



# Aon Master Trust Pension

Annual report 2007



**AON**

# About the Aon Master Trust

The Aon Master Trust offers three products that cater for a range of superannuation and retirement income needs:

- Pension – for people who are retiring and want to buy an income stream or transition to retirement pension.

Pension members have a choice of investments, and can also choose the frequency and amount of income they receive (subject to limits set by the Government).

- Corporate Super – for organisations with five or more employees.
- Personal Super – for self-employed and other individuals who wish to make voluntary contributions to super, and for organisations with less than five employees.

Members of Corporate and Personal Super have a range of options for contributions, investments, and death and disablement insurance cover.

Member and employer contributions make up the Aon Master Trust's assets, which are invested by the trustee. The trustee holds the assets in trust on behalf of members, and uses them to pay benefits to members and their dependants.

The information in this report is general in nature. Your personal objectives, financial situation or needs were not taken into account when preparing this information. You may want to seek independent financial advice before making any decisions about your super.

This report was prepared by Aon Consulting Pty Limited (ABN 48 002 288 646, AFSL 236667) and issued by Aon Superannuation Pty Limited (ABN 83 057 982 822, AFSL 237465, RSE L0000437) as trustee for the Aon Master Trust (ABN 68 964 712 340, RSE R1000566).

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Your Aon Master Trust Pension annual reporting information consists of:

- this annual report
- your 2007 benefit statement.

# The year in review

The headline story for super has to be the Government's Simplified Super reforms, which took effect from 1 July 2007.

These reforms bring a number of significant improvements for super pensioners including a new, simpler set of super pension rules, tax-free payments from age 60 and simpler tax for those under age 60.

The reforms that have the most impact on your super pension are described in this report (see page 13), but here's a summary of what they mean for you and your pension.

The maximum annual payment limit no longer applies (unless you have a transition to retirement pension). So, provided you take at least the minimum amount for your age, you can choose any payment amount each year.

If you're age 60 or over, your income payments are now tax free. If you're under age 60, your deductible (tax-free) component has increased to include any pre-1 July 1983 component and concessional component, if a trigger event occurs after 1 July 2007.

For more information on these, and other reforms, please see the *Changes in the Allocated Pension* factsheet (on the website or call us for a copy).

Legislative changes over recent years have meant increased levels of compliance and reporting administration that have, in turn, increased our administrator's costs.

To accommodate these costs, the trustee approved a \$1.00 per month increase in the standard membership fee, bringing it to \$60 per annum from 1 July 2007. This is the first membership fee increase since 2003.

On a more positive note, the trustee has made a number of investment changes and improvements (see page 5) and has also introduced a fixed fee option for financial advice (see page 14).

We hope you find your 2007 annual report interesting and informative. If you have any comments or questions, we'd like to hear from you.

## TIER 1: Pre-mixed options

	RETURN FOR YEAR ENDED	
	30/6/2007	30/6/2006
High Growth	17.1%	N/A <sup>1</sup>
Balanced Growth <sup>2</sup>	15.2%	16.9%
Balanced	13.6%	14.8%
Capital Stable	9.2%	7.5%
Secure	6.4%	3.4%

<sup>1</sup> Less than one year's performance history in the Aon Master Trust Pension at year end.

<sup>2</sup> This option is now called 'Growth'

## Centrelink age pension – changes to the assets test

The pension taper rate was halved from 20 September 2007 from \$3.00 to \$1.50 for every \$1,000 of assets above the allowable asset limits. This means that the amount of assets a retired person can hold, and still be eligible for at least some age pension, is now much higher.

For example, it's been estimated that a couple with \$500,000 in assets would previously have received an age pension of around \$2,000 a year. This has now risen to about \$12,000 a year. The new taper rate has given two million pensioners a boost to their retirement income, and more than 300,000 Australians have become eligible for an age pension for the first time.

If you were receiving a reduced rate pension as at September 2007, you would have automatically received any increase with your regular pension payment. If you were previously ineligible for the age pension because of the value of your assets and you think you may now qualify, you should register with Centrelink to find out your entitlement. Call them on 13 23 00 or visit their website [centrelink.gov.au](http://centrelink.gov.au).

Source: The Australian Financial Review, 'Staking a claim on entitlements', 26 September 2007.



# What goes into and out of your account

## Into your account...

### Investing in your pension

The Aon Master Trust Pension accepts superannuation lump sums and some Employment Termination Payments (ETPs) that qualify under transitional rules.

Following your initial investment, you are under no obligation to make any further investments. However, if your pension account balance falls below \$5,000 the remainder of your pension account will be paid out to you as a lump sum.

If you wish to make additional investments after your first pension payment is made, you will have to purchase a new pension.

### Investment returns

Your pension account is invested in your chosen investment option (or the default investment option if you don't make a choice). The gains (or losses) earned by the investment option are credited (or debited) to your account by adjusting the unit price.

## Unit pricing

When a super lump sum or ETP is received on your behalf, a number of units (equal to the amount received divided by the relevant investment option's buy unit price) will be added to your account. When a pension payment is made, a number of units (equal to the payment divided by the investment option's sell unit price) are deducted from your account.

Tax and fees will be charged to your account by deducting units at the applicable sell unit price. The sell unit price represents the realisable value of the Trust's assets.

The buy unit price and the sell unit price for the Pre-mixed and Sector options are the same.

The investment return from these assets varies from time to time and leads to changes in unit prices. The trustee sets the unit prices for each investment option daily. At any point in time, the value of your account in the Trust is represented by the number of units in your account multiplied by the sell unit price.

## Out of your account...

### Fees and other costs

For information on fees and costs in the Aon Master Trust Pension, see your *Product Disclosure Statement*. All fees deducted from your account during the year are shown in your 30 June 2007 benefit statement.

The *Product Disclosure Statement* is available at [aonmastertrust.com.au](http://aonmastertrust.com.au) or you can call us for a copy.

# Investing your assets

The Aon Master Trust Pension offers a range of investment options in three tiers.

The three tiers are:

TIER 1: Pre-mixed

TIER 2: Sector

TIER 3: Specialist

If you do not select an investment option, the trustee will automatically invest your account in the Pre-mixed Secure option.

The trustee has prepared an investment policy document that describes the process for investing the Aon Master Trust's assets and monitoring their performance. Further details are set out in the *Product Disclosure Statement*.

The trustee allows investment managers to use derivatives such as hedging, futures and options to protect the trustee against adverse movements in currency and share markets but not to 'gear' the portfolio. The trustee does not invest specifically in socially responsible investments.

## Investment changes from 30 June 2007

A number of investment changes and improvements have been made in the Aon Master Trust Pension, effective from 30 June 2007.

### TIER 1: Pre-mixed options

- New name: Balanced Growth becomes Growth.
- Revised objectives measure performance against the Consumer Price Index, making it easier for members to understand the 'real' return the option is aiming to achieve.
- Strategic asset allocations (the mix of assets that is most likely to achieve the option's objective) have changed in line with the new objectives.

### TIER 2: Sector options

- The Diversified fixed interest option has a new objective and benchmark.

### TIER 3: Specialist options

- Terminated option: Alpha Investment Management Australian Equity Trust
- New option: Maple-Brown Abbott Diversified Investment Trust

For more information, please see the factsheet *Pension: Investment changes* (available on the website or contact us for a copy).

## Investment strategies and returns

The objectives, strategies and returns as at 30 June 2007 for the Pre-mixed, Sector and Specialist options are shown on pages 6–11. Please note that:

- the 'inception' date is the date the option was first opened in the Aon Master Trust Pension
- all the returns are based on the unit prices of each option. Returns are net of investment fees and an allowance for tax on the investment income but before any Aon Master Trust fees
- past performance should not be considered a guide to future performance.

Please note that the tables on pages 6–11 do not reflect the 30 June 2007 investment changes and improvements.

# Investment strategies and returns to 30 June 2007

## TIER 1: Pre-mixed options

	HIGH GROWTH	BALANCED GROWTH	BALANCED	CAPITAL STABLE	SECURE
<b>Objectives</b>	To provide a return at least 4% pa above Cash over rolling five-year periods.	To provide a return at least 3% pa above Cash over rolling five-year periods.	To provide a return at least 2% pa above Cash over rolling five-year periods.	To provide a return at least 1% pa above Cash over rolling three-year periods.	To exceed Cash over rolling three-year periods.
<b>Strategy<sup>1</sup></b>	Invests in shares.	Invests 75% of the portfolio in growth assets and 25% in defensive assets.	Invests 65% of the portfolio in growth assets and 35% in defensive assets.	Invests 25% of the portfolio in growth assets and 75% in defensive assets.	Invests in cash and fixed interest investments.
<b>Asset allocation at 30/6/2007 (30/6/2006)</b>					
<i>Aust. shares</i>	45.2% (45.3%)	35.1% (35.6%)	30.1% (30.6%)	10.1% (10.4%)	0.0% (0.0%)
<i>Int'l shares</i>	45.2% (45.2%)	35.2% (35.4%)	30.1% (30.5%)	10.1% (10.3%)	0.0% (0.0%)
<i>Property</i>	4.8% (4.8%)	4.8% (5.0%)	4.8% (5.0%)	4.8% (5.0%)	0.0% (0.0%)
<i>Div. fixed int.</i>	0.0% (0.0%)	19.9% (19.2%)	30.0% (29.0%)	60.0% (59.3%)	60.0% (59.7%)
<i>Cash</i>	4.8% (4.7%)	5.0% (4.8%)	5.0% (4.9%)	15.0% (15.0%)	40.0% (40.3%)
<b>Inception date</b>	18/8/2005	1/10/2003	16/9/2003	16/9/2003	1/10/2003
<b>Returns</b>					
<i>Year to 30/6/2007</i>	17.1%	15.2%	13.6%	9.2%	6.4%
<i>Year to 30/6/2006</i>	N/A <sup>2</sup>	16.9%	14.8%	7.5%	3.4%
<i>Year to 30/6/2005</i>	N/A <sup>3</sup>	12.8%	13.3%	10.4%	11.7%
<i>Year to 30/6/2004</i>	N/A <sup>3</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>
<i>Compound average return: inception to 30/6/2007</i>	15.1% pa	13.1% pa	11.5% pa	7.3% pa	5.5% pa
<b>Market value at 30/6/2007 \$'000</b>	781	6,678	7,349	2,816	241
<b>% of total Pension assets at 30/6/2007</b>	2.2%	18.6%	20.4%	7.8%	0.7%

<sup>1</sup> Defensive assets are usually defined as cash, fixed interest and capital-protected investments. Growth assets are usually defined as property and share investments.

<sup>2</sup> Less than one year's performance history in the Aon Master Trust Pension as at year end.

<sup>3</sup> Product not available in this time period.

Every care has been taken in the production of these tables. While the investment performance information contained in them has been obtained from sources that the trustee believes to be reliable, the trustee does not warrant, represent or guarantee the accuracy, adequacy, completeness or fitness for any purpose that the information may be used. The trustee can accept no liability for any loss incurred in any way whatsoever by any person who may rely on it.

## TIER 2: Sector options

	AUSTRALIAN SHARES	INTERNATIONAL SHARES	PROPERTY	DIVERSIFIED FIXED INTEREST	CASH
<b>Objectives</b>	To provide a return that exceeds the benchmark index by 2% over rolling five-year periods.	To provide a return that exceeds the benchmark index by 1.5% pa over rolling five-year periods.	To provide a return that matches the benchmark index over rolling five-year periods.	To provide a return that exceeds the benchmark index by 1% pa over rolling five-year periods.	To provide a return that at least matches the benchmark index over any 12-month period.
<b>Strategy</b>	Invests in shares listed on the Australian Stock Exchange.	Invests in shares listed on stock markets around the world. Low to no AUD hedging.	Invests in index funds that in turn invest in property securities listed, or due to be listed, on the Australian Stock Exchange.	Invests in fixed interest assets across the credit spectrum.	Invests in short-term securities.
<b>Benchmark</b>	S&P/ASX 200 Accumulation Index	MSCI World ex Aust Net (AUD) unhedged	S&P/ASX 200 – Property Trusts (GICS) Accumulation Index	75% UBS Australian Composite Bond Index 0+Yr 25% Citigroup WGBI Hedged (AUD)	UBS Warburg Australia Bank Bill Index
<b>Asset allocation at 30/6/2007 and 30/6/2006</b>	100% Australian shares	100% international shares	100% property securities	100% fixed interest securities	100% cash and short-term fixed interest securities
<b>Inception date</b>	16/9/2003	11/12/2003	11/12/2003	11/12/2003	16/9/2003
<b>Returns</b>					
<i>Year to 30/6/2007</i>	27.9%	7.3%	24.1%	6.6%	6.2%
<i>Year to 30/6/2006</i>	24.0%	22.2%	14.7%	2.5%	6.2%
<i>Year to 30/6/2005</i>	22.0%	2.9%	8.7%	11.3%	5.9%
<i>Year to 30/6/2004</i>	N/A <sup>1</sup>	N/A <sup>1</sup>	N/A <sup>1</sup>	N/A <sup>1</sup>	N/A <sup>1</sup>
<i>Compound average return: inception to 30/6/2007</i>	20.1% pa	10.3% pa	12.8% pa	4.7% pa	4.8% pa
<b>Market value at 30/6/2007 \$'000</b>	3,976	2,003	660	1,487	3,156
<b>% of total Pension assets at 30/6/2007</b>	11.0%	5.6%	1.8%	4.1%	8.8%

<sup>1</sup> Less than one year's performance history in the Aon Master Trust Pension as at year end.

### TIER 3: Specialist options

AUSTRALIAN SHARES				
	Barclays Investment Funds Aust. Alpha Equity Fund	Colonial First State Wholesale Imputation Fund	Perpetual Wholesale Industrial Fund	SSgA Australian Equities Index Trust
<b>Objectives</b>	To provide returns that exceed the S&P/ASX300 Accumulation Index over rolling three-year periods.	To provide long-term capital growth with some tax-effective income by investing in a broad selection of companies listed on the Australian Stock Exchange.	To provide investors with long-term capital growth and income through investment in quality Australian industrial shares.	To provide a return that closely matches the benchmark return before tax and fees.
<b>Strategy</b>	This fund is designed to be a highly diversified equity strategy providing broad exposure to the Australian equity market.	Holds a diversified portfolio of Australian shares listed on the Australian Stock Exchange with some exposure to cash (up to 10%).	Holds a diversified portfolio of Australian industrial shares listed on the Australian Stock Exchange and some exposure to cash (up to 10% at any time).	The fund strategy is to fully replicate the benchmark holdings in order to closely match the benchmark return and risk characteristics.
<b>Benchmark</b>	S&P/ASX 300 Accumulation Index	S&P/ASX 300 Accumulation Index	S&P/ASX 300 Industrials Accumulation Index	S&P/ASX 200 Accumulation Index
<b>Asset allocation at 30/6/2007 and 30/6/2006</b>	100% Australian shares	100% Australian shares	100% Australian shares	100% Australian shares
<b>Inception date</b>	30/3/2006	16/9/2003	16/9/2003	17/11/2005
<b>Returns</b>				
<i>Year to 30/6/2007</i>	27.6%	21.3%	27.1%	28.4%
<i>Year to 30/6/2006</i>	N/A <sup>1</sup>	24.5%	15.6%	N/A <sup>1</sup>
<i>Year to 30/6/2005</i>	N/A <sup>2</sup>	24.1%	17.6%	N/A <sup>2</sup>
<i>Year to 30/6/2004</i>	N/A <sup>2</sup>	N/A <sup>1</sup>	N/A <sup>1</sup>	N/A <sup>2</sup>
<i>Compound average return: inception to 30/6/2007</i>	19.9% pa	19.3% pa	17.8% pa	24.8% pa
<b>Market value at 30/6/2007 \$'000</b>	409	890	1,297	536
<b>% of total Pension assets at 30/6/2007</b>	1.1%	2.5%	3.6%	1.5%

<sup>1</sup> Less than one year's performance history in the Aon Master Trust Pension as at year end.

<sup>2</sup> Product not available in this time period.

### TIER 3: Specialist options (continued)

	INTERNATIONAL SHARES			
	Barclays Investment Funds International Share Fund	MFS Global Equity Trust	Platinum International Fund	SSgA International Equities Index Trust
<b>Objectives</b>	To provide returns that exceed those of the MSCI World ex-Australia Index over rolling three year periods.	To provide capital appreciation primarily through investment in all types of common stocks and equivalents of US and non-US issues.	To provide capital growth over the long term through searching out undervalued listed and unlisted investments around the world.	To provide a return that closely matches the benchmark return before tax and fees.
<b>Strategy</b>	This fund is designed to be a highly diversified international equity strategy providing broad exposure to the world (ex Australia) equity markets.	Investments are spread across markets and companies which MFS believes have favourable growth prospects and attractive valuations based on current and expected earnings or cash flows.	The fund invests primarily in securities listed on share markets around the world. The portfolio ideally will consist of around 75 to 150 stocks that the manager believes to be undervalued by the market. Where undervalued stocks cannot be found funds may be invested in cash. The manager may short sell shares that it considers to be overvalued. Typically the portfolio will have 50% or more net exposure to stocks. Currency is actively managed.	The fund strategy is to fully replicate the benchmark holdings in order to closely match the benchmark return and risk characteristics.
<b>Benchmark</b>	MSCI World ex-Australia Index (unhedged AUD, net dividend reinvested)	MSCI World ex-Australia Index (unhedged AUD, net dividend reinvested)	N/A	MSCI World ex-Australia Index (unhedged AUD, net dividend reinvested)
<b>Asset allocation at 30/6/2007 and 30/6/2006</b>	100% international shares	100% international shares	100% international shares	100% international shares
<b>Inception date</b>	10/11/2006	30/3/2006	16/9/2003	12/10/2005
<b>Returns</b>				
<i>Year to 30/6/2007</i>	N/A <sup>1</sup>	7.0%	6.8%	5.4%
<i>Year to 30/6/2006</i>	N/A <sup>2</sup>	N/A <sup>1</sup>	23.6%	N/A <sup>1</sup>
<i>Year to 30/6/2005</i>	N/A <sup>2</sup>	N/A <sup>2</sup>	-5.4%	N/A <sup>2</sup>
<i>Year to 30/6/2004</i>	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>1</sup>	N/A <sup>2</sup>
<i>Compound average return: inception to 30/6/2007</i>	N/A <sup>1</sup>	3.9% pa	8.4% pa	9.8% pa
<b>Market value at 30/6/2007 \$'000</b>	66	35	732	927
<b>% of total Pension assets at 30/6/2007</b>	0.2%	0.1%	2.0%	2.6%

<sup>1</sup> Less than one year's performance history in the Aon Master Trust Pension as at year end.

<sup>2</sup> Product not available in this time period.

### TIER 3: Specialist options (continued)

	PROPERTY	FIXED INTEREST		
	SSgA Australian Listed Property Index Trust	Macquarie Global Bond Solution	SSgA Australian Fixed Income Index Trust	SSgA Global Fixed Income Index Trust
<b>Objectives</b>	To provide a return that closely matches the benchmark return before tax and fees.	To outperform the UBS Australian Composite Bond Index over the medium term (before fees) by using an active investment strategy.	To provide a return that closely matches the benchmark return before tax and fees.	To provide a return that closely matches the benchmark return before tax and fees.
<b>Strategy</b>	The fund strategy is to fully replicate the benchmark holdings in order to closely match the benchmark return and risk characteristics.	Uses various managers to manage those assets where they have demonstrated expertise.	The fund strategy is to use index sampling techniques to approximate the benchmark in a range of key risk areas.	The fund strategy is to use index sampling techniques to approximate the benchmark in a range of key risk areas. Foreign exchange contracts are used to hedge current exposures to Australian dollars.
<b>Benchmark</b>	S&P/ASX 200 – Listed Property Accumulation Index	UBS Australian Composite Bond Index	UBS Australian Composite Bond Index	Citigroup WGBI ex Aust, 100% hedged to AUD
<b>Asset allocation at 30/6/2007 and 30/6/2006</b>	100% property securities	100% Australian/international fixed interest	100% Australian fixed interest	100% international fixed interest
<b>Inception date</b>	12/10/2005	24/12/2003	30/3/2006	30/3/2006
<b>Returns</b>				
<i>Year to 30/6/2007</i>	24.1%	6.4%	2.9%	3.8%
<i>Year to 30/6/2006</i>	N/A <sup>1</sup>	4.4%	N/A <sup>1</sup>	N/A <sup>1</sup>
<i>Year to 30/6/2005</i>	N/A <sup>2</sup>	12.0%	N/A <sup>2</sup>	N/A <sup>2</sup>
<i>Year to 30/6/2004</i>	N/A <sup>2</sup>	N/A <sup>1</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>
<i>Compound average return: inception to 30/6/2007</i>	23.0% pa	5.2% pa	2.5% pa	3.7% pa
<b>Market value at 30/6/2007 \$'000</b>	910	467	534	76
<b>% of total Pension assets at 30/6/2007</b>	2.5%	1.3%	1.5%	0.2%

<sup>1</sup> Less than one year's performance history in the Aon Master Trust Pension as at year end.

<sup>2</sup> Product not available in this time period.

# Investment managers at 30 June 2007

## – TIERS 1 and 2

MANAGERS BY ASSET CLASS	INVESTMENT OPTIONS									
	TIER 1 Pre-mixed					TIER 2 Sector				
	High Growth	Balance Growth	Balanced	Capital Stable	Secure	Australian shares	International shares	Property	Diversified fixed interest	Cash
<b>AUSTRALIAN SHARES</b>										
Barclays Investment Funds Australian Alpha Equity Fund	•	•	•	•		•				
Alpha Value Fund	•	•	•	•		•				
<b>INTERNATIONAL SHARES</b>										
MFS Global Equity	•	•	•	•			•			
Platinum International Fund	•	•	•	•			•			
Barclays Investment Funds International Share Fund	•	•	•	•			•			
<b>PROPERTY</b>										
SSgA Australian Listed Property Index Trust	•	•	•	•				•		
<b>AUSTRALIAN FIXED INTEREST</b>										
Macquarie Global Bond Solution		•	•	•	•				•	
<b>INTERNATIONAL FIXED INTEREST</b>										
Macquarie Global Bond Solution		•	•	•	•				•	
<b>CASH</b>										
ANZ Cash Plus Fund	•	•	•	•	•					•

# Financial summary

This is a summary of the Aon Master Trust's unaudited accounts for the year ended 30 June 2007. The full audited accounts, including the audit report, will be available by 31 October 2007. Please contact us if you would like a copy.

## FINANCIAL MOVEMENT FOR THE 2006/2007 YEAR

\$

**Opening balance at 1 July 2006** **1,424,765,848**

*plus*

### Money received

Net investment income 205,055,557

Contributions 215,695,964

Transfers 82,176,095

Other 7,438,278

**Total income** **510,365,894**

*less*

### Money paid out

Benefits paid 175,583,062

Professional fees 19,483,470

APRA fees -11,771

Audit fees 73,314

Insurance premiums 11,578,142

Surcharge tax 2,783,538

Income tax expense 39,384,364

Other 126,349

**Total expenses** **249,000,468**

*equals*

**Closing balance at 30 June 2007** **1,686,131,274**

## NET ASSETS AT THE END OF THE 2006/2007 YEAR

\$

### Assets

Investments 1,675,434,314

Cash at bank 46,266,105

Investments in transit 0

Other receivables 3,158,813

**Total assets** **1,724,859,232**

*less*

### Payments due (liabilities)

Benefits payable 2,389,239

Other amounts payable 5,223,170

Provision for income tax 31,115,549

**Total payments due (liabilities)** **38,727,958**

*equals*

**Net assets at 30 June 2007** **1,686,131,274**

# Access to your benefit

From 1 July 2007, the Government has prescribed a minimum annual payment amount based on your age and the size of your account balance at 1 July each year.

These minimum amounts are shown in the table below. Maximum amounts no longer apply (except for transition to retirement pensions). Consequently, your minimum limit will change each year.

## Minimum annual payments from 1 July 2007

AGE	% OF ACCOUNT BALANCE
Under 65	4
65–74	5
75–79	6
80–84	7
85–89	9
90–94	11
95+	14

### TRANSITION TO RETIREMENT PENSIONS

If you have a transition to retirement pension, the annual payment amount you can choose is:

- the minimum shown in the table, or
- a maximum of 10% of your account balance at 1 July each year, or
- any amount between the minimum and maximum.

You may choose to receive your regular payment monthly, quarterly, half-yearly or yearly.

For each income payment, units will be withdrawn from the Trust at the prevailing unit price. If your money is invested in more than one investment option, you may elect to have your income drawn from a particular option, or mix of options. If you do not make a choice your units will be withdrawn in the same proportion as your current investment selection.

### Withdrawals

You may also make lump sum withdrawals ('commutations') of all or part of your pension account at any time, provided you have received the minimum income payment for the period. Under current laws, either the whole or part of the pension can be withdrawn as a lump sum. There is a minimum withdrawal amount of \$5,000 (or your entire pension account balance if it is less than \$5,000).

Withdrawals from the Aon Master Trust can be made in writing or by completing a *Commutation request* form, available from our website or by calling us on 1300 880 588. Withdrawal monies are usually available within five working days, although a longer period is allowed under the trust deed.

### TRANSITION TO RETIREMENT PENSIONS

There are restrictions on accessing restricted and restricted non-preserved amounts – see your *Product Disclosure Statement* or contact us for more information.

### Tax

If you're age 60 or over, your payments are now (from 1 July 2007) tax-free. This applies to both income streams and pensions that are cashed out as a lump sum. And you won't have to include your payments as income in your tax return – this will reduce your taxable income and the tax you pay on other income. It may also reduce your Medicare levy.

### Payment on death

If you die while a member of the Trust your benefit will be the remainder of your pension account balance less any fees and taxes.

Following your death, your benefit will be paid as a lump sum to your dependants or your Estate (at the discretion of the trustee).

# More information

## Keep your dependants up-to-date

It's important to update your nomination of dependants should your personal circumstances change due to events such as marriage, divorce or childbirth. In accordance with superannuation legislation, your dependants are your spouse, your children and anyone who is financially dependent on you, or with whom you are in an interdependent relationship.

### If you want to update your nomination, you can:

- download a *Change member details and options* form from the website at [aonmastertrust.com.au](http://aonmastertrust.com.au) (no password required), or
- call us and we'll send you the form.

In the event of your death the trustee will take your wishes into account when deciding who will receive your benefit. The trustee, however, has the final say in the payment of the benefit.

Where there are no identifiable legal dependants the benefit will usually be paid to your Estate. For this reason it is important to keep an up-to-date Will.

## Fixed fees: a new option for financial advice

If you have appointed a financial adviser, this new option allows you to agree on a fixed fee with them. You can choose to pay this fixed fee on an ongoing basis each year, or on an ad hoc basis for particular tasks (this may suit you better than an ongoing amount which you pay irrespective of the work your adviser does for you).

For more information, see the factsheet *Changes in the Allocated Pension* or the *Product Disclosure Statement* (available on the website or contact us for a copy).

## Indemnity insurance

The trustee has the benefit of professional indemnity insurance cover to protect the trustee, its directors, and the Aon Master Trust.

## Compliance

The Aon Master Trust is administered at all times to comply with provisions contained in the Superannuation Industry (Supervision) Act 1993 and Regulations, the Corporations Act 2001 and Regulations and other superannuation laws.

Various supervisory functions are carried out by the Australian Prudential Regulation Authority (APRA), the Australian Securities and Investments Commission (ASIC) and/or the Australian Taxation Office (ATO).

No penalties have been imposed on the Aon Master Trust and/or the trustee for any kind of non-compliance during the 2006/2007 year. The trustee is not aware of any matter that would cause the Aon Master Trust to lose its complying status, and expects to continue to comply with all relevant legislation.


## Trustee Board

The trustee of the Aon Master Trust is Aon Superannuation Pty Limited. The trustee directors during the year were:

- **Frank Argent**
- **Stewart Fotheringham** – Chairman until August 2006, continues as a trustee director
- **Steve Gaffney**
- **Paul Mazoudier** – appointed in August 2006 – Chairman and non-executive trustee director
- **Mike Murphy**
- **Bruce Robertson** – non-executive trustee director
- **Grant Sandstrom** – resigned from the Board in August 2006

## Non-executive trustee directors

Non-executive directors have no business dealings or affiliations that could pose a conflict of interest in their role as directors of Aon Superannuation Pty Limited.



The Board exercises a 'duty of care' on behalf of the members of the Aon Master Trust and maintains their best interests in its decision-making and strategy process.

### **Trust deed changes and significant events**

The Aon Master Trust was established by a trust deed dated 25 June 1990. No amendments were made in the year ended 30 June 2007.

### **Privacy Policy**

We are committed to ensuring the confidentiality and security of your personal information. We will only collect, use and disclose this information for the purposes of processing and administering your accounts and providing services to you, unless otherwise required by law. We are bound by the Privacy Act and the National Privacy Principles, as regulated by the Federal Privacy Commissioner, to protect such information from misuse and loss, unauthorised access, modification and disclosure.

You can obtain a copy of the trustee's Privacy Policy and Management Plan, or the Privacy Statement, by writing to the Privacy Officer at Aon Superannuation Pty Limited, GPO Box 534, Sydney 2001 or visiting our website.

### **Complaints resolution**

The trustee has an established procedure for dealing with member complaints about the operation and management of the Aon Master Trust. Complaints should be made in writing to the Inquiries Officer, Aon Master Trust, GPO Box 9819, Sydney NSW 2001. The trustee will consider and respond to your complaint within 90 days, but may take more than 90 days in the case of difficult or complicated complaints.

The trustee is obliged to advise you of the decision within 30 days of the decision being made. If you have made a complaint and you are dissatisfied with the decision of the trustee, you may have a right to lodge a complaint with the Superannuation Complaints Tribunal (SCT). The SCT is an independent body established by the Commonwealth Government to review trustee decisions relating to members (as opposed to trustee decisions relating to management of a fund as a whole).

If the SCT accepts your complaint, it will try to help you and the trustee to reach a mutual agreement through conciliation. If this is not successful, the SCT will make a decision that is binding.

For more information on this process, you can contact the SCT on 1300 780 808, or in writing to Locked Bag 3060, GPO Melbourne Vic 3001.

### **Aon Master Trust documents**

Your benefit statement and *Product Disclosure Statement* contain important information about your personal benefits and the Aon Master Trust. You are also entitled to request further information (at a fee) including the trust deed and rules, risk management plan, the latest audited accounts and auditor's report, investment policy and risk management statements and the trustee's Privacy Policy.

For copies of these documents, or if you want more information about your benefits, please call us, send an email, fax, write, or visit the website.

## Go online – the simple and secure way to access your benefit information

You can check your account information through the online service available at [aonmastertrust.com.au](http://aonmastertrust.com.au)

Our online service allows you to:

- view your transaction history
- view your current balance and investment options
- view your address, beneficiaries and other personal information
- view investment performance.

To access our online service, go to the website, click on 'Log in' and then enter your username and password. If you have any problems, call 1 300 880 588 or email [contactcentre@aon.com.au](mailto:contactcentre@aon.com.au)

You can also read/print forms, the *Product Disclosure Statement*, latest investment returns, Aon Master Trust policies and procedure documents and specific Trust reports from our website without a password.

## Directory

### Trustee

Aon Superannuation Pty Limited

### Auditor

KPMG (replaced Crispin, Glen, Neilson & Co during the year)

### Custodian Services

BNP Paribas Fund Services Australasia Pty Ltd (replaced Australia and New Zealand Banking Group Limited during the year)

### Administrator, Actuary, Investment and Superannuation Consultant

Aon Consulting Pty Limited

## Contact us

**Phone** 1 300 880 588

**Fax** 1800 010 435

**Email** [contactcentre@aon.com.au](mailto:contactcentre@aon.com.au)

**Mail** Aon Master Trust  
GPO Box 9819  
Sydney NSW 2001

**Web** [aonmastertrust.com.au](http://aonmastertrust.com.au)