

# Directions

March 2006

## Welcome to Directions, the Aon Master Trust's online newsletter for financial advisers

### New Adviser Services team up and running

During the 2005 calendar year, the Aon Master Trust enjoyed good flows of business from its financial advisers. For the 2005 calendar year, adviser-sourced assets increased by over 66% and this healthy level of support is expected to continue into 2006.

With this growth in adviser-related business, we have taken a number of steps to consolidate our adviser support services. The first of these improvements is the appointment of a dedicated Adviser Services team that will be the central point of

contact for financial advisers. The team will ensure that advisers receive a prompt response to their enquiries and easy access to their clients' information.

Typical enquiries for the Adviser Services team may be:

- General member enquiries;
- Benefit quote requests or progress of payment enquires;
- Insurance and underwriting enquiries;
- Contributions or transfer enquires;

- Alterations to member details; or
- Requests for reports or ad-hoc tasks.

Contact details for the Adviser Services team

**Phone:** 1800 659 152  
*Press 3 for adviser services*  
**Fax:** 1800 010 435  
**Email:** [advisers@aon.com.au](mailto:advisers@aon.com.au)  
**Mail:** GPO Box 9819, Sydney NSW 2001

### Transaction statements replace half-yearly benefit statements

Members can now obtain a transaction statement showing their benefit balance, account transactions and investment options at any time.

The transaction statement replaces the 31 December printed benefit statements. A recent change to legislation requires that "periodic" benefit statements can only be distributed if a full fund review has been completed. There is a significant cost involved in a full fund review and this cost would ultimately have been passed on to members.

The statement is available online via [www.aonmastertrust.com.au](http://www.aonmastertrust.com.au) (user name and password required) or alternatively, members can call our contact centre on 1300 880 588 and request a hard copy.

Investment earnings are not included in the statement, however the investment performance for each option is included in our quarterly *Directions* newsletter (March copy attached). The *actual* investment earnings credited to members' accounts will be included in their benefit statement for the

twelve months to 30 June 2006. There will be no change to the delivery of the 30 June 2006 benefit statement and it will be mailed to members during September 2006.

If you have any comments or questions, please feel free to call our Adviser Services Support team on 1800 659 152.

### Industry leader joins Aon

Aon has appointed Colette Colman to the position of Head of Operations – Administration Outsourcing. Colette has over 25 years experience in the industry, most recently as Principal of Administration Outsourcing at Watson Wyatt. Grant Sandstrom, Aon's Head of Outsourcing, says Colette is considered an industry leader. "Her knowledge and expertise in superannuation administration is well recognised and she will be a great asset to Aon's superannuation team and a valuable resource for our clients."

## New contribution splitting rules could mean big tax savings

The Federal Government has passed legislation that allows superannuation fund members to split both personal and employer contributions with their spouses.

Contribution splitting gives couples access to two tax-free thresholds and two reasonable benefit limits (RBLs), which could significantly reduce the tax payable on lump sum or pension payments. The new rules will also help couples where the spouse has little or no accumulated superannuation benefits.

### The new rules in brief

- Applications to split are made at the end of the financial year, which means that contributions from January 2006 to June 2006 can be split at any time during the 12 months from 1 July 2006 to 30 June 2007.
- Up to 85% of tax-deductible contributions (before tax contributions i.e. employer and salary sacrifice) and 100% of non-deductible (after tax) contributions may be split to the spouse's account.
- Contribution splitting only applies to accumulation accounts, but it may be permitted

for defined benefit members' additional contributions to accumulation accounts.

- Only one application may be accepted by a trustee in any one financial year. Members will have up to 12 months to make their application.
- Once the contribution is split, the split is irrevocable.
- The amount split in favour of the member's spouse will be treated as an ETP rollover for that spouse, which means the member's spouse may access his or her own reasonable benefit limit and the tax-free threshold.

The Aon Master Trust will allow members to split contributions but we are still fine-tuning details of fees, minimum account balances and the application procedure. We will advise members and advisers as soon as the details are finalised. **Note that members can not apply to split until 1 July 2006.**

The Australian Taxation Office website ([www.ato.gov.au](http://www.ato.gov.au)) has more information on contribution splitting, including fact sheets.

## Upgrades to our online services

More and more of our members, employers and advisers are getting account information and conducting transactions online. It's quick, easy and convenient. And each quarter, we release a series of enhancements to our online service to ensure clients are getting the very best service possible.

In coming months, advisers will see a number of additional online features, including:

- Facility for advisers and employers to update a wider range of client details
- Enhanced search function to include member number and employer
- Expanded report content to include plan details such as funds under management, member lists and address details

- Allow reports to be downloaded to Excel
- Improved navigation
- Display "Processing your request" message while the system is "thinking" so that users know the system has not crashed.

The enhancements will give advisers much more scope to get instant 'online' answers to their enquiries without the need for (potentially) time-consuming phone calls. Of course, our dedicated Adviser Services team will always be there to help with more complex and/or technical questions. In combination, our online service and Adviser Services team will ensure advisers have access to first-class support facilities.

### Contacting us

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