than 30 days.

If you choose an investment option that is illiquid when you initially invest or when we receive that money, and the investment option subsequently becomes illiquid, the Trustee will not proceed with that request. The Trustee will hold the amount directed to the now illiquid investment option in the Norwich Union Cash Fund investment option until we receive further instructions from you.

If the illiquid investment option is still open to receive new investment amounts, we will:

1. send you relevant information to advise you of the now illiquidity of the investment option
2. send you an acknowledgement consent for you to acknowledge and accept that you understand the illiquid nature of the investment and that a period longer than 30 days may be required for us to make payments from the illiquid investment option
3. require you to complete and return to us that written acknowledgement – before your funds are invested in the illiquid option.

If you have investments in an investment option that becomes illiquid and is subsequently suspended, we will be unable to proceed with any withdrawal requests. We will treat your withdrawal request as a partial withdrawal. That is, all investment option holdings (apart from the suspended fund(s)) will be redeemed and paid/rolled over as requested in your instructions to us. You will need to monitor the investment option and provide further instructions once the fund manager lifts the suspension on the underlying investment fund.

**Note:** Investment options that are illiquid at the time of your application are indicated on the form for selecting your investment options, and any illiquid investment options will be listed on aviva.com.au and updated regularly.

Section six

# Investment performance

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

Please refer to your 2009 Annual Statement which outlines your balance for each investment option your benefit was invested in at 30 June 2009.

## Trustee objectives and strategies

The Trustee of the Plan pre-determines the objectives and strategies for the Pre Select and Self Select options and then chooses investment funds and managers that best meet those objectives and strategies.

The Trustee maintains an ongoing review of the investment options for the fund. During the year the trustee objectives and strategies were reviewed by a research house and as such a number of these have been updated.

Details of these options are shown on the following pages. The investment funds available under each option are also detailed in this section.

## Cash

**Investment objectives:** To provide access to capital on short notice. To provide certainty of capital at all times. To provide an income return higher than bank deposit interest rates.

**Investment strategy:** Invest in cash deposits and short term securities with high security and high liquidity. The likelihood of a negative annual return is negligible.

**Appropriate investor:** An investor with a short term investment horizon who seeks capital security and is comfortable with a relatively low but secure return.

**Time horizon:** Less than one year.

## Mortgages

**Investment objectives:** To provide security of capital on a three year basis and an income return greater than bank deposit rates.

**Investment strategy:** Invest in a portfolio of mortgages and/or mortgage backed securities, other fixed interest investments and cash, with moderate liquidity. The likelihood of the portfolio incurring a negative annual return in any particular year is moderate.

**Appropriate investor:** A conservative investor with an investment time horizon of at least two years.

**Time horizon:** Minimum of two to three years.

## Fixed Interest

**Investment objectives:** To provide an income return greater than bank deposit interest rates, while maintaining the capital value of the investment over a three year period.

**Investment strategy:** Invest in a portfolio of domestic and international fixed interest securities and bonds. The likelihood of the portfolio incurring a negative annual return in any particular year is moderate.

**Appropriate investor:** A conservative to moderate investor with an investment time horizon of at least three years.

**Time horizon:** Minimum of three years.

## Diversified Income

**Investment objectives:** To provide an income return through high exposure to fixed interest securities.

**Investment strategy:** Invest in fixed interest and growth assets with high liquidity. The likelihood of the portfolio incurring a negative annual return in any particular year is moderately low. Some capital growth may be provided through an exposure to growth assets typically between 20-40% of total funds.

**Appropriate investor:** Medium term investor seeking stable returns.

**Time horizon:** Minimum of three to four years.

## Diversified Balanced

**Investment objectives:** To provide a combination of income and moderate growth over the long term.

**Investment strategy:** Invest in a diversified portfolio providing a balanced exposure to the major asset classes, including equities, fixed interest and property. The likelihood of the portfolio incurring a negative annual return in any particular year is moderate. Exposure to growth assets typically between 40-60% of total funds.

**Appropriate investor:** An investor who is seeking to generate long-term capital growth and is prepared to tolerate a moderate level of investment volatility.

**Time horizon:** Minimum of four to five years.

## Diversified Growth

**Investment objectives:** To provide higher growth than the Diversified Balanced strategy via a diverse spread of growth assets, including equities and property.

**Investment strategy:** Invest in a diversified portfolio of the major asset classes of equities, fixed interest and property with an emphasis on equities and property providing high liquidity. The likelihood of the portfolio incurring a negative return in any particular year is high. Exposure to growth assets is typically between 60-80% of total funds.

**Appropriate investor:** An investor who is seeking to generate long-term capital growth and is prepared to tolerate a high level of investment volatility.

**Time horizon:** Minimum of five years.

## Diversified Aggressive

**Investment objectives:** To provide high growth via a diverse spread of growth assets including equities and property.

**Investment strategy:** Invest in a diversified portfolio with a high weighting to growth assets such as equities. The likelihood of the portfolio incurring a negative annual return in any particular year is high. Exposure to growth assets typically at least 80% of total funds.

**Appropriate investor:** An investor who is seeking to generate long-term capital growth and is prepared to tolerate a high level of investment volatility.

**Time horizon:** Minimum of five years.

## Australian Property

**Investment objectives:** To provide a combination of income and growth over the long term.

**Investment strategy:** Invest in domestic and international listed property trusts with a comparatively low exposure to direct property. The likelihood of the portfolio incurring a negative annual return in any particular year is high.

**Appropriate investor:** An investor who wishes to invest in property and property related assets and is prepared to tolerate a high level of investment volatility.

**Time horizon:** Minimum of five years.

## Australian Shares – Growth

**Investment objectives:** To significantly grow the value of capital via investment in Australian shares with a potential for growth.

**Investment strategy:** Invest in Australian shares. The likelihood of the portfolio incurring a negative annual return in any particular year is high.

**Appropriate investor:** An investor who is seeking to generate high returns, over the longer term and is prepared to tolerate a high level of investment volatility.

**Time horizon:** Minimum of five years.

## Australian Shares – Imputation

**Investment objectives:** To provide a tax effective income return by the inclusion of Australian companies which pay franked dividends. To provide the potential for capital growth due to asset price appreciation.

**Investment strategy:** Invest in Australian listed shares, paying a relatively high level of franked dividends. The likelihood of the portfolio incurring a negative annual return in any particular year is high.

**Appropriate investor:** An investor who is seeking to generate high returns over the longer term and is prepared to tolerate a high level of investment volatility.

**Time horizon:** Minimum of five years.

## Australian Shares – Smaller Companies

**Investment objectives:** To significantly grow the value of capital via investment in Australian equity assets with a high potential for growth.

**Investment strategy:** Invest in Australian equities biased towards those equities outside the ASX Top 50 as measured by market capitalisation. The likelihood of this portfolio incurring a negative annual return in any particular year is high.

**Appropriate investor:** An investor who is seeking to generate high returns, over the longer term and is prepared to tolerate a high level of investment volatility.

**Time horizon:** Minimum of five years.

## International Shares – Global

**Investment objectives:** To significantly grow the value of the investment over the long term via investment in international shares.

**Investment strategy:** Invest in international equities providing high liquidity. The likelihood of the portfolio incurring a negative annual return in any particular year is high.

**Appropriate investor:** An investor who is seeking to generate high returns over the longer term and is prepared to tolerate a high level of investment volatility.

**Time horizon:** Minimum of five years.

## Ethical Funds

**Investment objectives:** To provide growth in the value of capital and provide competitive investment returns relative to funds that invest in the same sector of the market. To not invest in companies whose business activities or products may be considered morally unacceptable or to commonly target investment in companies who seek to enhance the environment and its sustainability.

**Investment strategy:** To invest in a diversified portfolio of ethical stocks by avoiding those that may be considered morally unacceptable or targeting those deemed to be more beneficial for the environment's sustainability. The likelihood of the portfolio incurring a negative return in any particular year is high.

**Appropriate investor:** An investor who is seeking to generate high returns over the longer term and is prepared to tolerate a high level of investment volatility.

**Time horizon:** Minimum of five years.

Time horizons indicate the periods suggested for investing in each fund. The optimum period for investing in each fund may be more or less than the period shown. Investing for the time suggested does not eliminate the risk of loss.

## 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 Derivative Risk Management Statements 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.

## Investment managers

Aviva Business Super allows investment across a broad range of investment options managed by a selection of some of the world's most experienced investment managers. The appointed investment managers are:

Aberdeen Investment Management Australia Limited
ABN 57 007 305 384  AFSL No. 238390

AllianceBernstein Australia Limited
ABN 53 095 022 718  AFSL No. 230698

AMP Capital Investors Limited
ABN 59 001 777 591  AFSL No. 232497

Aviva Investors Australia Limited
ABN 85 066 081 114  AFSL No. 234483

BlackRock Investment Management (Australia) Limited
ABN 13 006 165 975  AFSL No. 230523

BT Investment Management (RE) Limited
ABN 17 126 390 627  AFSL No. 316455

Challenger Managed Investments Limited
ABN 94 002 835 592  AFSL No. 234668

Macquarie Investment Management Limited
ABN 66 002 867 003  AFSL No. 237492

National Mutual Funds Management Ltd
ABN 32 006 787 720  AFSL No. 234652

Navigator Australia Limited
ABN 45 006 302 987  AFSL No. 241686

Perpetual Investment Management Limited
ABN 18 000 866 535  AFSL No. 234426

Platinum Investment Management Limited
ABN 25 063 565 006  AFSL No. 221935

Russell Investment Management Ltd
ABN 53 068 338 974  AFSL No. 247185

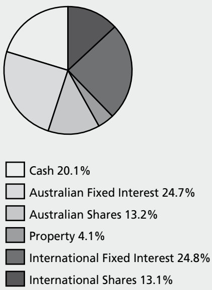
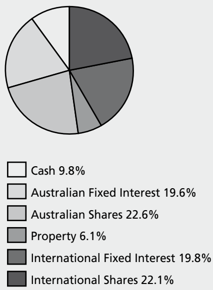
Vanguard Investments Australia Ltd
ABN 72 072 881 086  AFSL No. 227263

Note: AllianceBernstein Australia Limited manages the AXA funds. Aviva Investors Australia Limited ('Aviva Investors') manages the assets of Norwich Union Life Australia Limited. Aviva Investors acted as an investment manager in accordance with Aviva plc policy that group investments be managed by the group funds management operation subject to performing at an acceptable standard. From the date of sale, Aviva Investors will cease to be associated with Aviva Australia.

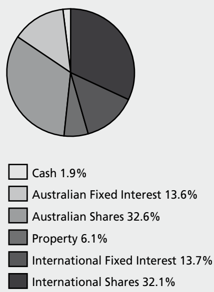
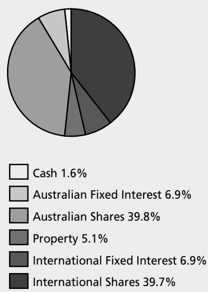
The Aviva Australia group holds a direct interest in Ventura Investment Management Limited ('Ventura') ABN 49 092 375 258 AFSL No. 253045, as well as an indirect holding through Ventura's parent company, Professional Investment Holdings Limited. From the date of sale, Ventura's parent company, Professional Investment Holdings Limited will cease to be a part of Aviva Australia. As at the issue date of this Annual Report, Ventura investment products are offered via the Aviva Business Super fund list. The Trustee's relationship with Ventura has been determined on an arm's length or commercial basis having regard to the Trustee's policy for managing conflicts of interest. Ventura is the promoter of the Ventura funds and receives a fee from Russell Investment Management Limited, the responsible entity of the Ventura funds, for conducting this role. This fee is incorporated in each fund's respective ICR.

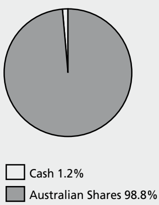
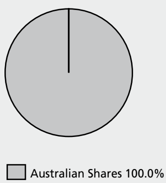
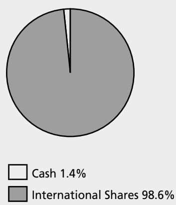
Some of the investment funds available through the Plan are issued by MLC Investments Limited, which is also part of NAB and therefore related to us.

# Pre Select options

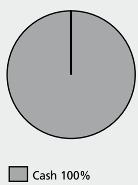
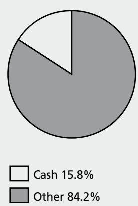
| | Pre Select Conservative Fund | Pre Select Balanced Fund |
|---|---|---|
| **Investment objective** | To provide medium returns higher than generally associated with cash and fixed interest securities, but providing lower volatility in short term investment returns than funds with a greater proportion of equities and property. | To achieve returns over the medium to long term that are generally higher than those achievable by investing in capital guaranteed or capital stable funds. |
| **Strategy** | To invest a high proportion of the fund's assets in cash and fixed interest securities with the balance in growth assets. The likelihood of the portfolio incurring a negative annual return in any particular year is moderate. | To maintain a balanced spread of investment between growth and debt assets. The likelihood of the portfolio incurring a negative annual return in any particular year is moderate. |
| **Appropriate investor** | A short to medium term investor seeking stable returns. | An investor who is not concerned about a moderate level of short term volatility of returns. |
| **Investor time horizon** | Minimum two to four years. | Minimum three to five years. |
| **Performance percentage (%)** (see notes on pages 49 and 50) | 30/6/09 -5.03<br>30/6/08 -3.42<br>30/6/07 7.71<br>30/6/06 5.46<br>30/6/05 7.52<br><br>Average p.a. 2.30 | 30/6/09 -11.15<br>30/6/08 -7.34<br>30/6/07 11.00<br>30/6/06 8.75<br>30/6/05 8.75<br><br>Average p.a. 1.57 |
| **Investment manager charge** | 0.50% p.a. at 30/06/2009# | 0.55% p.a. at 30/06/2009# |
| **Asset allocation as at 30 June 2009** |  |  |
| **Responsible Entity**[20] | Navigator Australia Limited<br>ABN 45 006 302 987 | Navigator Australia Limited<br>ABN 45 006 302 987 |
| **Underlying investment manager**[20] | AllianceBernstein, Aviva Investors, Barclays, BlackRock, Capital International, Colonial First State, Macquarie, Perennial Real Estate, Perpetual[23], Vanguard. | AllianceBernstein, Aviva Investors, Barclays, BlackRock, Capital International, Colonial First State, Macquarie, Perennial Real Estate, Perpetual[23], Vanguard. |

# Pre Select options (cont.)

| | **Pre Select** Growth Fund | **Pre Select** High Growth Fund |
|---|---|---|
| **Investment objective** | To produce higher returns than other managed funds with a level of risk within the commonly accepted range for funds with a high proportion of growth assets. | To provide higher returns than those expected from cash, capital stable, balanced and growth strategies over the long term |
| **Strategy** | To maintain a high proportion of the fund's assets in shares and property, in order to achieve high returns over the long term. The fund also invests in overseas assets to diversify investments and further manage risk. The likelihood of the portfolio incurring a negative return in any particular year is high. | Dominated by equity and property assets with a very low allocation to fixed interest and cash assets. The likelihood of the portfolio incurring a negative return in any particular year is high |
| **Appropriate investor** | An investor who feels comfortable with a higher-than-average degree of volatility in order to achieve long term returns. | An investor seeking higher returns with a focus on long-term outcomes combined with little regard for short term results including a higher incidence of capital loss. |
| **Investor time horizon** | Minimum four to six years. | Minimum seven years. |
| **Performance percentage (%)** (see notes on pages 49 and 50) | 30/6/09 -17.38<br>30/6/08 -9.98<br>30/6/07 14.47<br>30/6/06 12.01<br>30/6/05 9.86<br>Average p.a. 0.94 | 30/6/09 -20.81<br>30/6/08 -11.58<br>30/6/07 16.29<br>30/6/06 13.96<br>30/6/05 9.59<br>Average p.a. 0.34 |
| **Investment manager charge** | 0.60% p.a. at 30/06/2009# | 0.75% p.a. at 30/06/2009# |
| **Asset allocation as at 30 June 2009** |  |  |
| **Responsible Entity** [20] | Navigator Australia Limited<br>ABN 45 006 302 987 | Navigator Australia Limited<br>ABN 45 006 302 987 |
| **Underlying investment manager** [20] | AllianceBernstein, Aviva Investors, Barclays, BlackRock, Capital International, Colonial First State, Macquarie, Perennial Real Estate, Perpetual[23], Vanguard. | AllianceBernstein, Aviva Investors, Barclays, BlackRock, Capital International, Colonial First State, Macquarie, Perennial Real Estate, Perpetual[23], Vanguard. |

| **Pre Select**<br>**Australian Equity Fund** | **Pre Select**<br>**Australian Small Companies Fund** | **Pre Select**<br>**International Equity Fund** |
|---|---|---|
| To provide medium-to-long term capital growth and income by primarily investing a well diversified portfolio of Australian shares listed on the Australian Stock Exchange. | To provide medium-to-long term capital growth by primarily investing in Australian smaller companies (outside the top 100 by market value) listed on the Australian stock exchange. | To provide medium-to-long term capital growth by primarily investing in a well diversified portfolio of international shares listed on overseas stock exchanges. |
| To invest in a variety of Australian companies whose share price is expected to appreciate over time. These investments are made through specialist Australian equity investment managers. The likelihood of this portfolio incurring a negative annual return in any particular year is high. | To invest in a variety of Australian small companies considered to possess strong capital growth potential. These investments are made through specialist Australian small company managers of varying investment styles so that underperformance in one area may be offset by outperformance in another, and as a result, investment risk can be reduced. The likelihood of this portfolio incurring a negative annual return in any particular year is high. | To invest predominantly in international equities through specialist managers as selected by Navigator. The likelihood of this portfolio incurring a negative annual return in any particular year is high. |
| An investor looking for a portfolio of Australian shares who can tolerate considerable short term fluctuations, including the risk of short term negative returns, and who is investing over a longer term. | Investors with a long term view seeking exposure to small capitalisation securities listed on the Australian sharemarket. | An investor seeking an investment in a diversified portfolio of overseas shares who is prepared to accept potential capital losses over the short term from adverse movements in the price of shares as well as from currency fluctuations. |
| Minimum eight years. | Minimum eight years. | Minimum eight years. |
| 30/6/09 -21.43<br>30/6/08 -11.53<br>30/6/07 25.55<br>30/6/06 19.88<br>30/6/05 21.99<br>Average p.a. 5.00 | 30/6/09 -23.95<br>30/6/08 -14.14<br>30/6/07 28.02<br>Fund available from 1 October 2006<br>Average p.a. -6.31 | 30/6/09 -29.29<br>30/6/08 -15.36<br>30/6/07 13.23<br>30/6/06 14.28<br>30/6/05 3.50<br>Average p.a. -4.33 |
| 0.70% p.a. at 30/06/2009[#] | 1.10% p.a. at 30/06/2009[#] | 0.85% p.a. at 30/06/2009[#] |
|  |  |  |
| Navigator Australia Limited<br>ABN 45 006 302 987 | Navigator Australia Limited<br>ABN 45 006 302 987 | Navigator Australia Limited<br>ABN 45 006 302 987 |
| Adam Smith, Aviva Investors, Barclays, Perpetual[23]. | Adam Smith, Aviva Investors. | AllianceBerstein, BlackRock, Capital International, Vanguard. |

# Self Select options

| | Cash Option<br>Norwich Union Cash Fund | Mortgages Option<br>Challenger Howard Wholesale Mortgage Trust[4] |
|---|---|---|
| **Investment objective** | To achieve a secure positive return in the short term that is at least equal to that available in the short term money market, while providing an immediate and ongoing capital guarantee. | To provide investors with a diversified income producing portfolio that aims to provide regular income, capital stability as well as prompt and convenient access to their funds. |
| **Fund manager trading ranges (%) at 30 June 2009** | Cash 0-100 | Cash 0-100<br>Mortgages 0-100 |
| **Performance percentage (%)** (see notes on pages 49 and 50) | 30/6/09 2.36<br>30/6/08 3.31<br>30/6/07 3.27<br>30/6/06 2.80<br>30/6/05 2.87<br><br>Average p.a. 2.92 | 30/6/09 1.24<br>30/6/08 4.22<br>30/6/07 3.94<br>30/6/06 3.40<br>30/6/05 1.90<br>Fund available from 18 October 2004<br>Average p.a. 3.12 |
| **Investment manager charge** | 0.30% p.a. at 30/06/2009 | 1.00% p.a. at 30/06/2009 |
| **Asset allocation at 30 June 2009** |  |  |

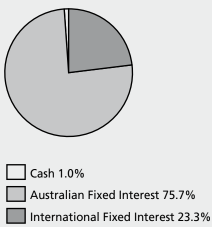
## Fixed Interest
### Aviva Investors Premier Fixed Income Fund[5]

The Fund's objective is to outperform its Benchmark* over a rolling three year period by investing in a broadly diversified portfolio of fixed income securities (both Australian and international).

| | |
|---|---|
| Cash | 0-20 |
| Aust'n Fixed Interest | 30-100 |
| Int'l Fixed Interest | 0-50 |

| | |
|---|---|
| 30/6/09 | 2.39 |
| 30/6/08 | 1.91 |
| 30/6/07 | 2.05 |
| 30/6/06 | 0.79 |
| 30/6/05 | 5.57 |
| Average p.a. | 2.53 |

0.36% p.a. at 30/06/2009#



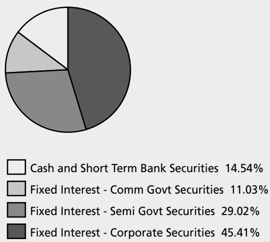

## Fixed Interest
### Macquarie Master Fixed Interest Fund

The Fund aims to outperform the UBS Composite Bond Index over the medium term (before fees) by using an active investment strategy.

| | |
|---|---|
| Cash | 0-100 |
| Fixed Interest | 0-100 |

| | |
|---|---|
| 30/6/09 | 1.30 |
| 30/6/08 | 0.20 |
| 30/6/07 | 1.45 |
| 30/6/06 | 0.42 |
| 30/6/05 | 3.61 |
| Average p.a. | 1.39 |

0.62% p.a. at 30/06/2009



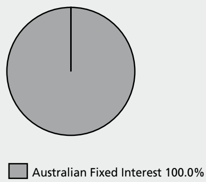

## Fixed Interest
### Norwich Union Fixed Interest Fund

To outperform the UBS Australian Composite Bond Index over the medium term (before fees) by using an active investment strategy.

| | |
|---|---|
| Cash | 0-100 |
| Aust'n Fixed Interest | 0-100 |
| Int'l Fixed Interest | 0-25 |

| | |
|---|---|
| 30/6/09 | 6.03 |
| 30/6/08 | 0.96 |
| 30/6/07 | 1.65 |
| 30/6/06 | 0.91 |
| 30/6/05 | 4.73 |
| Average p.a. | 2.83 |

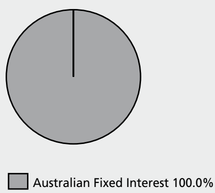
0.30% p.a. at 30/06/2009

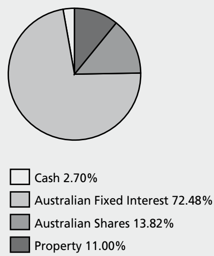


# Self Select options (cont.)

| | **Fixed Interest**<br>**Vanguard® Australian Fixed Interest Index Fund** | **Diversified Income**<br>**BlackRock Wholesale Managed Income Fund**[1] |
|---|---|---|
| **Investment objective** | To match the total return (income and capital appreciation) of the UBS Australian Composite Bond Index before taking into account fees and expenses. | To provide investors with a regular monthly income and some capital growth. The fund aims to achieve this goal by outperforming the benchmark asset allocation returns over a rolling three year periods. |
| **Fund manager trading ranges (%) at 30 June 2009** | Fixed Interest 100 | Cash 0-20<br>Aust'n Fixed Int 20-40<br>Property Direct 0-15<br>Property Listed 0-10<br>Aust'n Shares 10-25<br>Int'l Shares 0-5<br>FRN's 25-45<br>Infrastucture Shares 0-10 |
| **Performance percentage (%)**<br>(see notes on pages 49 and 50) | 30/6/09 4.90<br>30/6/08 1.27<br>30/6/07 1.86<br>30/6/06 0.57<br>30/6/05 4.16<br><br>Average p.a. 2.54 | 30/6/09 -23.64<br>30/6/08 -4.11<br>30/6/07 8.96<br>30/6/06 5.47<br>30/6/05 7.83<br><br>Average p.a. -1.93 |
| **Investment manager charge** | 0.29% p.a. at 30/06/2009# | 0.80% p.a. at 30/06/2009# |

**Asset allocation at 30 June 2009**

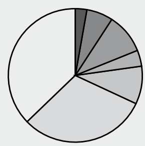


| **Diversified Income**<br>**Colonial First State Wholesale Conservative Fund**[8] | **Diversified Income**<br>**Intech Conservative Growth Trust**[9] | **Diversified Income**<br>**Macquarie Master Capital Stable Fund** |
|---|---|---|
| To provide a regular income stream while maintaining and potentially increasing the value of your capital over the medium term. | To provide investors with medium-term capital growth and income with the objective of earning a rate of return (gross of fees and tax) that exceeds CPI increases by at least 1% p.a. over rolling three year periods. | The Fund aims to provide investors with exposure to a diversified portfolio of cash and fixed interest, shares, real estate securities, private equity and infrastructure assets, both in Australia and internationally. |
| Aust'n Shares 15-19<br>Int'l Shares 8-12<br>Aust'n Property Securities 1-5<br>Fixed Interest & Cash 64-76 | Cash 12-32<br>Global Inflation Linked Securities 0-15<br>Aust'n bonds 3-23<br>Int'l bonds 12-32<br>Aust'n Property Securities 0-14<br>Int'l Property Securities 0-14<br>Aust'n Shares 0-20<br>Int'l Shares Unhedged 0-20<br>Int'l Shares Hedged 0-10<br>Alternative Investments 0-25 | Cash 0-70<br>Fixed Interest 0-80<br>Real Estate Securities 0-10<br>Aust'n Shares 0-20<br>Global Shares 0-20<br>Inflation Linked Bonds 0-10<br>Alternative Assets 0-8 |
| 30/6/09 -5.80<br>30/6/08 -3.08<br>30/6/07 -0.11<br>Fund available from 12 June 2007<br>Average p.a. -4.39 | 30/6/09 -8.84<br>30/6/08 -3.26<br>30/6/07 -0.26<br>Fund available from 12 June 2007<br>Average p.a. -6.06 | 30/6/09 -7.30<br>30/6/08 -3.70<br>30/6/07 7.47<br>30/6/06 5.43<br>30/6/05 5.70<br>Average p.a. 1.35 |
| 0.76% p.a. at 30/06/2009 | 0.75% p.a. at 30/06/2009# | 0.82% p.a. at 30/06/2009# |

- Cash 7.43%
- Australian Fixed Interest 46.92%
- Australian Shares 16.81%
- Australian Listed Property 2.55%
- Global Fixed Interest 16.92%
- Global Shares 9.37%

- Cash 21.8%
- Australian Fixed Interest 13.4%
- Australian Shares 9.7%
- Property 7.7%
- International Fixed Interest 28.6%
- International Shares 9.6%
- Alternative Assets 9.2%



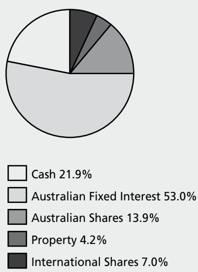
- Cash 37.02%
- Australian Bonds 30.95%
- Australian Shares 9.13%
- Property 3.89%
- International Fixed Interest 9.73%
- International Shares 6.50%
- Alternative Assets 2.78%

# Self Select options (cont.)

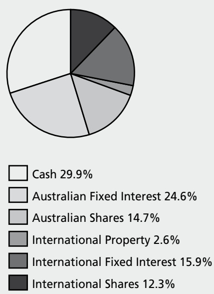
| | Diversified Income<br>Norwich Union Capital Stable Fund[9] | Diversified Income<br>Ventura Capital Stable (class A units)[9] |
|---|---|---|
| **Investment objective** | To provide over the medium term a higher return than is generally associated with cash and fixed interest securities alone, while providing lower volatility in short term investment returns than other more balanced investments (ie. those with greater proportions invested in shares and property). | To aim to provide investors with an exposure to a diversified mix of predominantly defensive assets and some growth orientated assets with low volatility. |
| **Fund manager trading ranges (%) at 30 June 2009** | Cash 10-30<br>Fixed Interest 45-55<br>Property 3-7<br>Aust'n Shares 10-20<br>Int'l Shares 7.5-12.5 | Cash 20-40<br>Fixed Interest 30-50<br>Property 0-13<br>Aust'n Shares 5-25<br>Int'l Shares 2-22<br>Alternatives 0-10 |
| **Performance percentage (%)**<br>(see notes on pages 49 and 50) | 30/6/09 -1.81<br>30/6/08 -4.52<br>30/6/07 6.32<br>30/6/06 5.04<br>30/6/05 6.80<br><br>Average p.a. 2.26 | 30/6/09 -5.51<br>30/6/08 -4.48<br>30/6/07 2.47<br>Fund available from 1 December 2006<br><br>Average p.a. -2.98 |
| **Investment manager charge** | 0.45% p.a. at 30/06/2009 | 0.98%[27] p.a. at 30/06/2009 |

**Asset allocation at 30 June 2009**

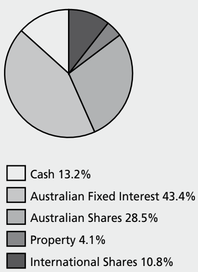
Norwich Union Capital Stable Fund

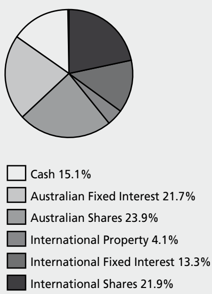


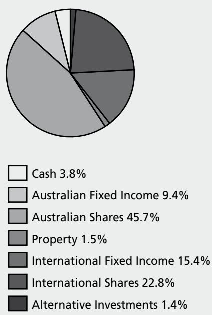

Ventura Capital Stable (class A units)



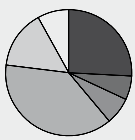
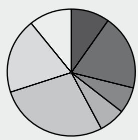
| Diversified Balanced Options<br>**Norwich Union Balanced Fund** | Diversified Balanced Options<br>**Ventura Diversified 50 Fund (class A units)** | Diversified Growth Options<br>**Aberdeen Capital Growth Fund [8, 13]** |
|---|---|---|
| To achieve returns over the medium to long term that are generally higher than those achievable by investing in capital guaranteed or capital stable funds. | To aim to provide investors with an exposure to a diversified mix of defensive and growth orientated assets with some volatility. | To provide exposure to a range of sectors to achieve mostly capital growth over the long term with some income potential. There is no single market index for this Fund. Performance is benchmarked against a weighted average of the various sector market indices according to the benchmark asset allocation. |
| Cash 2.5-25<br>Fixed Interest 32.5-47.5<br>Property 3-7<br>Aust'n Shares 22.5-37.5<br>Int'l Shares 11.25-18.75 | Cash 5-25<br>Alternatives 0-10<br>Fixed Interest 25-45<br>Property 0-15<br>Aust'n Shares 13-33<br>Int'l Shares 12-32 | Aust'n Shares 25-50<br>Int'l Shares 15-40<br>Property 0-15<br>Aust'n Fixed Interest 0-30<br>Int'l Fixed Interest 0-25<br>Cash & Other 0-20<br>Alternative Investments 0-5 |
| 30/6/09 -5.85<br>30/6/08 -7.79<br>30/6/07 9.61<br>30/6/06 8.45<br>30/6/05 9.01<br><br>Average p.a. 2.38 | 30/6/09 -10.90<br>30/6/08 -7.73<br>30/6/07 10.56<br>30/6/06 6.47<br>Fund available from 1 July 2005<br><br>Average p.a. -0.82 | 30/6/09 -13.56<br>30/6/08 -9.32<br>30/6/07 -1.13<br>Fund available from 12 June 2007<br><br>Average p.a. -11.67 |
| 0.45% p.a. at 30/06/2009 | 1.01% [27] p.a. at 30/06/2009 | 0.84% p.a. at 30/06/2009 |



# Self Select options (cont.)

| | Diversified Growth Options<br>**BlackRock Wholesale Balanced Fund** [9] | Diversified Growth Options<br>**BT Wholesale Balanced Returns Fund** [9] |
|---|---|---|
| **Investment objective** | To provide investors with the highest possible returns consistent with a 'balanced' investment strategy encompassing:<br>– an orientation towards growth assets;<br>– a bias toward Australian assets; and<br>– active asset allocation, security selection and risk management.<br>The performance aim of the Fund is to outperform its strategic benchmark over medium to longer term timeframes. | The Fund aims to provide a return (before fees, costs and taxes) that exceeds the Fund's benchmark over the medium to long term. The Fund is an actively managed diversified portfolio that invests in Australian and international shares, Australian and international property securities, Australian and international fixed interest, cash and alternative investments. The Fund has a higher weighting towards growth assets than defensive assets. |
| **Fund manager trading ranges (%) at 30 June 2009** | The Fund's strategic benchmark is reviewed periodically. Specific allocations may vary but the Fund will retain a broad 70/30 split between growth and income assets and a bias towards Australian assets, particularly within the growth asset category. | Cash 0-20<br>Aust'n Fixed Int 5-32<br>Int'l Fixed Int 0-20<br>Aust'n Property 0-10<br>Int'l Property 0-10<br>Aust'n Shares 23-43<br>Int'l Shares 10-30<br>Alternative Assets 0-20 |
| **Performance percentage (%)**<br>(see notes on pages 49 and 50) | 30/6/09 -16.54<br>30/6/08 -4.76<br>30/6/07 13.39<br>30/6/06 14.17<br>30/6/05 10.19<br><br>Average p.a. 2.54 | 30/6/09 -14.40<br>30/6/08 -8.65<br>30/6/07 11.37<br>30/6/06 12.16<br>30/6/05 10.04<br><br>Average p.a. 1.45 |
| **Investment manager charge** | 0.95% p.a. at 30/06/2009[#] | 0.93% p.a. at 30/06/2009[#] |
| **Asset allocation at 30 June 2009** | <br>Cash 8.0%<br>Australian Fixed Interest 15.0%<br>Australian Shares 38.0%<br>Property 7.0%<br>International Fixed Interest 6.0%<br>International Shares 26.0% | <br>Cash 10.68%<br>Australian Fixed Interest 19.28%<br>Australian Shares 27.67%<br>Property 6.54%<br>International Fixed Interest 6.81%<br>International Shares 19.13%<br>Alternative Assets 9.89% |

## Diversified Growth Options

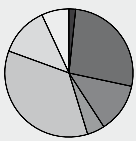
### Colonial First State Wholesale Diversified Fund[9]

To provide medium-to-long term capital growth, together with some income by investing in cash, fixed interest, property and shares.

| | |
|---|---|
| Cash & Fixed Int | 20-40 |
| Property Securities | 3-7 |
| Global Property Securities | 0-4 |
| Aust'n Shares | 32-38 |
| Global Shares | 20-26 |
| Global Resource Shares | 3-7 |

| | |
|---|---|
| 30/6/09 | -15.04 |
| 30/6/08 | -14.01 |
| 30/6/07 | 12.91 |
| 30/6/06 | 11.63 |
| 30/6/05 | 10.50 |
| Average p.a. | -0.33 |

0.97% p.a. at 30/06/2009#




## Diversified Growth Options

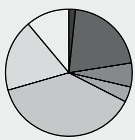
### ING Wholesale Balanced Trust[9]

The Fund aims to achieve returns (before fees, charges and taxes) that on average exceed inflation by at least 4.5% p.a., over periods of four years or more. The trust invests in a diversified mix of Australian and international assets spread across growth and defensive assets. The Fund is actively managed in accordance with INGIM's investment process.

| | |
|---|---|
| Cash | 0-30 |
| Diversified Fixed Int | 5-35 |
| Int'l Fixed Int | 0-20 |
| Property Securities | 0-10 |
| Aust'n Shares | 20-50 |
| Int'l Shares | 5-35 |
| Global Property Securities | 0-10 |
| Alternative Investments (growth) | 0-5 |
| Alternative Investments (defensive) | 0-10 |

| | |
|---|---|
| 30/6/09 | -16.58 |
| 30/6/08 | -7.35 |
| 30/6/07 | 12.38 |
| 30/6/06 | 11.20 |
| 30/6/05 | 11.92 |
| Average p.a. | 1.57 |

0.90% p.a. at 30/06/2009




## Diversified Growth Options

### Intech Wholesale Growth Trust[9, 26]

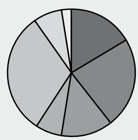
To provide investors with long-term capital growth and some income with the objective of earning a rate of return (gross of fees and tax) that exceeds CPI increases by at least 4% p.a. over rolling eight year periods.

| | |
|---|---|
| Cash | 0-13 |
| Global Inflation Linked Securities | 0-13 |
| Aust'n Bonds | 0-16 |
| Int'l Bonds Hedged | 0-16 |
| Aust'n Property Securities | 0-13 |
| Int'l Property Securities Hedged | 0-14 |
| Aust'n Shares | 22-42 |
| Int'l Shares Unhedged | 7-27 |
| Int'l Shares Hedged | 0-20 |
| Alternative Investments | 0-25 |

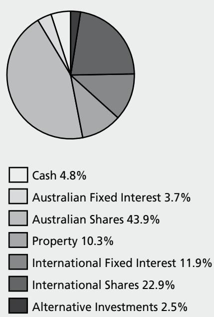
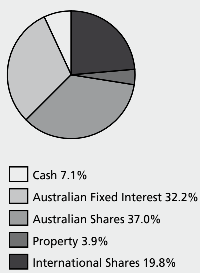
Note the Fund Manager adjusted these ranges during the year.

| | |
|---|---|
| 30/6/09 | -18.20 |
| 30/6/08 | -9.38 |
| 30/6/07 | -0.50 |
| Fund available from 12 June 2007 | |
| Average p.a. | -13.78 |

0.85% p.a. at 30/06/2009#



# Self Select options (cont.)

| | Diversified Growth Options<br>Legg Mason Diversified Trust[9] | Diversified Growth Options<br>Norwich Union Growth Fund[9] |
|---|---|---|
| **Investment objective** | To earn a before fees and tax return (over rolling three year periods) in excess of a benchmark constructed in accordance with the neutral asset allocations of the Trust. | To produce higher returns than other managed funds over the medium to long term with a level of risk within the commonly accepted range for funds with proportions of growth assets. |
| **Fund manager trading ranges (%) at 30 June 2009** | Cash 0-15<br>Aust'n Fixed Interest 2-22<br>Global Fixed Interest 7-17<br>Property 5-15<br>Aust'n Shares 25-45<br>Int'l Shares 15-31<br>Alternative Investments 0-6 | Cash 0-22<br>Fixed Interest 18-38<br>Property 3-7<br>Aust'n Shares 30-50<br>Int'l Shares 20-30 |
| **Performance percentage (%)**<br>(see notes on pages 49 and 50) | 30/6/09 -19.90<br>30/6/08 -14.27<br>30/6/07 14.48<br>30/6/06 12.00<br>30/6/05 9.10<br><br>Average p.a. -0.80 | 30/6/09 -9.15<br>30/6/08 -11.37<br>30/6/07 12.31<br>30/6/06 11.62<br>30/6/05 9.99<br><br>Average p.a. 2.11 |
| **Investment manager charge** | 0.75% p.a. at 30/06/2009 | 0.45% p.a. at 30/06/2009 |
| **Asset allocation at 30 June 2009** |  |  |

## Diversified Growth Options

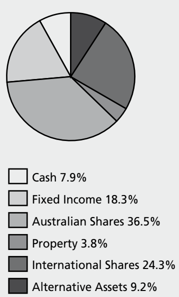
### Perpetual Wholesale Balanced Growth Fund [8]

Aims to provide long term capital growth and income through investment in a diversified portfolio with an emphasis on Australian and international share investments.

| | |
|---|---|
| Enhanced Cash [24] | 0-30 |
| Infrastructure | 0-10 |
| Mezzanine Mortgages | 0-10 |
| Fixed Income | 5-35 |
| Property | 0-15 |
| Int'l Shares | 5-30 |
| Aust'n Shares [25] | 25-60 |

| | |
|---|---|
| 30/6/09 | -14.93 |
| 30/6/08 | -7.15 |
| 30/6/07 | -0.59 |
| Fund available from 12 June 2007 | |
| Average p.a. | -11.11 |

1.04% p.a. at 30/06/2009




## Diversified Growth Options

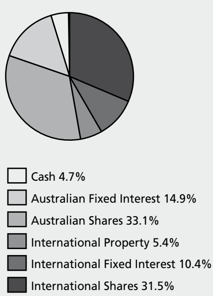
### Ventura Growth 70 Fund (class A units)

To aim to provide investors with an exposure to a diversified mix of predominantly growth orientated assets with moderate to high volatility and some defensive assets.

| | |
|---|---|
| Cash | 0-15 |
| Alternatives | 0-10 |
| Fixed Interest | 15-35 |
| Property | 0-17 |
| Aust'n Shares | 22-42 |
| Int'l Shares | 21-41 |

| | |
|---|---|
| 30/6/09 | -15.12 |
| 30/6/08 | -10.44 |
| 30/6/07 | 12.43 |
| 30/6/06 | 3.68 |
| Fund available from 1 July 2005 | |
| Average p.a. | -2.98 |

1.09% [27] p.a. at 30/06/2009




## Diversified Growth Options

### Zurich Investments Managed Growth Fund [8, 16]

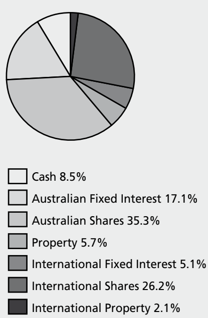
To provide investors with capital growth over the medium to long term and a modest level of income.

The Fund aims to outperform the performance benchmark over a period of five years.

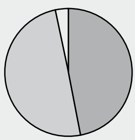
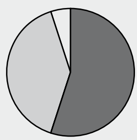
| | |
|---|---|
| Cash | 0-15 |
| Fixed Interest | 4-55 |
| Aust'n Property Securities | 0-12 |
| Global Property Securities | 0-12 |
| Int'l Shares | 10-38 |
| Aust'n Shares | 20-46 |

| | |
|---|---|
| 30/6/09 | -13.12 |
| 30/6/08 | -6.68 |
| 30/6/07 | -0.48 |
| Fund available from 12 June 2007 | |
| Average p.a. | -9.92 |

0.87% p.a. at 30/06/2009



# Self Select options (cont.)

| | Diversified Aggressive Options<br>Colonial First State Wholesale High Growth Fund[9] | Diversified Aggressive Options<br>Perpetual Wholesale Split Growth Fund |
|---|---|---|
| **Investment objective** | To provide long-term capital growth by investing in a diversified portfolio of Australian and global shares. | Aims to achieve long term capital growth through investment in a mix of international shares and Australian industrial shares and other securities. |
| **Fund manager trading ranges (%) at 30 June 2009** | Cash 0-10<br>Aust'n Shares 37-43<br>Int'l Shares 37-43<br>Aust'n Small Company Shares 8-12<br>Global Resources 8-12 | Cash 0-10<br>Int'l Shares & Aust'n Industrial Shares 90-100 |
| **Performance percentage (%)**<br>(see notes on pages 49 and 50) | 30/6/09 -15.49<br>30/6/08 -17.89<br>30/6/07 17.99<br>30/6/06 17.31<br>30/6/05 9.61<br><br>Average p.a. 1.03 | 30/6/09 -15.00<br>30/6/08 -20.12<br>30/6/07 13.30<br>30/6/06 12.00<br>30/6/05 7.01<br><br>Average p.a. -1.61 |
| **Investment manager charge** | 1.17% p.a. at 30/06/2009# | 1.16% p.a. at 30/06/2009# |
| **Asset allocation at 30 June 2009** | <br>Cash 3.07%<br>Australian Shares 49.78%<br>Global Shares 47.15% | <br>Cash 4.8%<br>Australian Shares 40.0%<br>Property 0.2%<br>International Shares 55.0% |

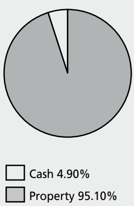
## Australian Property Options
### BT Wholesale Property Securities Fund[9]

To provide a return (before fees, costs and taxes) that exceeds the S&P/ASX 300 Property Accumulation Index over the medium to long term. The Fund is actively managed and primarily invests in listed property-related investments including listed property trusts, developers and infrastructure investments, both directly and indirectly. The Fund invests primarily in Australia but at times it may have some overseas exposure. Up to 15% of the Fund can be invested in international listed property-related investments. Up to 5% of the Fund will generally also be invested in unlisted property investments.

| | |
|---|---|
| Cash | 0-20 |
| Property Investments | 80-100 |

| | |
|---|---|
| 30/6/09 | -33.91 |
| 30/6/08 | -28.91 |
| 30/6/07 | 20.06 |
| 30/6/06 | 15.60 |
| 30/6/05 | 11.77 |
| Average p.a. | -6.13 |

0.65% p.a. at 30/06/2009#




## Australian Property Options
### Challenger Wholesale Property Securities Fund[9]

To outperform its benchmark, the S&P/ASX 300 A-REIT Accumulation Index*, over rolling three year periods, while providing a quarterly income stream with some capital growth over the medium term (at least three years).

* Formerly known as the S&P/ASX 300 Property Trust Accummulation Index.

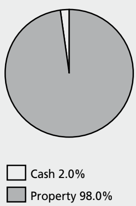
| | |
|---|---|
| Cash | 0-10 |
| Securities* | 90-100 |

*The Securities asset allocation is broken down as follows:

| | |
|---|---|
| Property securities listed in Australia | 80-100 |
| Property securities listed offshore | 0-20 |

| | |
|---|---|
| 30/6/09 | -34.09 |
| 30/6/08 | -33.26 |
| 30/6/07 | 19.72 |
| 30/6/06 | 15.29 |
| 30/6/05 | 13.95 |
| Average p.a. | -7.10 |

0.90% p.a. at 30/06/2009#




## Australian Property Options
### Colonial First State Wholesale Property Securities Fund [8]

To provide medium-to-long-term capital growth and income predominantly from a selection of listed property-related investments.

| | |
|---|---|
| Property Securities | 90-100 |
| Cash | 0-10 |

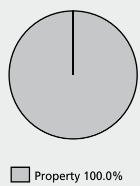
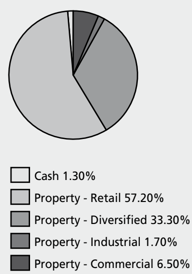
| | |
|---|---|
| 30/6/09 | -36.07 |
| 30/6/08 | -37.24 |
| 30/6/07 | -4.43 |

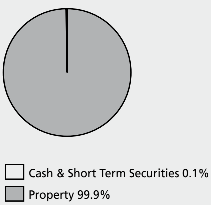
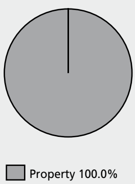
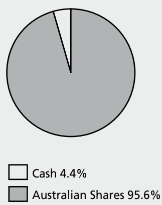
Fund available from 12 June 2007

| | |
|---|---|
| Average p.a. | -37.30 |

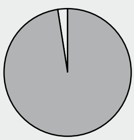
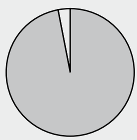
0.80% p.a. at 30/06/2009

# Self Select options (cont.)

| | **Australian Property Options**<br>**Intech Australian Property Securities Trust** [8] | **Australian Property Options**<br>**Macquarie Master Property Securities Fund** |
|---|---|---|
| **Investment objective** | To match and, where possible, enhance performance relative to the benchmark over rolling 3 year periods by investing predominantly in listed Australian property securities. | The Fund aims to outperform the S&P/ASX 200 Property Trust Accumulation Index over the medium to long term (before fees). |
| **Fund manager trading ranges (%) at 30 June 2009** | Property 100 | Cash 0-10<br>Property 0-100 |
| **Performance percentage (%)**<br>(see notes on pages 49 and 50) | 30/6/09 -31.27<br>30/6/08 -30.57<br>30/6/07 -4.07<br>Fund available from 12 June 2007<br><br>Average p.a. -31.65 | 30/6/09 -34.88<br>30/6/08 -36.55<br>30/6/07 21.52<br>30/6/06 14.59<br>30/6/05 14.69<br><br>Average p.a. -7.98 |
| **Investment manager charge** | 0.34% p.a. at 30/06/2009 | 0.72% p.a. at 30/06/2009# |
| **Asset allocation at 30 June 2009** |  |  |

| Australian Property Options<br>**MLC Wholesale Property Securities Fund[9]** | Australian Property Options<br>**Vanguard® Australian Property Securities Index Fund[17]** | Australian Shares – Growth Options<br>**Aviva Investors Australian Equities Fund[10]** |
|---|---|---|
| To provide an income stream and growth over time through investment in a range of listed property securities. | To match the total return (income and capital appreciation) of the S&P/ASX 300 A-REIT Index, before taking into account fees and expenses. | The fund's objective is to outperform the S&P/ASX 200 Accumulation Index over a rolling 5 year period by investing in a diversified portfolio of shares. |
| Strategic Asset Allocation (%) at 30 June 2009<br>Property 100 | Property 100 | Cash 0-10<br>Aust'n Shares 90-100 |
| 30/6/09 -33.16<br>30/6/08 -28.64<br>30/6/07 19.68<br>30/6/06 15.36<br>30/6/05 13.63<br><br>Average p.a. -5.63 | 30/6/09 -38.02<br>30/6/08 -33.41<br>30/6/07 20.34<br>30/6/06 15.03<br>30/6/05 14.30<br><br>Average p.a. -8.17 | 30/6/09 -17.26<br>30/6/08 -10.81<br>30/6/07 23.44<br>30/6/06 19.09<br>30/6/05 18.37<br><br>Average p.a. 5.13 |
| 0.87% p.a. at 30/06/2009# | 0.34% p.a. at 30/06/2009# | 0.87% p.a. at 30/06/2009 |
|   |   |   |

# Self Select options (cont.)

| | Australian Shares – Growth Options<br>**Aviva Investors High Growth Shares Fund[2, 11]** | Australian Shares – Growth Options<br>**BT Wholesale Australian Share Fund** |
|---|---|---|
| **Investment objective** | The Fund's objective is to outperform the S&P/ASX 200 Accumulation Index by 5% p.a. over a rolling five year period by investing in a diversified portfolio of Australian shares. It uses a range of investment techniques (such as short selling, enhanced long positions and active trading) aimed at providing investors with the opportunity to enhance returns. The aggregate of all short positions in the fund is limited to 25% and the aggregate of all long positions is limited to 125%, of the value of the fund's net assets. The long and short positions provide investors with a gross exposure to the sharemarket of up to 150%, and a net exposure of between 90-100%. This fund is actively traded and returns are taxed on a revenue basis. The risk profile of this option means that we strongly suggest that you obtain financial advice before investing. | To provide a return (before fees, costs and taxes) that exceeds the S&P/ASX 300 Accumulation Index over the medium to long term. The Fund is actively managed and invests primarily in Australian shares that the manager believes are trading at significant discount to their assessed value. |
| **Fund manager trading ranges (%) at 30 June 2009** | Cash 0-10<br>Aust'n Shares 90-100 | Cash 0-20<br>Aust'n Shares 80-100 |
| **Performance percentage (%)**<br>(see notes on pages 49 and 50) | 30/6/09 -17.28<br>30/6/08 -3.84<br>30/6/07 21.03<br>30/6/06 14.15<br>30/6/05 18.45<br><br>Average p.a. 5.41 | 30/6/09 -19.18<br>30/6/08 -8.57<br>30/6/07 23.41<br>30/6/06 21.28<br>30/6/05 23.55<br><br>Average p.a. 6.44 |
| **Investment manager charge** | 1.05% p.a. at 30/06/2009 | 0.79% p.a. at 30/06/2009 |
| **Asset allocation at 30 June 2009** |  |  |

## Australian Shares – Growth Options

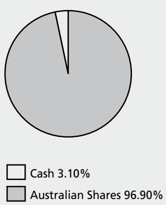
### Colonial First State Wholesale Australian Share Fund[9]

To provide long-term capital growth with some income by investing in a broad selection of Australian companies.

| | |
|---|---|
| Cash | 0-10 |
| Aust'n Shares | 90-100 |

| | |
|---|---|
| 30/6/09 | -17.73 |
| 30/6/08 | -11.16 |
| 30/6/07 | 19.41 |
| 30/6/06 | 17.04 |
| 30/6/05 | 25.25 |
| Average p.a. | 5.05 |

0.96% p.a. at 30/06/2009[#]




## Australian Shares – Growth Options

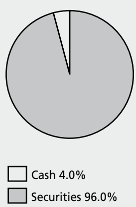
### Custom Choice Wholesale Boutique Australian Share Portfolio[9]

To outperform the S&P/ASX 300 Accumulation Index over rolling three year periods

| | |
|---|---|
| Cash | 0-20 |
| Aust'n Shares | 80-100 |

| | |
|---|---|
| 30/6/09 | -17.05 |
| 30/6/08 | -12.55 |
| 30/6/07 | 24.20 |
| 30/6/06 | 14.12 |
| 30/6/05 | 19.75 |
| Average p.a. | 4.25 |

1.08% p.a. at 30/06/2009




## Australian Shares – Growth Options

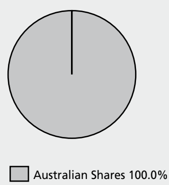
### Intech Australian Shares Active Trust[9]

To provide investors with investment returns above the benchmark over rolling five year periods by investing predominantly in listed Australian shares within a clearly defined risk profile.

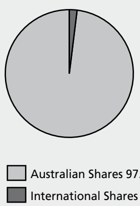
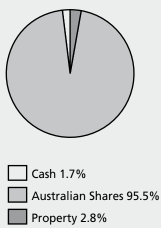
| | |
|---|---|
| Aust'n Shares | 100 |

| | |
|---|---|
| 30/6/09 | -18.11 |
| 30/6/08 | -11.87 |
| 30/6/07 | -1.32 |
| Fund available from 12 June 2007 | |
| Average p.a. | -15.24 |

0.85% p.a. at 30/06/2009[#]



# Self Select options (cont.)

| | **Australian Shares – Growth Options** Perpetual Wholesale Geared Australian Fund | **Australian Shares – Growth Options** UBS Australian Share Fund[9] |
|---|---|---|
| **Investment objective** | Aims to enhance long term capital growth through borrowing (gearing) to invest in quality industrial and resources shares and other securities. Gearing level 0-60%. The gearing level is the Fund's borrowings divided by the total gross value of assets. The gearing level will depend on the present levels and future expectation of the Fund's net income (income after fees and expenses excluding franking credits) and the cost of borrowings. | To provide a total return (after total costs) in excess of the S&P/ASX 300 Accumulation Index when measured over rolling five year periods. This Fund is an actively managed portfolio of securities listed on the Australian Stock Exchange or those we reasonably expect to list within 6 months. The Fund may also invest indirectly in listed Australian securities via investments in other UBS managed funds, including the UBS Australian Small Companies Fund which includes companies which may be listed in New Zealand but not in Australia – this exposure is likely to be small. The Fund may invest in financial derivatives to gain exposure to the Australian sharemarket or to manage investment risk. Normally the Fund will hold between 30 and 60 stocks/sub funds with at least 75% of the Fund invested in stocks that comprise the S&P/ASX 100 Index. |
| **Fund manager trading ranges (%) at 30 June 2009** | Cash 0-10<br>Aust'n Shares 90-100<br>Int'l Shares[21] 0-20 | Cash 0-10<br>Aust'n Shares 90-100 |
| **Performance percentage (%)** (see notes on pages 49 and 50) | 30/6/09 -9.57<br>Fund available from 1 October 2008<br><br>Average p.a. n/a | 30/6/09 -11.84<br>30/6/08 -10.81<br>30/6/07 25.73<br>30/6/06 17.94<br>30/6/05 22.43<br><br>Average p.a. 7.38 |
| **Investment manager charge** | 1.17% (g)[22] p.a. at 30/06/2009# | 0.80% p.a. at 30/06/2009# |
| **Asset allocation at 30 June 2009** |  |  |

## Australian Shares – Growth Options

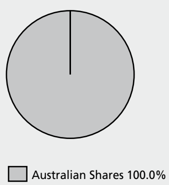
### Ventura Australian Opportunities Fund (class A units)[9]

To aim to significantly outperform the Fund's benchmark (S&P/ASX 300 Accumulation Index), before costs and tax, over the long term by providing exposure to a diversified portfolio of predominantly Australian shares.

| | |
|---|---|
| Cash | 0-3 |
| Aust'n Shares | 0-100 |

| | |
|---|---|
| 30/6/09 | -18.52 |
| 30/6/08 | -13.13 |
| 30/6/07 | 21.78 |
| 30/6/06 | 10.27 |
| Fund available from 1 July 2005 | |
| Average p.a. | -1.26 |

1.25%[27] p.a. at 30/06/2009




## Australian Shares – Growth Options

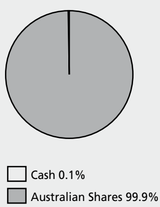
### Ventura Australian Shares Fund (class A units)

To aim to provide a total return, before costs and tax, higher than the Fund's benchmark (S&P/ASX 300 Accumulation Index) over the long term by providing exposure to a diversified portfolio of predominantly Australian shares.

| | |
|---|---|
| Aust'n Shares | 100 |

| | |
|---|---|
| 30/6/09 | -19.82 |
| 30/6/08 | -9.07 |
| 30/6/07 | 24.61 |
| 30/6/06 | 10.35 |
| Fund available from 1 July 2005 | |
| Average p.a. | 0.06 |

1.06% [27] p.a. at 30/06/2009




## Australian Shares – Imputation Options

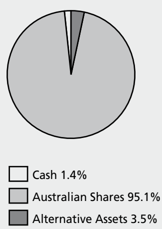
### AXA Wholesale Australian Equity – Industrials Fund[9]

To outperform the S&P/ASX 300 Industrials Accumulation Index after costs, over rolling five year periods.

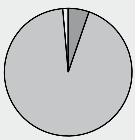
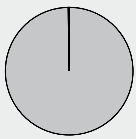
| | |
|---|---|
| Cash | 0-5 |
| Aust'n Shares | 95-100 |

| | |
|---|---|
| 30/6/09 | -14.88 |
| 30/6/08 | -16.66 |
| 30/6/07 | 27.46 |
| 30/6/06 | 13.09 |
| 30/6/05 | 21.14 |
| Average p.a. | 4.37 |

0.85% p.a. at 30/06/2009#



# Self Select options (cont.)

| | **Australian Shares – Imputation Options**<br>**BlackRock Wholesale Australian Share Fund** | **Australian Shares – Imputation Options**<br>**MLC Wholesale IncomeBuilder™ 9** |
|---|---|---|
| **Investment objective** | To achieve capital growth over the long term through investment in Australian shares and other securities and to provide investors with some tax effective income through the distribution of franking credits.<br>The Fund aims to outperform the S&P/ASX 200 Accumulation Index over rolling five-year periods. | To deliver a growing tax advantaged income stream from a portfolio with a focus on Australian industrial shares that have the potential to provide future growth in dividends. |
| **Fund manager trading ranges (%) at 30 June 2009** | Cash 0-20<br>Aust'n Shares 80-100 | Strategic Asset Allocation (%) at 30 June 2009<br>Aust'n Shares 100 |
| **Performance percentage (%)**<br>(see notes on pages 49 and 50) | 30/6/09 -20.97<br>30/6/08 -4.53<br>30/6/07 22.40<br>30/6/06 22.41<br>30/6/05 24.70<br><br>Average p.a. 7.11 | 30/6/09 -15.42<br>30/6/08 -19.99<br>30/6/07 22.30<br>30/6/06 9.82<br>30/6/05 18.96<br><br>Average p.a. 1.57 |
| **Investment manager charge** | 0.95% p.a. at 30/06/2009 | 0.97% p.a. at 30/06/2009# |
| **Asset allocation at 30 June 2009** | <br>Cash 1.14%<br>Australian Shares 93.41%<br>Property 5.45% | <br>Cash & Short Term Securities 0.2%<br>Australian Shares 99.8% |

**Australian Shares – Imputation Options**

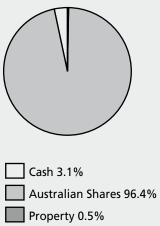
**Perpetual Wholesale Industrial Fund**

Aims to provide long term capital growth and income through investment in quality Australian industrial shares and other securities.

| | |
|---|---|
| Cash | 0-10 |
| Aust'n Ind Shares | 90-100 |

| | |
|---|---|
| 30/6/09 | -14.03 |
| 30/6/08 | -18.37 |
| 30/6/07 | 26.02 |
| 30/6/06 | 12.73 |
| 30/6/05 | 18.39 |
| Average p.a. | 3.37 |

0.99% p.a. at 30/06/2009#




**Australian Shares – Smaller Companies Options**

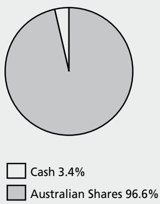
**Aberdeen Classic Series Australian Small Companies Fund** [9, 14]

To outperform the benchmark, the S&P/ASX Small Ordinaries Accumulation Index, after fees, over rolling three year periods, by investing primarily in small companies listed on the ASX.

| | |
|---|---|
| Cash | 0-20 |
| Aust'n Shares | 80-100 |

| | |
|---|---|
| 30/6/09 | -24.14 |
| 30/6/08 | -24.30 |
| 30/6/07 | 31.81 |
| 30/6/06 | 14.73 |
| 30/6/05 | 3.86 |
| Average p.a. | -2.04 |

1.26% p.a. at 30/06/2009#




**Australian Shares – Smaller Companies Options**

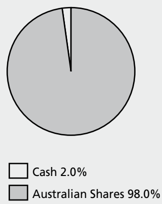
**Aviva Investors Small Companies Fund** [6]

The Fund's objective is to outperform the S&P/ASX Small Ordinaries Accumulation Index by 5% p.a. over a rolling five year period by investing in a diversified portfolio of Australian smaller companies.

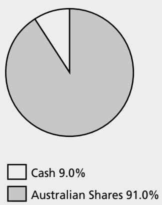
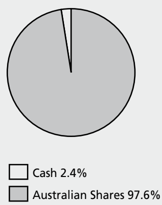
| | |
|---|---|
| Cash | 0-20 |
| Aust'n Shares | 80-100 |

| | |
|---|---|
| 30/6/09 | -26.12 |
| 30/6/08 | -5.02 |
| 30/6/07 | 40.12 |
| 30/6/06 | 25.62 |
| 30/6/05 | 21.80 |
| Average p.a. | 8.51 |

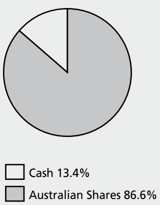
0.98% p.a. at 30/06/2009

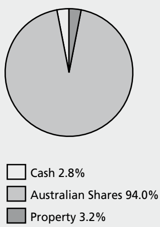


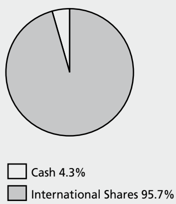
# Self Select options (cont.)

| | Australian Shares – Smaller Companies Options<br>Challenger Smaller Companies Fund[3] | Australian Shares – Smaller Companies Options<br>Invesco Wholesale Australian Smaller Companies Fund[9] |
|---|---|---|
| **Investment objective** | To provide investors with a diversified portfolio of smaller Australian companies that aims to outperform the S&P/ASX Small Ordinaries Accumulation Index over rolling 3 year periods. | To provide long term capital growth and distributions by investing in smaller companies listed on the Australian sharemarket, predominantly outside of the ASX/S&P 100 Index. |
| **Fund manager trading ranges (%) at 30 June 2009** | Cash 0-20<br>Aust'n Shares 80-100 | Cash 0-10<br>Aust'n Shares 90-100 |
| **Performance percentage (%)** (see notes on pages 49 and 50) | 30/6/09 -15.64<br>30/6/08 -11.37<br>30/6/07 45.83<br>30/6/06 5.46<br>30/6/05 14.01<br><br>Average p.a. 5.56 | 30/6/09 -29.17<br>30/6/08 -15.20<br>30/6/07 38.75<br>30/6/06 17.79<br>30/6/05 25.35<br><br>Average p.a. 4.24 |
| **Investment manager charge** | 0.95% p.a. at 30/06/2009 | 1.25% p.a. at 30/06/2009# |
| **Asset allocation at 30 June 2009** |  |  |

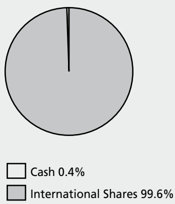
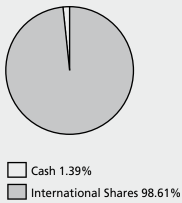
| Australian Shares – Smaller Companies Options<br>**Investors Mutual Future Leaders Fund [3]** | Australian Shares – Smaller Companies Options<br>**Perpetual's Wholesale Smaller Companies Fund [7]** | International Shares – Global Options<br>**Aberdeen Actively Hedged International Equities Fund [15]** |
|---|---|---|
| To provide a total rate of return, before expenses and tax, superior to the S&P/ASX 300 Accumulation Index (excluding S&P/ASX 50 excluding property trusts) over a rolling 4 year period. | Aims to provide long term capital growth and income through investment in quality Australian industrial and resources shares and other securities which, when first acquired, do not rank in the S&P/ASX 50 Index. | To provide investors with high capital growth over the medium to long term by seeking exposure to companies listed on securities exchanges around the world. |
| Cash 0-20<br>Aust'n Shares 80-100 | Cash 0-20<br>Aust'n Smaller Comp Shares 80-100 | Cash 0-10<br>Int'l Shares 90-100 |
| 30/6/09 -16.39<br>30/6/08 -25.32<br>30/6/07 33.37<br>30/6/06 11.83<br>30/6/05 22.74<br><br>Average p.a. 2.71 | 30/6/09 -25.43<br>30/6/08 -17.54<br>30/6/07 43.75<br>30/6/06 14.78<br>30/6/05 16.29<br><br>Average p.a. 3.36 | 30/6/09 -22.11<br>30/6/08 -17.24<br>30/6/07 4.88<br>30/6/06 17.90<br>30/6/05 -5.49<br><br>Average p.a. -5.51 |
| 0.97% p.a. at 30/06/2009 | 1.25% p.a. at 30/06/2009# | 0.98% p.a. at 30/06/2009# |



# Self Select options (cont.)

| | **International Shares – Global Options**<br>**AXA Wholesale Global Equity – Value Fund** | **International Shares – Global Options**<br>**BlackRock Global High Conviction Fund**[9, 12] |
|---|---|---|
| **Investment objective** | To provide unit holders with a long-term capital growth and to outperform the Morgan Stanley Capital International World ex Australia Index (net dividends reinvested), in Australian dollar terms, after costs and over rolling five-year periods. | Aims to maximise capital growth over the longer term by investing in a select portfolio of international shares. Some currency hedging may be undertaken. |
| **Fund manager trading ranges (%) at 30 June 2009** | Cash & Cash Securities 0-5<br>Int'l Shares 95-100 | Cash 0-10<br>Int'l Shares 90-100 |
| **Performance percentage (%)**<br>(see notes on pages 49 and 50) | 30/6/09 -34.28<br>30/6/08 -25.08<br>30/6/07 15.49<br>30/6/06 18.58<br>30/6/05 4.59<br><br>Average p.a. -6.75 | 30/6/09 -17.96<br>30/6/08 -10.35<br>30/6/07 8.12<br>30/6/06 11.64<br>30/6/05 -0.73<br><br>Average p.a. -2.50 |
| **Investment manager charge** | 0.98% p.a. at 30/06/2009# | 0.95% p.a. at 30/06/2009# |
| **Asset allocation at 30 June 2009** | <br> | <br> |

## International Shares – Global Options

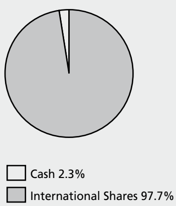
### Goldman Sachs JBWere International Wholesale Fund[9]

To achieve medium to long-term capital growth by investing in international companies.

| | |
|---|---|
| Cash | 0-20 |
| Int'l Shares | 80-100 |

| | |
|---|---|
| 30/6/09 | -20.11 |
| 30/6/08 | -12.39 |
| 30/6/07 | 5.10 |
| 30/6/06 | 14.36 |
| 30/6/05 | -3.46 |
| Average p.a. | -4.08 |

1.22% p.a. at 30/06/2009




## International Shares – Global Options

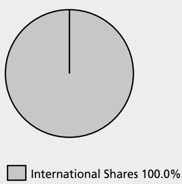
### Intech International Shares (Unhedged) Trust[8]

To maximise outperformance relative to the benchmark over rolling 5 year periods by investing predominantly in listed international shares.

| | |
|---|---|
| Int'l Shares | 100 |

| | |
|---|---|
| 30/6/09 | -18.63 |
| 30/6/08 | -21.13 |
| 30/6/07 | 1.17 |
| Fund available from 12 June 2007 | |
| Average p.a. | -18.97 |

0.83% p.a. at 30/06/2009




## International Shares – Global Options

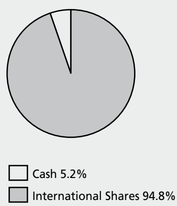
### Perpetual Wholesale International Share Fund[9]

Aims to provide long term capital growth through investment in international shares and other securities.

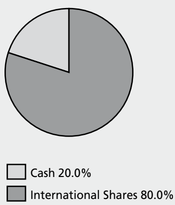
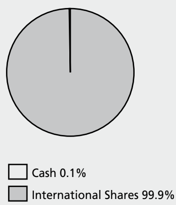
| | |
|---|---|
| Cash | 0-10 |
| Int'l Shares | 90-100 |

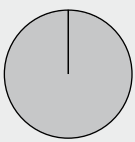
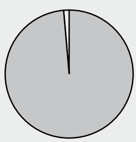
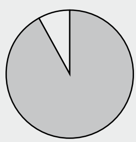
| | |
|---|---|
| 30/6/09 | -15.79 |
| 30/6/08 | -21.58 |
| 30/6/07 | 4.92 |
| 30/6/06 | 12.11 |
| 30/6/05 | 0.84 |
| Average p.a. | -4.77 |

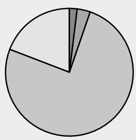
1.23% p.a. at 30/06/2009[#]



# Self Select options (cont.)

| | **International Shares – Global Options**<br>**Platinum International Fund** | **International Shares – Global Options**<br>**Ventura International Shares Fund (class A units)[9]** |
|---|---|---|
| **Investment objective** | To provide capital growth over the long-term by searching out undervalued listed (and unlisted) investments from around the world. The portfolio will ideally consist of 100 to 200 securities that Platinum believes to be undervalued by the market. Cash may be held when undervalued securities cannot be found. Platinum may short sell securities that it considers overvalued. The Portfolio will typically have 50% or more net equity exposure. Currency is actively managed. | To aim to provide a total return, before costs and tax, higher than the Fund's benchmark (MSCI World Net Dividends Reinvested Accumulation Index), over the long term by providing exposure to a diversified portfolio of predominantly international shares. |
| **Fund manager trading ranges (%) at 30 June 2009** | Cash 0-100<br>Int'l Shares 0-100<br>Derivatives may be used to increase the effective exposure of the Fund to 150% of the Fund's net asset value. | Cash 0-3<br>Int'l Shares 0-100 |
| **Performance percentage (%)**<br>(see notes on pages 49 and 50) | 30/6/09 9.10<br>30/6/08 -13.49<br>30/6/07 5.05<br>30/6/06 17.48<br>30/6/05 -0.02<br>Fund available from 18 October 2004<br>Average p.a. 3.29 | 30/6/09 -20.90<br>30/6/08 -20.14<br>30/6/07 5.15<br>30/6/06 6.09<br>Fund available from 12 July 2005<br>Average p.a. -8.44 |
| **Investment manager charge** | 1.54% p.a. at 30/06/2009[#] | 1.22%[27] p.a. at 30/06/2009 |
| **Asset allocation at 30 June 2009** | <br>The Fund also has a short position of 18.1% individual shares and index futures. |  |

| International Shares – Global Options<br>**Zurich Investments Global Thematic Share Fund**[8, 18] | Ethical Funds Options<br>**AMP Capital's Responsible Investment Leaders International Share Fund** | Ethical Funds Options<br>**Challenger Wholesale Socially Responsive Share Fund** |
|---|---|---|
| To provide investors with long-term capital growth, with the benefits of global diversification. The Fund aims to outperform the MSCI World (ex-Australia) Accumulation Index in $A (net dividends reinvested) over periods of five or more years. The Fund will actively hedge up to 40% of the Fund's exposure to international currency back to Australian dollars. | On a rolling 5 years basis, the Fund aims to:<br>■ provide high returns over the long term, while accepting high levels of volatility, and<br>■ provide a total return, after costs and before tax, higher than the return from the performance benchmark.<br>The Fund seeks to achieve its objective by investing in shares listed on international stock exchanges, allowing it to take advantage of opportunities in countries throughout the world if the investments are considered consistent with its objectives. The Fund is managed using a Responsible Investment approach. | To outperform its benchmark (S&P/ASX 300 Accumulation Index) over rolling three-year periods. |
| Cash 0-10<br>Int'l Shares 90-100 | Cash and Fixed Interest Securities 0-5<br>International Shares 95-100 | Cash 0-20<br>Aust'n Shares 80-100 |
| 30/6/09 -9.00<br>30/6/08 -10.45<br>30/6/07 0.94<br>Fund available from 12 June 2007 | 30/6/09 -16.84<br>30/6/08 -20.22<br>30/6/07 8.49<br>30/6/06 15.70<br>30/6/05 -1.40 | 30/6/09 -24.06<br>30/6/08 -21.48<br>30/6/07 26.21<br>30/6/06 14.70<br>30/6/05 21.54 |
| Average p.a. -9.07 | Average p.a. -3.86 | Average p.a. 0.96 |
| 0.98% p.a. at 30/06/2009 | 1.148% p.a. at 30/06/2009 | 1.15% p.a. at 30/06/2009 |
| <br>International Shares 100.0% | <br>Cash 1.31%<br>International Shares 98.69% | <br>Cash 6.0%<br>Australian Shares 94.0% |

| | Norwich Union Capital Guaranteed Fund[19] |
|---|---|
| **Investment objective** | To avoid a decrease in the value of the fund's assets in both the short and long term; to produce relatively low but steady income flows, and to maintain a high level of liquidity. |
| **Strategy** | To invest a high proportion of the fund in a portfolio of fixed interest and other interest bearing securities that has an average credit rating of investment grade. Smaller amounts are invested in property and shares. |
| **Appropriate investor** | Member with a low account balance. |
| **Investor time horizon** | Up to three years. |
| **Performance percentage (%)** (see notes on pages 49 and 50) | 30/6/09 0.10<br>30/6/08 0.10<br>30/6/07 0.85<br>30/6/06 1.00<br>30/6/05 1.50<br>Average 0.71 |
| **Management fee %** | 5% (maximum) of the value of the fund per annum |
| **Investment manager trading ranges at 30 June 2009** | Cash 0-50<br>Fixed Interest 50-90<br>Property 0-5<br>Shares 0-12.5 |
| **Asset allocations as at 31 May 2009** |  |

## Small account balances

Members may have their account balance transferred to the Norwich Union Capital Guaranteed Fund if their account balances are below $1,000 at the close of business on any 30 June following their first year of membership.

## General notes for investment performance options

- **NOTE: Past Performance should not be taken as an indication of future performance.**
- Performance figures represent the investment performance of the underlying assets of an investment option after the deduction of investment managers' charges, the Plan's maximum annual management fees and 15% tax on earnings.
- The 'Average p.a.' performance figure shown for an option is the compound average value of the yearly performance figures, over the period for which yearly figures are shown.
- A buy/sell margin applies to funds marked '#'. The margin is not included in the quoted investment manager charge or charged separately, but is reflected in the Plan unit price and performance.
- The investment objectives, trading ranges (guideline only), investment manager charge and asset allocation for the Self Select investment options have been provided by the investment managers at the Trustee's request. The fund's investments may differ from the target asset allocations identified at any time. However, the funds will be rebalanced to the target asset allocation on a regular basis. The investment managers have consented to the information quoted in this Annual Report.
- Where the 30 June 2008 Investment Manager Charge is shown, the Trustee believes this is a good estimate of the 30 June 2009 Investment Manager Charge.

## Specific notes for investment performance options (see specific footnote numbers in the relevant investment options)

1. Convertible notes will be classified as growth or cash and fixed income depending on the characteristics of the individual asset. FRN's = Floating Rate Notes and Infra Sh = Infrastructure Shares.
2. A performance fee equal to 20% of performance is payable if the Trust's performance exceeds its performance hurdle defined as the benchmark plus 5%. The unit price is calculated and issued net of this fee. Any under performance must be recouped before the fee accrues. Any under performance against the performance hurdle at the end of the year will not be carried forward to the next.
3. This option was closed to new members and additional investment from 31 May 2004.
4. This option was closed to new members and additional investment from 27 October 2008.
5. Formerly known as Portfolio Partners Premier Fixed Income Trust.
6. Formerly known as Portfolio Partners Emerging Shares Trust. This option was reopened to new members and additional investment from 1 October 2008.
7. This option was closed to new members from 30 September 2002.
8. This option is closed to new members and addition investments from introduction on 11 June 2007 for transfer amounts for ex-AMSF members.
9. This option was closed to new members and additional investment from 1 October 2008.
10. Formerly known as Portfolio Partners Australian Equities Trust.
11. Formerly known as Portfolio Partners High Growth Shares Trust.
12. Formerly known as BlackRock Wholesale International Share Fund.
13. Formerly known as Credit Suisse Capital Growth Fund.
14. Formerly known as Credit Suisse Australian Small Companies Fund.
15. Formerly known as Credit Suisse International Shares Fund.
16. Formerly known as Zurich Managed Growth Fund.
17. Formerly known as Vanguard® Property Securities Index Fund.
18. Formerly known as Zurich Global Thematic Share Fund.

19. The trading ranges for the Norwich Union Capital Guaranteed Fund were adjusted in November 2003 to reduce the exposure to equities and property with a corresponding increase to Fixed Interest and Cash.

20. The responsible entity of the Pre Select options (Navigator Australia Limited) is associated with the Trustee and will receive ongoing fees from investments in these options. One of the fund managers of the Pre Select options, Aviva Investors Australia Limited (ABN 85 066 081 114, AFSL No. 234483), is also associated with the Trustee and will receive fees in connection with the management services they provide. Aviva Investors will also receive fees for providing administrative services to the responsible entity (but these fees will be paid out of the responsible entity's fees, and are not addition fees payable by members.)

21. Exposure to stocks listed outside of Australia is generally hedged to the Australian dollar to the extent reasonably practical.

22. The IMC is calculated on a gross asset basis. If a gearing ratio of 60% is assumed, the ongoing fee will be 2.93% p.a. on a net asset basis. For further information refer to the underlying fund's product disclosure statement, which can be obtained from aviva.com.au

23. Perpetual's agreement with Navigator Australia Limited allows it to invest in stocks listed on sharemarket exchanges outside of Australia. Exposure to stocks listed outside of Australia is limited to 20% of stocks managed by perpetual and is generally hedged to the Australian dollar to the extent reasonably practicable.

24. This Fund may invest in enhanced cash funds that allow gearing.

25. The Fund gains its exposure to Australian shares by investing in an underlying Australian share fund which has an investment universe that allows it to invest in stocks listed or to be listed on sharemarket exchanges outside Australia. Exposure to stocks outside of Australia is limited to 20% and is generally hedged to the Australian dollar to the extent reasonably practicable. The investment guidelines showing the Fund's maximum investment in international shares do not include this potential additional exposure.

26. Formerly known as Intech Growth Plus Trust.

27. Indicates a Performance Fee Element.

Section seven

# Contributions

The Plan accepts both regular and one off contributions.

### The Plan accepts:

- employer Superannuation Guarantee ('SG') and Award contributions. Superannuation law requires your employer to contribute at least 9% of your salary to your super up to age 70. SG obligations cease at age 70 but Award requirements may continue to apply.
- additional employer contributions (above SG and Award) including regular salary sacrifice contributions.
- your personal contributions. This is in addition to your employer's contributions
- rollovers or transfers from other funds including family law payments splits
- spouse contributions
- contribution splitting payments
- SG vouchers for superannuation shortfalls (Please note: SG vouchers have been phased out but the Trustee will continue to accept these for our members)
- superannuation co-contributions.

You need to provide the Australian Business Number ('ABN') of any superannuation fund to which you are rolling over benefits. Super Solutions is part of the Norwich Union Superannuation Trust (NUST). The ABN for the NUST is 31 919 182 354.

## Eligibility

### Under age 65

- Superannuation contributions can be accepted for members aged under 65. There are no restrictions.

### Age 65 to less than 70

The following contributions can be accepted:

- 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, salary sacrifice 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 accepted:

- Employer contributions made under an agreement certified, or an award made, by an industrial authority.

- Personal contributions, salary sacrifice 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.

Spouse contributions cannot be made in this age category.

### Age 75 and over:

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

If you do not meet the eligibility requirements for employer contributions described in the section above, any contributions made for you by your employer are required to be returned to your employer. Special regulations apply to determine the amount to be returned and the timing of such payments.

**Important note:**
**These conditions are important. If you no longer satisfy them, the Trustee can no longer accept your contributions. So, if your circumstances do change, you should notify Aviva Business Super on 1300 428 482.**

## Limits on contributions

There are caps imposed on the amount of contributions you can make to superannuation in a financial year without incurring additional tax. The applicable limit depends on the type of contribution.

**Please note that some of these limits have decreased since 1 July 2009.**

### Concessional contributions

Concessional contributions generally include any contribution made by you or on your behalf that is included in the assessable income of the Plan and is taxed at 15%. This includes all:

- contributions made on your behalf by your employer (including salary sacrifice contributions)
- personal contributions for which a deduction is claimed
- contributions made for you by a third party, other than your spouse

On 1 July 2009 the concessional contribution cap was decreased to $25,000 per financial year. This limit will be indexed to AWOTE (Average Weekly Ordinary Time Earnings) each year however the indexed amount will be rounded down to the nearest multiple of $5,000. Transitional provisions apply allowing anyone currently aged 50 and over to be eligible for a $50,000 transitional cap until the financial year commencing 1 July 2012. If you turn 50 before 1 July 2012 you will be able to use this transitional cap from the financial year you turn 50. The transitional cap is not indexed.

If the total of concessional contributions in a financial year made by you or for you, to all your superannuation products, is in excess of the cap for these contributions, the excess concessional contributions are exposed to additional tax at 31.5%. You will receive an assessment specifically for this tax from the ATO, together with details of your options for paying it (see below under 'Release Authorities' for further details).

### Non-concessional contributions

Non-concessional contributions generally include any contribution made by you or on your behalf that is not included in the assessable income of the Plan. This includes:

- personal contributions for which a deduction is not claimed
- spouse contributions
- superannuation co-contributions (not counted towards the non-concessional contribution cap)

Non-concessional contributions are capped at six times the current concessional contributions cap, that is, $150,000 for the 2009/10 financial year. Excess concessional contributions are included in the non-concessional contribution cap.

If the total of non-concessional contributions in a financial year made by you, for all your superannuation products, is in excess of the cap for these contributions, the excess non-concessional contributions are exposed to tax at 46.5%. You will receive an assessment specifically for this tax from the ATO, together with details of how you must pay it (see below under 'Release Authorities' for further details).

If you are under age 65 at the start of a financial year, you can bring forward two years of non-concessional contributions cap so that the maximum non-concessional contributions you can make to all your superannuation in that financial year without incurring the tax described above is three times the current cap applying in that year – that is $450,000 for the 2009/10 financial year. Once you contribute more than the cap in a financial year your cap limit is set for three years.

Example – if you contributed $160,000 in 2008/09, you have a total of $290,000 (= $450,000 – $160,000) left that you can contribute over 2009/10 and 2010/11 without the contributions incurring tax as described above.

People age 65 or over at the start of a financial year will not be able to bring forward contributions and will be limited to the current year's non-concessional contributions cap.

The Plan cannot accept single non-concessional contribution payments in excess of three times the current non-concessional cap (or the cap for members 65 or over at the start of the financial year). Any amount of a contribution made in excess of this limit will be returned to you.

### Release Authorities

If the contributions caps are exceeded, the ATO will assess you personally for the tax owed (ie. 31.5% for any excess concessional contributions and 46.5% for any excess non-concessional contributions). The ATO will issue you with a Release Authority allowing you to make a special withdrawal from the Plan to pay this tax. In the case of excess concessional contributions you have a choice – you can present the Release Authority to the Plan or you can pay the tax from your non-super money. However in the case of excess non-concessional contributions, you must present this Release Authority to the Plan within 21 days in order to make a special withdrawal to pay this tax or to have the Trustee pay the tax from your super account on your behalf.

## Superannuation co-contributions

If you are an eligible person and your Total Income for a year is less than $61,920*, and you make a personal contribution to your super for which no tax deduction is claimed, the Government will help boost your account with a co-contribution of up to $1,000 per year.

The Government will match every dollar of eligible personal contributions you make to your super account, up to $1,000 per year if your Total Income is $31,920* per year or less. The maximum co-contribution reduces by 3.333 cents per dollar of Total Income over $31,920* and phases out altogether when your Total Income reaches $61,920*.

In prior years, including the 2008/09 financial year, the Government matched each dollar of eligible personal contributions with $1.50 (150%), up to a maximum of $1,500. The matching rate has decreased to 100% until the end of the 2011/12 financial year, however this will increase to 125% from the 2012/13 financial year, and then back to 150% in the 2014/15 financial year.

Please note that if we do not have your TFN then we are obliged to return any non-concessional contributions to you and the superannuation co-contribution will not apply.

* These thresholds apply to the 2009/10 financial year. Total Income is your assessable income, plus reportable fringe benefits total, plus reportable employer superannuation contributions.

## Contribution splitting

Members of some superannuation funds are able to transfer amounts of certain superannuation contributions made for them to their spouse's superannuation by contribution splitting.

The Trustee will accept a contribution split from your spouse into this account and you are able to make a contribution split from this account to your spouse.

### When can I apply?

Contributions made during the financial year can be split in the next financial year.

Special provisions apply when you want to start a pension or take all your benefit as a lump sum benefit, or rollover all your benefit to another superannuation arrangement. This means you will not still be a member of the plan after the next 30 June so you can apply for a contribution split to be done of current financial year's contributions before your account is closed.

### When can I split to my spouse?

You can split contributions to your spouse if you made contributions in the previous financial year and your spouse is an eligible spouse.

Eligible spouse includes de facto spouses and same sex partners. Your spouse is an eligible spouse if at the time of your application to split they are:

- under preservation age (currently 55), or
- preservation age or older and not yet retired, but under age 65.

If your spouse is age 65 or older you cannot make a contribution split to their superannuation. If you are age 65 or older, you can still make a contribution split to your spouse as long as they meet one of the above eligible spouse conditions.

### What contributions can be split?

The amount of taxed contributions that can be split for any financial year is the lesser of 85% of your concessional contributions and the concessional contribution cap applicable for that financial year.

Other maximums apply to the amount that can be split, depending on individual account balances and potential tax component values.

### Where can I get more information?

You can contact your adviser, Client Services or visit our website aviva.com.au

## Choice of superannuation fund for employer contributions

Since 1 July 2005 many employees are able to choose what superannuation fund their employer 'superannuation guarantee' contributions are made to. Eligible employees are able to make a choice once a year.

Employers must offer choice of fund to all new eligible employees within 28 days of commencement of employment.

## Contributions via BPAY®

Members are able to make personal after tax contributions to their superannuation fund via BPAY®. Please contact us if you did not receive a BPAY® reference number and Biller Code in your welcome letter when you joined and you wish to use this facility. Please note that BPAY® contributions cannot be made from credit cards.

® Registered to BPAY Pty Ltd ABN 69 079 137 518

Section eight

# Insurance

Many people consider their greatest asset to be their home, contents or car. The reality is that these assets wouldn't exist if you didn't have a consistent, reliable income. Your ability to earn income is perhaps your greatest asset. Just like your house, contents and car, you should consider insuring this asset against the event of injury, sickness or death.

There are many benefits to arranging your insurance through your superannuation rather than buying it separately as a retail customer.

- The rates are generally cheaper
- The premiums are tax-free for you if your employer is making contributions into your super
- Hassle-free because the cost comes out of your super
- No need for medical evidence if Automatic Acceptance Limits apply to you
- Specific event cover increases without the need for medical evidence.

**Click…**

On aviva.com.au to estimate how much insurance you need with our Insurance Needs Calculator.

While you're there you can also find details of your current insurance cover by logging in to aviva.com.au with your ID and password. (These were sent to you with your welcome letter, but if you don't have these handy, feel free to give us a call on 1300 428 482 and we can give you the details.)

## Types of insurance cover available

Below is a quick overview of the types of cover Aviva Business Super offers. See the Product Disclosure Statement (PDS) you received with your Welcome Kit for more details (such as the definitions for payment of disability insurance covers).

You can obtain a copy of the current PDS by calling Client Services on 1300 428 482, or by visiting aviva.com.au

**Death:** insurance to add to benefit payment made to your beneficiaries or legal personal representative (your estate) in the event of your death.

If you are diagnosed by appropriate registered Medical Practitioners as being terminally ill, any proceeds of this insurance will be paid into your superannuation account and a benefit paid to you, subject to meeting a condition of release. (Regulatory conditions of release for benefits now include a specific terminal medical condition provision – see page 61.)

**Total and Permanent Disability ('TPD'):** insurance to add to the benefit paid to you in the event of your total and permanent disability due to sickness or injury.

**Income Protection:** (also called salary continuance cover) This insurance can provide regular monthly payments of up to 75% of your pre-disability income, plus an optional addition, payable to your super account, of up to 10% of your pre-disability income, in the event of you becoming totally or partially disabled as a result of sickness or injury. So even during periods when you are unable to work, with the addition 10% option your super will still be added to with these payments from your insurance benefit.

Your employer may have already nominated cover for you which you are able to change to suit your needs – see your Annual Statement for details of your current cover. If you would like additional cover, you can apply for any of the following combinations:

- Death only
- TPD only
- Death & Income Protection
- Death & TPD
- TPD & Income Protection
- Death, TPD & Income Protection
- Income Protection only

If you would like to apply to increase your cover, talk to your Plan's financial adviser or complete the 'Application for insurance cover' form which can be obtained from aviva.com.au or by calling Client Services.

## How much does it cost?

Your Annual Statement and our website provide information about the premiums that apply. Depending on the terms for your plan, premiums may be based on age, gender, smoking status and occupation or some aggregation of these rating factors.

From time to time, overall premium rates may change but you will always be advised of any change before it takes effect. Premiums are recalculated with effect from 1 July each year, and are shown on your Annual Statement.

## Continuation of insurance

### To the Aviva Business Super Personal Option

If you are a Business Super member and you leave your employment with your current employer, you (and your spouse if applicable) are automatically transferred to the Aviva Business Super Personal Option. The great news is that you can continue to maintain your Death, TPD and Income Protection insurance cover provided you:

- are under 65 years of age
- did not leave employment as a result of TPD
- submit an occupational questionnaire about your new employment, and
- for 'standard' TPD* or Income Protection cover you are permanently and gainfully employed for at least 15 hours per week.

* otherwise a modified definition of TPD will apply

Your insurance premiums will change to those currently charged in our Aviva Business Super Personal Option. Details of the most current premiums for the Aviva Personal Option can be obtained by logging into our website aviva.com.au or by calling Client Services on 1300 428 482.

On transfer you will be required to complete an occupational questionnaire which relates to your new employment. It is your responsibility to inform the Administrator of the details of your new occupation. If this is not done and a claim is lodged and your occupation is found to be one that is normally declined for cover, or one that should have been rated as a riskier occupational category, benefits will be denied or reduced.

### From the Aviva Business Super Personal Option

If you are a member of the Aviva Business Super Personal Option and have death cover with NULAL, then a continuation option (for Death benefits only) is available from NULAL if you apply within 60 days of ceasing to be a member of the Aviva Business Super Personal Option, provided that you are under the age of sixty years and ceased to be a member other than as a result of Total and Permanent Disablement.

In these circumstances, you will not be required to provide any further evidence of insurability except for evidence of health regarding AIDS as required by NULAL. Where premiums or cover amount may be reduced depending on your smoking habits, a declaration by you will be required by NULAL.

During the sixty day option period your existing death cover will continue free of charge notwithstanding that you are no longer a member.

Any individual policy issued to you will be subject to the terms and conditions available from NULAL at the time you leave the Plan. Your insurance cover under the Plan will cease from the date that NULAL processes your withdrawal benefit. This option does not apply if you or your employer selected cover on the basis of the dollar per week option or under any other circumstances.

## Want to know more?

For more information regarding the insurance options available to you, please speak to your financial adviser, log onto our website aviva.com.au or call Client Services on 1300 428 482.

Section nine

# Payment of benefits

## Preservation rules

Your Member's Benefit Statement sets out the portions of your account balance which are preserved, restricted non-preserved and unrestricted non-preserved benefits. To access these parts of your account balance, the following rules apply:

### Preserved benefits

Preserved benefits may only be cashed after satisfying particular conditions of release. The conditions of release which are most relevant to the Plan include:

- retire permanently on or after preservation age (age 55 to 60 depending on your date of birth)
- commence a Transition to Retirement pension (including an account based pension) on or after your preservation age (even if still working) – for pension payments only until you meet another condition of release
- turn 65
- leave your current employer after the age of 60
- become totally and permanently disabled
- are off work temporarily because of total disability
- die
- are diagnosed with a terminal medical condition
- meet the severe financial hardship conditions or qualify under compassionate grounds
- leave Australia, if you are a temporary resident departing Australia permanently and you have entered Australia on an eligible temporary residents visa – does not apply to Australian and New Zealand citizens.
- receive a release authority from the ATO for payment of excess contribution tax.
- Retirement benefits are normally paid as a lump sum. However, you can choose to roll over your entitlement into a retirement income stream or into another superannuation product.

### 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 4 AVIVA or the ATO on 13 10 20 or www.ato.gov.au

### Restricted non-preserved benefits

Access to restricted non-preserved benefits in cash is subject to satisfying a condition of release as detailed above or the termination of gainful employment with an employer who had at any time made contributions in respect of the restricted non-preserved monies.

### Unrestricted non-preserved benefits

Your unrestricted non-preserved monies may be cashed at any time without having to satisfy a condition of release.

## Benefits

If you are an Aviva Business Super member and you leave employment with your employer before retirement age your benefit entitlement will be the accumulated value in your account, less any fees and taxes. Once you leave your employment, your benefits will be automatically transferred to the Aviva Business Super Personal Option. On transfer your existing investment selection will be carried across to the Aviva Business Super Personal Option. Any group discounts or rebates that you may have enjoyed (i.e. insurance premiums or management fees) as a member of the Plan will not be carried across, and insurance premiums and annual management fees will be calculated on individual rates rather than employer rates. Your insurance benefits may also be transferred provided that various conditions are met.

Your benefits can then stay in the Aviva Business Super Personal Option until you retire. If you are starting work with a new employer, you and your new employer can make further contributions to the Aviva Business Super Personal Option. You can also choose to roll over or transfer your benefits from the Aviva Business Super Personal Option at any time.

Benefits on permanent disablement are normally paid as a lump sum. However the benefits can be paid as an account based pension on request. Income protection benefits are always paid as an income stream.

You can arrange for insurance to provide for additional benefits on death, total and permanent disability, or temporary disability ('income protection'). Please speak to your financial adviser to ensure that you have appropriate disability cover in place.

### Death benefit

If a member dies while still a member of the Plan, the benefit payable will be their accumulated account balance, plus any insurance benefit, less the withdrawal fee. Lump sum tax may apply for some beneficiaries.

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

The Trustee may pay a death benefit to a spouse (including a de facto or same sex spouse), child, a person with whom you have an 'interdependency relationship' (detailed below), financial dependant (which can include a former spouse) and/or a 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 1300 428 482.

The payment of superannuation benefits is subject to superannuation law and the terms of the trust under which the benefits are held.

Normally the Trustee has sole discretion as to the payment of a death benefit and will make a decision after looking at individual circumstances. You can indicate to the Trustee how you would like the death benefit paid simply by completing a Death Benefit Nomination form or by contacting Client Services. The Trustee may take these wishes into account when exercising its discretion, but is not bound to do so.

If you do not want the Trustee to have discretion as to who receives your death benefit you can make a binding nomination. A binding nomination determines in advance how benefits will be paid in the event of death. It will only be effective if the form has been completed according to its special requirements. If you do not choose to make a binding nomination then the payment of benefits will be at the Trustee's discretion as outlined above.

Whether a binding nomination is appropriate depends on individual circumstances, and you should seek professional advice. Under a valid binding nomination, the Trustee must pay the persons nominated, provided they are still eligible to receive the benefits. For the death benefit to be distributed as part of the estate according to your will, then your legal personal representative must be nominated. The exercise of a binding nomination gives more certainty and control over how death benefits are paid. However, where a family situation is complex or changing, you may wish to leave it to the Trustee to determine how the benefit will be paid according to the circumstances at the time of death.

A binding nomination will, by law, expire after three years. You are notified of nominated beneficiaries in your annual statement, which will give you a chance to renew, revoke or amend nominations.

Please note that the Family Law splitting of superannuation benefits between spouses on separation and/or divorce may override the terms of a binding death benefit nomination.

Binding Nomination forms are available from our Client Services Team. When completing the form, you will need to ensure that:

- it is signed and dated by two witnesses over the age of 18 years who are present at the time the form is signed by you and who are not nominated beneficiaries
- the people nominated to be paid the death benefit fall within the description of those people to whom the Trustee can pay death benefits, as outlined above
- if benefits are to go to more than one person, the proportions specified add up to 100%.

## Anti-detriment Payments

Taxation legislation provides for an 'anti-detriment' addition to death benefits paid to eligible dependants of a deceased member, to offset the impact of tax on contributions. The amount and applicability of this addition varies from member to member. Anti-detriment payments will only apply to death benefits paid as a lump sum to eligible beneficiaries.

## Terminal Medical Condition

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 (see page 66). 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

## Small account balances

Members whose account balances are below $1,000 at the close of business on any 30 June following the first year of membership will be member protected. This means that the amount of charges that can be deducted from your benefits is limited to the amount of investment earnings.

These members may have their account transferred to the Norwich Union Capital Guaranteed Fund (for more information see page 48).

Section ten

# Fees and charges

## Plan fees and charges debited to members' accounts

The following section summarises the fees and charges as at 1 July 2009. Each member's certificate of membership outlines the fees and charges that specifically apply to their Plan.

| **Fees applicable to members who joined an Employer Plan, where that Employer Plan commenced on or after 1 March 2008*** | |
|---|---|
| **Type** | **Amount** |
| **Member fee** | $3 per week deducted from your account balance. For members of the Personal Option it is up to $5 per week. |
| **Adviser Services fee** | Up to $375 p.a. **OR** up to 0.75% built into the investment option unit price.<br>The Adviser Services fee is calculated daily and deducted before the unit prices are determined (based on total plan assets).<br>See page 64 for details on increases or alterations in the charges. |

| **Fees applicable to members who joined an Employer Plan, where that Employer Plan commenced prior to 1 March 2008*** | |
|---|---|
| **Type** | **Amount** |
| **Transfer/Rollover fee** | Up to 4% of amount transferred or rolled over ($0 to $40 per $1,000) into the Plan from another fund may be charged. |
| **Contribution fee** | Up to 5% of contribution is charged on processing contributions to a member's account, ($0 to $50 per $1,000 contribution). |
| **Annual management fee** | Up to 1.90% built into the investment option unit price. |

| Average daily Plan balance per month fee | Annual management fee |
|---|---|
| First $150,000 | Up to 1.90%pa |
| Next $150,000 | Up to 1.70%pa |
| Next $200,000 | Up to 1.50%pa |
| Over $500,000 | Up to 1.30%pa |

See page 64 for details on increases or alterations in the charges.

The Annual management fee is calculated daily and deducted before the unit prices are determined (based on total plan assets).

| | |
|---|---|
| **Member fee** | Up to $6.06 per month deducted from account your balance. For members that have a member fee of $6.06 this fee will be waived when their account balance exceeds $30,000. Members who have a different member fee will need to refer to their membership certificate for any waiver that may apply to their account. |

| Fees applicable all members | |
|---|---|
| **Type** | **Amount** |
| **Contribution transaction fee** | $3.37 per transaction. Fee waived in the Aviva Business Super if your employer submits contributions using the Aviva website, E-SuperLink or Superpay. |
| **Termination fee** | Up to $100.00 will apply each time a benefit is wholly paid from a member's account (i.e. rollover to non Navigator product or cash payment). |
| **Switching charges** | Currently no charge is applied other than the early withdrawal fee that applies to investments in the Norwich Union Capital Guaranteed Fund. There is a provision for a charge of up to 1% to be charged on all switched amounts. |
| **Adviser review fee** | Optional fee for additional advice agreed with the Plan's Financial Adviser in relation to investment strategies, nomination of beneficiaries, increase in insurance benefits under the Plan and regulatory impacts on features of the Plan. This fee is restricted to not more than 10% p.a. of a member's account balance with a maximum of $2,750 p.a. |
| **Insurance premiums** | Insurance premiums are payable if a member has death, TPD or income protection ('IP') cover through the Plan. |

* For members in the Aviva Business Super Personal Option the fees applicable are determined by the employer plan you joined the fund through prior to transferring to the Personal Option. If you joined the Personal Option directly then the fees applicable to employer plans that commenced prior to 1 March 2008 will apply to your account.

**Note: For members who are invested in the Norwich Union Capital Guaranteed Fund refer to the page 48 for the fees that apply.**

## Underlying fund manager charges

The Annual management and Adviser Services fees do not include the investment manager charges.

The investment manager charges are levied by each investment manager in respect of the underlying funds, and are applied before the unit prices for the investment options are calculated for the Plan. Charges currently range from 0.29% p.a. to 1.54% p.a.

The Plan does not charge a buy/sell margin but takes investment managers' buy/sell margins into account, where applicable, when calculating unit prices for the investment options in the Plan.

Refer to pages 19 to 48 to see investment manager charges and which investment managers apply buy/sell margins. Note that where the selected investment option is invested in a fund managed by a member of the Aviva Australia group, associates of the Trustee receive an income derived from the investment manager charge.

## How are your fees calculated?

The Norwich Union Capital Guaranteed Fund annual management fee is deducted prior to the rate being declared. For all other investments the gross annual management fee is deducted daily at the base rate of 1.90% p.a. before the unit price is determined.

For members who joined the fund with an Employer plan that commenced from 1 March 2008, will receive a rebate 1.05% p.a. to your account at the end of each month. Further rebates may be applicable of up to 0.75% depending on the level of the Adviser Service fee.

Where a member who joined the fund with an Employer plan that commenced prior to 1 March 2008 and is entitled to a reduction in the level of management fee because the plan investment balance exceeds $150,000, a rebate of excess fees will be credited to your account at the end of each month.

Rebates will be credited in the same proportion as the investment balances held, and will be based on the average daily plan balance during the month of calculation.

Rebates are also generated where the levels of annual management fee for your particular plan are less than those shown above.

## Other Management Costs and Total fees you paid

'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 or investment managers 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 Annual Statement, 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.

A snapshot of the total of all the direct and indirect fees you have paid in the year is shown in your annual statement as 'Total fees you paid'.

The direct charges to your account described on page 62, and any rebates, to your account as described above in 'How are your fees calculated?' are shown as transactions in your annual statements.

We also show an estimate* of the 'before unit price' annual management fee and underlying fund manager costs for your account in your annual statement, as 'Other management costs'.

* This has been calculated following guidelines contained in relevant regulations.

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.

## Insurance charges

Insurance cover is funded by the payment of regular insurance premiums that are deducted from your account.

You can find the cost of cover on the certificate of membership and on your annual statement.

Naturally, uninterrupted cover depends on timely payment of premiums. If the amount in an account is insufficient to meet the payment of the premium then the member will be advised that their insurance cover will cease unless contributions sufficient to cover the premium are made so that the premium can be paid.

Premium rates may alter over time and members will be advised of any change taking effect.

Members whose cover is inclusive of account balance will have the level of cover and premium re-calculated each 1 July.

## Increases or alterations in the charges

The Administrator will increase fees and thresholds in line with the Consumer Price Index ('CPI') or Average Weekly Earnings ('AWE')* on 1 July each year (unless the Trustee and Administrator agree not to proceed with the full increases or agree to postpone part of all of the increase). The fees shown on page 62 are effective from 1 July 2009.

The Administrator may increase the management fees in line with increases in its expenses, but any increases will be limited to a maximum of an additional 0.5% pa. The Administrator has no present intention to increase the fees.

## Further information

The amounts deducted as indicated above before unit prices are determined or interest rates declared, for your annual management fee and investment management charges, are deducted on an indirect, 'common fund' basis and affect your investment returns.

## Tax deduction for fees

All fees (except the Investment manager charges shown on pages 19-48) are paid from the investment-only life policy for the Plan. The Administrator benefits from tax deductions arising from these fees, and has set the levels of fees disclosed taking this benefit into account. There is no further benefit to members for the deductions.

Investment manager charges are paid from the underlying funds. The treatment of benefits arising from tax deductibility of these charges is determined by each investment manager and may vary between investment options.

Further information about these deductions, or other charges, can be obtained by contacting Client Services.

Section eleven

# Taxation

## Taxation limits and thresholds for your superannuation

Your disclosure documents set out the tax treatment of your superannuation contributions and benefits. Some of these thresholds referred to in these documents are indexed annually. Below are the thresholds for the 2008/09 and 2009/10 years.

| 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 |

### Tax deductions for contributions

Employers are able to claim full deductions for all contributions made for an employee until that employee reaches age 75.

Members who are eligible are able to claim full tax deductions for their personal contributions.

After the end of the financial year the Administrator sends a form (called an s290-170) to Aviva Business Super members who have only made personal contributions to their Plan during the year. On that form they can indicate if they intend to claim a tax deduction for their personal contributions. The Trustee will then acknowledge the receipt of this Notice in writing, in order for the member to be able to claim a tax deduction.

### Tax on contributions

Employer contributions, taxable rollovers and deductible personal contributions made to superannuation funds are taxed at 15%.

Please note that you may be personally liable for excess contributions tax if your contribution caps are exceeded. (See page 52)

**Lump sum benefit tax treatment**

| 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 $150,000* 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 2009/10 financial year and is increased each 1 July in line with AWOTE index rounded down to the nearest multiple of $5,000.

** The Medicare levy is also payable on the amount included in your taxable income (1.5% for 2009/10).

## 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 above table. We will provide you with a superannuation lump sum benefit Payment Summary for the amount of the superannuation lump sum benefits paid, which contains details of any PAYG deducted and an assessable amount which may need to be included in your next tax return.

The tax free component of each lump sum payment is the same proportion 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 benefits 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 were financially dependent on, or in an interdependency relationship 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 benefits 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%. The Medicare levy also applies.

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. Restrictions apply for children.

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 disability may qualify for concessional treatment.

* Legislation changes from 1 July 2008 extend the meaning of 'spouse' to include domestic partners of the same sex as a member for taxation purposes.

## Contributions and Tax File Numbers (TFNs)

We are required to advise the Australian Tax Office (ATO) of all contributions paid by you or for you.

Your employer is required to give us your TFN if you have quoted it to them for employment purposes after 30 June 2007 if they make a superannuation contribution to us on your behalf.

If you have not provided your TFN (or an employer has not provided your TFN), personal contributions you make are required to be returned to you within 30 days of the Trustee becoming aware that it does not hold a valid TFN for you. Special regulations apply to determine the amount to be returned and the timing of such payments.

If you or an employer has not provided your TFN before the end of the financial year in which an employer contribution is made for you, the Plan is required to pay an additional 31.5% tax on any concessional contribution made for you by your employer, which will be charged to your account (as well as the standard 15% 'contributions tax'). If your TFN is supplied in the next three financial years, the amount deducted from your account may be claimed back from the ATO, and will then be re-credited to your account. In some cases the amount re-credited will include interest if your employer failed to pass your TFN to the Plan that resulted in you being charged the additional tax. The rate of interest set by legislation is typically a conservative rate of return.

There may be a significant delay before the Trustee recovers the additional tax from the ATO due to the timing of when the Trustee can notify the ATO that it has received your TFN. After the end of the Plan's income year, the Trustee must wait until the end of the following income year to inform the ATO that it has received a valid TFN. If you have left the Plan in the mean time, we will not claim a tax refund for you. These rules have been imposed by the Government and the Trustee is unable to speed up the process. In addition, any interest you receive due to the failure of your employer to pass on your TFN to the Trustee in most cases will not match the earning rates of the investments in the Plan.

If you or your employer does not supply your TFN in one of the next 3 financial years after the contribution is received, the Plan will not be able to claim the additional tax back.

## 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.

Section twelve

# General information

## 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.

As at the date of this report there have been no penalties imposed on the Trustee for any breach of the provisions of the Superannuation Industry (Supervision) Act 1993 ('SIS') during the year 2008/09.

One of the RSE licence conditions imposed on the Trustee is the 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 Westpac Banking Corporation. This guarantee is held at the registered office of the Trustee, Level 6, 509 St Kilda Road, Melbourne Victoria 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 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 sign off 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 Administrator

Administration services are provided to the Plan by Norwich Union Life Australia Limited ('NULAL').

## The Insurer

The provider of Death, TPD and Income Protection insurance for Aviva Business Super and Personal Option is Norwich Union Life Australia Limited (NULAL).

## Policy committees

### (Aviva Business Super only)

Generally, a policy committee's role is to raise matters relating to the Plan with the Trustee. This includes providing an avenue for members to make enquiries about the investment strategy and performance of the Plan, as well as assisting the Trustee to deal with complaints or enquiries about the Plan's operation or management.

Information about how to establish a policy committee will be sent to all members of new plans of 50 or more members. For smaller plans (5 to 49 members), the Trustee will help establish a policy committee if at least 5 members request so in writing.

The Trustee will take all reasonable steps to ensure that a policy committee for your Aviva Business Super is formed to comply with the equal representation rules under SIS.

If there is not currently a policy committee established at your place of employment and you wish to examine the benefits of forming a committee, please contact either your employer or the Trustee.

## Keeping in touch

It is very important that you advise the Administrator 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 plan membership number whenever you contact us.

## 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 and send to the address below. Aviva Business Super Client Services phone number is 1300 428 482.

Complaints Officer
Aviva Business Super
GPO Box 2567W
MELBOURNE VIC 3001

## Superannuation Complaints Tribunal

If you are not satisfied with the handling of a complaint or its resolution, or if the Trustee or its delegate have 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

# Information available on request

The following information is available on request by writing to the Administrator:

- the latest annual return, associated certificates and notices
- the Auditor's Report and specified extracts from actuarial reports where applicable
- the latest set of audited financial statements
- the relevant Trust Deed provisions
- the investment strategies available under the Plan
- other (including details of benefits or fees and charges)
- privacy policy.

If you would like any further information about the Plan or your investment or you wish to inspect the Plan's documents please contact Client Services on 1300 428 482.

### Lost members

If we are unable to contact you, the Trustee may be required to treat you as a 'lost' member and may, in future, elect to transfer your benefit to an Eligible Rollover Fund ('ERF'). Generally, 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 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: 1300 428 482

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 (if any). Investments within the NERF are predominately invested in low risk and low return cash and short term fixed interest. Any insurance cover under your Aviva Business Super membership will cease on transfer to the NERF.

Each year the Trustee is required to notify the ATO of the details of those members with whom it has lost contact so that they can be included on the Lost Members' Register.

If your benefit remains unclaimed by the date you reach age 65, and the Trustee of the Plan is unable to find you to pay you your benefit, it will transfer the benefit to the ATO.

### Finding your lost super

If you're like many other Australians, you may have changed jobs and perhaps moved house once or twice. With these changes, you may not have advised your super fund(s) of your new address or may have lost the details of super accounts you have with previous employers. For these reasons, many Australians have lost track of some of their super and together this equates to millions of dollars.

Aviva performs data matching exercises with the ATO to help track down lost super on behalf of members. To do this we forward your tax file number and other relevant personal information (eg. name and address) to the ATO. This information will only be used for the sole purpose of tracking down any lost super you may have. There is no charge for this service and you will receive notification if we recover money on your behalf.

Please note, searches of the ATO databases are administered according to Aviva's Privacy Policy which is available from aviva.com.au or by contacting us.

If you do not consent to us tracking down your super on your behalf please let us know.

## 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.

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Aviva Guiding Star

AVIVA

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.

camp quality. laughter is the best medicine.



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Aviva
Guiding Star

AVIVA

## Proudly supporting
# Camp Quality

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

camp quality.
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