

# AON MASTER TRUST

Annual Report 2008

**going eco —**

just one of the great  
ideas we had this year



**AON**

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# A YEAR OF GREAT IDEAS

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## WE MADE A NUMBER OF INSURANCE ENHANCEMENTS IN 2007/08, ADDED NEW FEATURES AND, LAST BUT NOT LEAST, ORGANISED NEW ADMINISTRATION AND INVESTMENT PARTNERSHIPS.

Recent insurance enhancements include a 5% increase in the minimum level of cover that was introduced last year, the option to transfer insurance cover in other super funds or policies outside of super into the Aon Master Trust and an easier, faster process for members who want to apply for voluntary insurance cover. Members looking for greater certainty in their estate planning may be interested in the new option to make a binding death benefit nomination (see page 18 for more information).

If you're nearing retirement (or just thinking well ahead), an Aon Master Trust transition-to-retirement pension could be an attractive option, offering the flexibility to structure your work, play and income needs and continue building your super at the same time.

Do you have a pension benefit in the UK? Changes to UK laws mean that you can now transfer your pension to Australia and more particularly (because we are recognised by Her Majesty's tax authority) to the Aon Master Trust. The process is quite complex so, if you're considering a transfer, you might want to get some financial advice about the pros and cons.

## we've gone eco

This is the first year we've gone eco with the annual report – making it available online instead of in print. As noted in the August issue of Directions, if you would like a printed copy of this annual report (free of charge) please call us on 1300 880 588 or email [contactaon@pillar.com.au](mailto:contactaon@pillar.com.au)

We hope you find your 2008 annual report interesting and informative. If you have any comments or questions, please let us know.

## looking forward

Our new partnerships with Pillar Administration (for the majority of our administration services) and Russell Investment Group (management of most of our investments) offer our members access to specialist expertise, economies of scale and first-class services, and have allowed us to streamline the investment options available to members (see page 15). We welcomed our new partners on board in October 2008.



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

## FACTSHEETS & GUIDES

- Insurance enhancements 2008
- Binding death benefit nomination
- Transition to retirement
- Guide to transferring your UK pension benefit
- Investment changes 2008

# ABOUT THE AON MASTER TRUST

## THE AON MASTER TRUST (THE TRUST) OFFERS THREE PRODUCTS THAT CATER FOR A RANGE OF SUPERANNUATION AND RETIREMENT INCOME NEEDS:

- **Corporate Super** – for employees of companies with five or more employees
- **Personal Super** – for individuals, the self-employed and employees of companies with less than five employees.

Members of Corporate and Personal Super have a range of options for contributions, investments and insurance cover (death, total and permanent disablement, and income protection).

- **Pension** – for people who are near retirement 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).

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 beneficiaries.

## your Aon Master Trust annual reporting information consists of:

- this annual report
- your 2008 benefit statement
- for Tier 3 investors, the supplement to this annual report.



# THE OTHER THINGS IN LIFE

**OUR WIDE-RANGING AND FLEXIBLE EMPLOYEE BENEFITS PROGRAM – MY EBENEFITS – IS A ONE-STOP SHOP FOR QUALITY FINANCIAL, FAMILY AND LIFESTYLE PRODUCTS AND SERVICES.**

## **super, tax and legal**

my ebenefts links to your personal super details in the Aon Master Trust and helps you access financial planning services, as well as free telephone or email-based tax and legal advice.

## **home loans**

If you're in the market for a home loan, let my ebenefts do the hard work and find it for you. You can get a free home loan health check and even schedule an appointment online.

**my ebenefts**

™ is an employee benefits program owned and administered by Aon Consulting Pty Limited.

## **shopping, entertainment and travel**

Products sourced from popular brands at greatly reduced prices, entertainment guides and tickets, help with all your travel arrangements, even that last minute bunch of flowers – you can get them all through my ebenefts.

## **hire a car**

Get great deals and more on car hire almost anywhere around the world.

## **car, home and travel insurance**

Save time and energy when dealing with your personal insurance. Through my ebenefts you can get competitive rates and a range of other benefits. You can get an instant online quote too.

### **to access my ebenefts:**



**[aonmastertrust.com.au](http://aonmastertrust.com.au)  
and log in (see page 20)**



**1300 880 588**



**[contactaon@pillar.com.au](mailto:contactaon@pillar.com.au)**



# MOVING ON? YOUR SUPER WON'T HAVE TO

## corporate super: leaving your employer

### if your balance is \$5,000 or more

A practical and convenient option for your super is to transfer to Aon Master Trust Personal Super and we've made it easy for you by making the transfer automatic.

If we hear that you're leaving your employer, we'll write to you with more information and you'll be transferred across after 60 days from the date of our letter. You'll have no rollover to organise, no forms and no withdrawal or entry fee on transfer.

On transfer, you'll have the same investment strategy (which you can change at any time). If you're insured under the standard AIG policy, you'll also have the same amount of death cover (if you're under 65) and total and permanent disablement cover (if you're under 60) as you had in Corporate Super – no health evidence required. Fees and premiums are described in the *Personal Super Product Disclosure Statement*.

### if your balance is less than \$5,000

If we hear that you're leaving your employer, we will transfer your account to the Aon Eligible Rollover Fund. As above, we will write to you and the transfer will happen automatically – same 60 day timeline as above and no forms on transfer. However, on transfer to the ERF, you will no longer be a member of, or have any rights under, the Aon Master Trust. See *Automatic transfers to Aon Eligible Rollover Fund (ERF)* on page 7.

Please note that, in either of the two cases above, you have the option to give us alternative benefit payment instructions within the 60-day period.

**Call us on 1300 880 588 or email [contactaon@pillar.com.au](mailto:contactaon@pillar.com.au) to let us know you're leaving. Your employer will tell us, but the sooner we know, the sooner we can get the ball rolling.**

## winding down or about to retire?

Rolling over your super to an Aon Master Trust pension is a convenient way to organise your retirement income. There's a retirement pension if you're stopping work, or (if you've reached your preservation age – see page 19) a transition-to-retirement pension that gives you the flexibility to arrange your work, super and retirement income to suit you. See the *Pension Product Disclosure Statement* for both types of pension.

## personal super: account balances below \$1,500

If you're in Personal Super and your account balance falls below \$1,500 or we lose contact with you, the trustee may transfer your benefit (the whole of your leaving service benefit less fees and charges) to the Aon Eligible Rollover Fund. The amount transferred will appear in the written advice we provide you with your payment paperwork. If we transfer your benefit to the ERF, we will advise you in writing and the ERF will also advise you that it has received a benefit for you.

On transfer to the ERF, you will no longer be a member of, or have any rights under, the Aon Master Trust. See *Automatic transfers to Aon Eligible Rollover Fund (ERF)* on page 7.

## portability

You can ask the trustee to transfer part or all of your benefit to another complying super fund at any time. The trustee must process the transfer within 30 days after receiving your request or within 30 days after receiving any further information it may have asked you for.

If it's a part transfer, you must leave at least \$5,000 in your Aon Master Trust account. If your balance falls below \$5,000 your insurance cover may lapse. We'll give you 60 days notice before terminating your insurance to give you time to top up your account and so maintain your insurance cover. See your *Product Disclosure Statement* for more details.

If it's a full transfer, you will no longer be a member of, or have any rights under, the Aon Master Trust but you can apply to rejoin the Trust at a future date.

### members with employer-paid insurance premiums

If your employer meets the cost of your insurance cover, special conditions may apply if you choose to transfer out part or all of your benefit. For example, your employer may no longer meet the cost of your insurance cover or may limit the account balances you can draw from. For more information on any conditions that may apply, check with your employer or call us on 1300 880 588.

### automatic transfers to Aon Eligible Rollover Fund (ERF)

As noted on page 6:

- If you are in Corporate Super, leave your employer and have an account balance less than \$5,000, the trustee will transfer your benefit to the Aon ERF.
- If you're in Personal Super and your account balance falls below \$1,500 or we lose contact with you, the trustee may transfer your benefit to the Aon ERF.

On transfer to the ERF, you will no longer be a member of the Aon Master Trust and all insurance cover and premium deductions will cease. Your ERF account balance will be invested in a defensive strategy, which is

likely to produce lower long-term investment returns than a balanced or growth strategy. Your account will receive investment earnings and be charged fees by the ERF subject to statutory member protection.

Subject to preservation rules (see page 19), you can claim your benefit from the ERF at any time by contacting:

Aon Eligible Rollover Fund  
PO Box 1949  
Wollongong NSW 2500  
Phone 1300 880 588  
Fax 1300 267 582

If your benefit in the ERF becomes unclaimed money (see the *Aon ERF Product Disclosure Statement*) and the trustee is unable to reach you or, in the case of your death, your beneficiaries, your benefit will be placed with the Australian Taxation Office.



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

#### PUBLICATIONS

- Product Disclosure Statements

#### USEFUL LINKS

- Aon ERF



# WHAT GOES INTO AND OUT OF YOUR ACCOUNT

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## going in ...

### contributions and rollovers

There are a number of contribution options in the Aon Master Trust and these are explained in the *Product Disclosure Statement*. All contributions and any rollovers made to your account during the year are shown in your 30 June 2008 benefit statement, which you should have received in September.

### investment returns

All transactions on your account are processed at the unit price current at the time of the transaction. Unit prices change according to the investment earnings (or losses) attributed to the Aon Master Trust. So each time the unit price changes, the investment earnings (or losses) are automatically reflected in your account balance.

### unit pricing

When the Aon Master Trust receives contributions or rollovers on your behalf, your account will be credited with a certain number of units. The number of units you receive is equal to the amount you invest divided by the *buy* unit price applicable at the time the investment is made.

*Sell* unit prices represent the realisable value of the Trust's assets. 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.

## going out ...

### fees and other costs

For information on fees, insurance premiums and costs in the Aon Master Trust, see your *Product Disclosure Statement*. All fees deducted from your account during the year are shown in your 30 June 2008 benefit statement, which you should have received in September.

### surcharge

This was an additional tax on employer and salary sacrifice contributions made before 1 July 2005. Your benefit statement will provide details of any surcharge debt you have accumulated. Assessments for prior year surcharge liabilities will continue to be received as the Tax Office clears outstanding returns. Surcharge assessed after you have left the Aon Master Trust will be charged to your new fund, or to you if you have taken a cash payment.



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

#### PUBLICATIONS

➤ [Product Disclosure Statements](#)

#### LOGIN

➤ [View your 2008 benefit statement \(password required\)](#)

# INVESTING YOUR ASSETS

## THE AON MASTER TRUST OFFERS A RANGE OF INVESTMENT OPTIONS FOR MEMBERS TO CHOOSE FROM.

Up to 30 June 2008, Aon Master Trust investment options were grouped into three tiers:

- **TIER 1:** Pre-mixed Active and Index
- **TIER 2:** Sector
- **TIER 3:** Specialist\*

From 1 July 2008, there is a new investment menu in place – see page 15 for details.

If you do not select an investment option or options, the trustee will automatically invest your super in the Pre-mixed Balanced – Index option\*\* or, if applicable, the default option selected by your employer. See your *Product Disclosure Statement (Part 2) – Your Plan Outline*.

\* Supplementary information relating to TIER 3 investment options is available on [aonmastertrust.com.au](http://aonmastertrust.com.au). Information on special corporate investment options is available via login on the website.

\*\* The default for members who joined before 1 July 2006 was the Pre-mixed Balanced – Active option.

## notes

The investment strategies and returns on pages 10–13 relate to the three tiers of investment options that applied up to 30 June 2008.

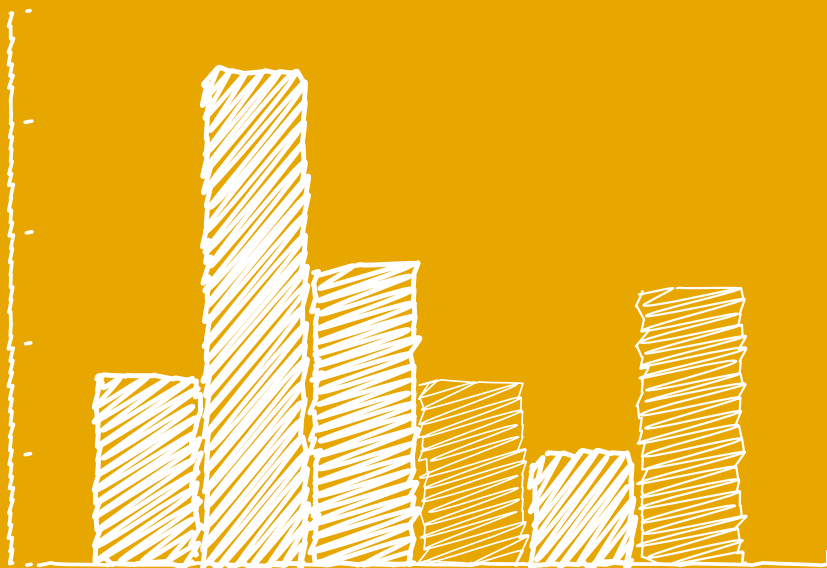
All the returns are based on the unit prices of each option. Returns are net of investment management fees and an allowance for tax on the investment income.

Past performance should not be considered a guide to future performance.

Every care has been taken in the production of these tables. While the 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.

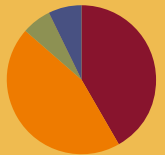



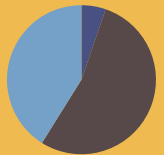
## See page 16 for information on:

- **the trustee's investment policy**
- **derivatives and other financial instruments and strategies**
- **manager selection and monitoring**

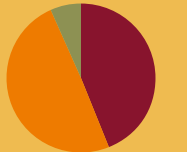
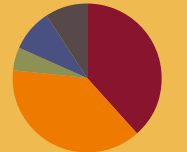

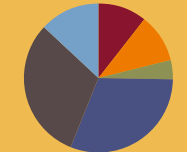
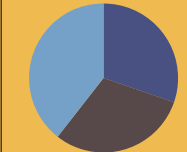


# INVESTMENT STRATEGIES AND RETURNS TO 30 JUNE 2008 – TIERS 1 & 2

## TIER 1: Pre-mixed Active options

	HIGH GROWTH	GROWTH	BALANCED	CAPITAL STABLE	SECURE
<b>Objectives</b>	To provide a return at least 5.5% pa above CPI over rolling five-year periods.	To provide a return at least 5% pa above CPI over rolling five-year periods.	To provide a return at least 4.5% pa above CPI over rolling five-year periods.	To provide a return at least 3.5% pa above CPI over rolling three-year periods.	To provide a return at least 2.25% pa above CPI over rolling two-year periods.
<b>Strategy<sup>1</sup></b>	Invests 100% of the portfolio in growth assets.	Invests 85% of the portfolio in growth assets and 15% in defensive assets.	Invests 70% of the portfolio in growth assets and 30% in defensive assets.	Invests 30% of the portfolio in growth assets and 70% in defensive assets.	Invests 100% of the portfolio in defensive assets.
<b>Asset allocation at 30/6/2008 (30/6/2007)</b>	 <ul style="list-style-type: none"> <li>Aus Shares 41.8% (44.1%)</li> <li>Int Shares 44.8% (36.9%)</li> <li>Property 6.2% (4.8%)</li> <li>Alt Assets 7.2% (14.2%)</li> </ul>	 <ul style="list-style-type: none"> <li>Aus Shares 34.8% (32.9%)</li> <li>Int Shares 36.3% (28.1%)</li> <li>Property 5.0% (5.18%)</li> <li>Alt Assets 13.1% (9.9%)</li> <li>Div Fixed Interest 10.8% (24.0%)</li> </ul>	 <ul style="list-style-type: none"> <li>Aus Shares 28.6% (30.6%)</li> <li>Int Shares 28.0% (26.3%)</li> <li>Property 4.8% (4.5%)</li> <li>Alt Assets 11.6% (10.4%)</li> <li>Div Fixed Interest 22.1% (23.8%)</li> <li>Cash 4.9% (4.4%)</li> </ul>	 <ul style="list-style-type: none"> <li>Aus Shares 11.0% (11.8%)</li> <li>Int Shares 9.1% (9.6%)</li> <li>Property 4.6% (5.2%)</li> <li>Alt Assets 11.7% (11.0%)</li> <li>Div Fixed Interest 53.4% (48.0%)</li> <li>Cash 10.2% (14.4%)</li> </ul>	 <ul style="list-style-type: none"> <li>Alt Assets 5.3% (0.0%)</li> <li>Div Fixed Interest 53.8% (59.6%)</li> <li>Cash 40.9% (40.4%)</li> </ul>
<b>Annual returns</b>					
Year to 30/6/2008	-11.4%	-9.5%	-7.7%	-2.4%	2.9%
Year to 30/6/2007	14.3%	12.5%	12.5%	9.4%	5.7%
Year to 30/6/2006	20.0%	14.7%	13.9%	7.2%	2.8%
Year to 30/6/2005	8.3%	9.3%	9.8%	7.7%	6.4%
Year to 30/6/2004	17.9%	14.3%	13.0%	9.8%	4.4%
5-year compound average return	9.2% pa	7.9% pa	8.0% pa	6.3% pa	4.4% pa




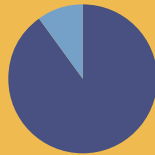
## TIER 1: Pre-mixed Index options




	HIGH GROWTH	GROWTH	BALANCED	CAPITAL STABLE	SECURE
<b>Objectives</b>	To provide a return at least 5% pa above CPI over rolling five-year periods.	To provide a return at least 4.5% pa above CPI over rolling five-year periods.	To provide a return at least 4% pa above CPI over rolling five-year periods.	To provide a return at least 3% pa above CPI over rolling three-year periods.	To provide a return at least 2% pa above CPI over rolling two-year periods.
<b>Strategy<sup>1</sup></b>	Invests 100% of the portfolio in growth assets.	Invests 85% of the portfolio in growth assets and 15% in defensive assets.	Invests 70% of the portfolio in growth assets and 30% in defensive assets.	Invests 30% of the portfolio in growth assets and 70% in defensive assets.	Invests 100% of the portfolio in defensive assets.
<b>Asset allocation at 30/6/2008 (30/6/2007)</b>	 <ul style="list-style-type: none"> <li><span style="color: #800040;">■</span> Aus Shares 46.8% (53.9%)</li> <li><span style="color: #FF8C00;">■</span> Int Shares 46.9% (46.1%)</li> <li><span style="color: #8FBC8F;">■</span> Property 6.3% (0.0%)</li> </ul>	 <ul style="list-style-type: none"> <li><span style="color: #800040;">■</span> Aus Shares 38.5% (6.2%)</li> <li><span style="color: #FF8C00;">■</span> Int Shares 38.2% (50.8%)</li> <li><span style="color: #8FBC8F;">■</span> Property 5.2% (8.0%)</li> <li><span style="color: #4169E1;">■</span> Aus Fixed Interest 9.0% (17.5%)</li> <li><span style="color: #483D8B;">■</span> Int Fixed Interest 9.1% (17.5%)</li> </ul>	 <ul style="list-style-type: none"> <li><span style="color: #800040;">■</span> Aus Shares 31.7% (33.1%)</li> <li><span style="color: #FF8C00;">■</span> Int Shares 30.4% (28.8%)</li> <li><span style="color: #8FBC8F;">■</span> Property 4.3% (5.1%)</li> <li><span style="color: #4169E1;">■</span> Aus Fixed Interest 13.8% (14.1%)</li> <li><span style="color: #483D8B;">■</span> Int Fixed Interest 14.5% (14.1%)</li> <li><span style="color: #ADD8E6;">■</span> Cash 5.3% (4.8%)</li> </ul>	 <ul style="list-style-type: none"> <li><span style="color: #800040;">■</span> Aus Shares 11.1% (12.0%)</li> <li><span style="color: #FF8C00;">■</span> Int Shares 10.7% (10.2%)</li> <li><span style="color: #8FBC8F;">■</span> Property 4.4% (5.5%)</li> <li><span style="color: #4169E1;">■</span> Aus Fixed Interest 31.6% (28.8%)</li> <li><span style="color: #483D8B;">■</span> Int Fixed Interest 31.9% (28.6%)</li> <li><span style="color: #ADD8E6;">■</span> Cash 10.3% (14.9%)</li> </ul>	 <ul style="list-style-type: none"> <li><span style="color: #4169E1;">■</span> Aus Fixed Interest 30.3% (29.7%)</li> <li><span style="color: #483D8B;">■</span> Int Fixed Interest 30.4% (29.5%)</li> <li><span style="color: #ADD8E6;">■</span> Cash 39.3% (40.8%)</li> </ul>
<b>Inception date<sup>2</sup></b>	15/8/2004	15/8/2004	22/10/2004	30/9/2004	7/10/2004
<b>Annual returns</b>					
Year to 30/6/2008	-16.1%	-12.9%	-9.6%	-1.8%	5.0%
Year to 30/6/2007	15.4%	12.7%	11.0%	7.0%	4.2%
Year to 30/6/2006	20.5%	15.3%	13.5%	6.1%	2.6%
Inception to 30/6/2005	8.7%	8.9%	4.9%	5.2%	4.0%
Compound average return (inception to 30/6/2008)	6.3% pa	5.5% pa	4.9% pa	4.3% pa	4.2% pa

<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> These options were launched on 1 July 2004. Returns are calculated from inception date (the date monies were invested).

## TIER 2: Sector options

	AUS SHARES	INT SHARES	PROPERTY	ALT GROWTH
<b>Objectives</b>	To provide a return that exceeds the benchmark index by 2% pa 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 exceeds the benchmark index by 0.75% pa over rolling five-year periods.	To provide a return that exceeds the benchmark index by 2.5% pa over rolling five-year periods.
<b>Strategy</b>	Invests in shares listed on the Australian Stock Exchange.	Invests in shares listed on stock markets around the world. Low or no AUD hedging.	Invests in property securities listed, or due to be listed, on the Australian Stock Exchange and developed international markets exchanges, and direct property holdings.	Invests in non-traditional assets such as infrastructure, private equity, commodities and hedge funds with some cash for liquidity.
<b>Benchmark</b>	S&P/ASX 200 Accumulation Index	MSCI World ex Aust Net (AUD) unhedged	75% S&P/ASX 200 – Property Trusts (GICS) Accumulation Index 25% Mercer Unlisted Property Index	50% MSCI World ex-Aust Net (AUD) unhedged 50% UBS Warburg Australia Bank Bill Index
<b>Asset allocation at 30/6/2008 &amp; 30/6/2007</b>	 <p>Australian Shares 100%</p>	 <p>International Shares 100%</p>	 <p>Property securities and direct property 100%</p>	 <p>Global infrastructure, multi-strategy hedge funds 90% Cash 10%</p>
<b>Annual returns</b>				
Year to 30/6/2008	-11.0%	-15.8%	-14.2%	8.9% <sup>1</sup>
Year to 30/6/2007	26.5%	4.6%	19.1%	N/A <sup>1</sup>
Year to 30/6/2006	22.4%	19.0%	14.8%	N/A <sup>1</sup>
Year to 30/6/2005	23.5%	-1.3%	9.6%	N/A <sup>1</sup>
Year to 30/6/2004	18.7%	20.1%	8.4%	N/A <sup>1</sup>
5-year compound average return	15.1% pa	4.5% pa	6.9% pa	8.9% <sup>1</sup>

	ALT DEFENSIVE	DIV FIXED INTEREST	CASH
<b>Objectives</b>	To provide a return that exceeds the benchmark index by 2.5% pa over rolling three-year periods.	To provide a return that exceeds the benchmark index by 0.75% pa over rolling three-year periods.	To provide a return that matches or exceeds the benchmark index over any 12-month period.
<b>Strategy</b>	Invests in non-traditional assets with a defensive bias such as multi-strategy hedge funds with some cash for liquidity.	Invests in fixed interest assets across the credit spectrum both in Australia and internationally.	Invests in short-term securities.
<b>Benchmark</b>	UBS Warburg Australia Bank Bill Index	50% UBS Australian Composite Bond Index 0+Yr 50% Citigroup WGBI Hedged (AUD)	UBS Warburg Australia Bank Bill Index
<b>Asset allocation at 30/6/2008 &amp; 30/6/2007</b>	 <p>■ Multi-strategy hedge funds 85% ■ Cash 15%</p>	 <p>■ Fixed Interest securities 100%</p>	 <p>■ Cash and short-term fixed interest securities 100%</p>
<b>Annual returns</b>			
Year to 30/6/2008	2.8%	2.7%	5.1%
Year to 30/6/2007	N/A <sup>2</sup>	5.9%	5.2%
Year to 30/6/2006	N/A <sup>2</sup>	1.5%	4.6%
Year to 30/6/2005	N/A <sup>2</sup>	8.6%	4.7%
Year to 30/6/2004	N/A <sup>2</sup>	4.2%	4.5%
5-year compound average return	2.8% pa <sup>3</sup>	4.6% pa	4.8% pa

<sup>1</sup> Option launched on 1 July 2007. Returns are calculated from inception date (the date monies were invested) of 1 August 2007.

<sup>2</sup> No annual investment performance history due to the 1 June 2007 launch of this option.

<sup>3</sup> Option launched on 1 June 2007. Return is calculated from inception date (the date monies were invested) of 30 June 2007.

# INVESTMENT MANAGERS AT 30 JUNE 2008

## TIERS 1 and 2

### Australian shares

- ↳ Barclays Investment Funds Australian Alpha Equity Fund
- ↳ Barclays Investment Funds Equity Index Fund
- ↳ Barclays Investment Funds Equitised Long/Short Fund
- ↳ JF Capital Partners Australian Equity Trust
- ↳ Cooper Australian Equity Fund
- ↳ Perpetual Wholesale QI Long Short Fund
- ↳ SSgA Australian Equities Index Trust
- ↳ Tyndall Australian Shares Wholesale Portfolio

### International shares

- ↳ AXA Rosenberg Global Small Companies
- ↳ AXA Rosenberg Global 130/30 Fund
- ↳ Barclays Investment Funds Fission Int'l Equity Index Fund
- ↳ Barclays Investment Funds International Alpha Equity Fund
- ↳ MFS Global Equity Fund
- ↳ Platinum International Fund
- ↳ SSgA Global ex-Australian Alpha Edge Trust
- ↳ SSgA International Equities Index Trust
- ↳ Zurich International Shares Fund (Hedged)

### Property

- ↳ AMP Australian Core Property Portfolio
- ↳ ING Wholesale Global Property Securities Fund
- ↳ SSgA Australian Listed Property Index Trust

### Alternative

- ↳ Barclays Investment Funds Global Listed Infrastructure Fund
- ↳ Investor Select Advisors Blackhawk Fund
- ↳ Apostle Aurora II Australia Fund
- ↳ Macquarie Commodities Fund – Class B
- ↳ Warakirri Absolute Return Fund

### Australian fixed interest

- ↳ Macquarie Core Australian Fixed Interest
- ↳ Macquarie Global Bond Solution
- ↳ SSgA Australian Fixed Income Index Trust

### International fixed interest

- ↳ Macquarie Global Bond Solution
- ↳ SSgA Global Fixed Income Index Trust

### Cash

- ↳ ANZ Cash Plus Fund

# NEW INVESTMENT MENU FROM 1 JULY 2008

**ON PAGE 3 WE NOTED OUR NEW PARTNERSHIP WITH RUSSELL INVESTMENT GROUP. FROM OCTOBER 2008, MOST OF THE AON MASTER TRUST'S INVESTMENTS ARE MANAGED BY RUSSELL VIA ITS RANGE OF MULTI-MANAGER FUNDS.**

Access to Russell's world-class resources allows us to offer broader investment options and streamline our delivery of local and globally-developed investment products. A new streamlined menu has been in place since 1 July 2008, with a number of the options available for investment from October 2008.



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

**FACTSHEETS & GUIDES**

▸ Investment changes 2008

## Pre-mixed

High Growth – Index  
 High Growth – Active  
  
 Growth – Index  
 Growth – Active  
  
 Balanced – Index  
 Balanced – Active  
  
 Capital Stable – Index  
 Capital Stable – Active  
  
 Secure – Index  
 Secure – Active

## Sector

Australian Shares – Index  
 Australian Shares – Diversified  
 Australian Shares – Core\*  
 Australian Shares – Socially Responsible\*  
 Australian Shares – Opportunities\*

International Shares – Index  
 International Shares – Index (\$A hedged)  
 International Shares – Diversified  
 International Shares – Core\*  
 International Shares – Core (\$A hedged)\*  
 International Shares – Emerging Markets\*  
 International Shares – Opportunities\*

Property – Australian Index  
 Property – Diversified  
 Property – Direct  
 Property – Global Listed (\$A hedged)\*

Alternative – Diversified

Fixed Interest – Australian Index  
 Fixed Interest – International Index (\$A hedged)  
 Fixed Interest – Diversified  
 Fixed Interest – Australian\*  
 Fixed Interest – International (\$A hedged)\*

Cash

Diversified – Maple-Brown Abbott

\* Option available from October 2008.



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## the trustee's investment policy

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

## derivatives and other financial instruments and strategies

Derivatives are financial instruments with value derived from investments. The Aon Master Trust invests in funds managed by specialist investment managers. These professional managers each have their own risk management policy statements which specify the use of derivatives. Most managers use derivatives such as options, futures, and swaps to hedge (protect) positions, to implement investment positions efficiently, and to adjust asset allocation in a cost-effective and timely manner. Some managers use derivatives to add value. For example, a commodity trading specialist trades commodities futures to generate returns.

## manager selection and monitoring

The trustee regularly monitors the performance of the investment managers and their ability to meet the Trust's investment objectives.

# AON CONSULTING WORLDWIDE SIGNS UN PRI

**IN JULY 2008, AON CONSULTING WORLDWIDE SIGNED THE UNITED NATIONS PRINCIPLES FOR RESPONSIBLE INVESTMENT, WHICH AIM TO HELP INVESTORS CONSIDER ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) FACTORS IN THEIR INVESTMENT DECISION-MAKING.**

For the Aon Master Trust, this process includes asking investment service providers to integrate ESG factors into their research and analysis of investments.

While we believe these factors to be important aspects of investment management, decisions on selection, retention, and redemptions are based primarily on potential economic benefits to our members. The Australian Shares – Socially Responsible option actively uses positive and negative screens for ESG factors as an integral part of its investment process.

“By becoming a signatory, Aon Consulting reaffirms our commitment to client demands for sound, long-term investment returns that appropriately value the risks and opportunities of environmental, social and governance factors.”

Stewart Fotheringham, Managing Director, Aon Consulting, Australia, August 2008.



An investor initiative in partnership with  
UNEP FI and the UN Global Compact

# FINANCIAL SUMMARY

THIS IS A SUMMARY OF THE AON MASTER TRUST'S AUDITED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2008. THE FULL AUDITED ACCOUNTS, INCLUDING THE AUDIT REPORT, ARE AVAILABLE AND YOU CAN CONTACT US IF YOU WOULD LIKE A COPY.

Financial movement for the 2007/2008 year	\$
Opening balance at 1 July 2007	1,686,131,274 <i>plus</i>
Net investment income	(154,755,918)
Contributions	205,755,705
Transfers	81,245,208
Other	6,246,000
<b>Total income</b>	<b>138,490,995</b> <i>less</i>
Benefits paid	216,797,878
Professional fees	22,133,779
Audit fees	130,598
Insurance premiums	16,608,883
Surcharge tax	397,910
Income tax expense	(4,264,454)
Other	250,931
<b>Total expenses</b>	<b>252,055,525</b> <i>equals</i>
Closing balance at 30 June 2008	1,572,566,744

Net assets at the end of the 2007/2008 year	\$
Investments	1,521,585,128
Cash at bank	38,389,610
Investments in transit	5,100,000
Other receivables	20,156,664
<b>Total assets</b>	<b>1,585,231,402</b> <i>less</i>
Benefits payable	128,360
Other amounts payable	4,142,719
Provision for income tax	8,393,579
<b>Total payments due (liabilities)</b>	<b>12,664,658</b> <i>equals</i>
<b>Net assets at 30 June 2008</b>	<b>1,572,566,744</b>

# UPDATING BENEFICIARIES

It's important to update your nomination of beneficiaries should your personal circumstances change due to events such as marriage, divorce or childbirth. Beneficiaries can be your legal personal representative or your dependants. 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.

There are two types of death benefit nominations available in the Aon Master Trust:

## non-binding nomination

If you die, the trustee will take your nomination into account when deciding who will receive your benefit. The trustee, however, has the final say in the payment of the benefit.

## binding nomination

From 1 July 2008, you have the option to make a binding death benefit nomination. A binding nomination allows you to nominate who will receive your superannuation benefits if you die and ensures that the trustee is legally bound by your wishes.



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

### FACTSHEETS & GUIDES

- Binding death benefit nomination

### FORMS

- Change member details and options (for non-binding nominations)
- Binding death benefit nomination



# MORE INFORMATION

## insurance enhancements

Since the introduction of minimum level default cover from 1 July 2007, the trustee negotiated the next phase of insurance enhancements for Aon Master Trust members, including:

- 5% increase in minimum level default cover
- eligible members can now apply to transfer insurance cover they have in other super funds and in policies held outside super into the Aon Master Trust, with no health evidence required
- occupational rating maintained on transfer from Corporate Super to Personal Super
- the definition of total disability for income protection has been revised to extend 'usual occupation' to long-term cover
- agreed value income protection policies available in Personal Super from 1 July 2008
- higher limits for insurance short-form applications and electronic processing that fast-tracks the underwriting process
- option to make a binding death benefit nomination from 1 July 2008.

## options for additional voluntary insurance

Most members may apply for and/or change additional voluntary insurance cover at any time. All increases in insurance are subject to the insurer's approval. Call us for more information.

## preservation

Preservation is a government policy that supports the keeping of super savings for retirement.

The preservation status of your benefits will determine if you can take your benefits in cash, or if you have to keep them in the super system. While taking the cashable parts in cash may be tempting, keeping them in the super system can be a tax-effective option.

Generally you can cash out preserved benefits only when you retire on or after your preservation age. However, these benefits can be cashed out if you die, become disabled, leave service after age 60, reach age 65, or qualify for early payment on financial hardship or specific compassionate grounds.

In some cases, you may be able to cash out restricted non-preserved monies if you leave an employer who has contributed to the Trust on your behalf. Contact us if you wish to find out more.

Your benefit statement shows your preserved and restricted non-preserved amounts at 30 June 2008. It may also show an unrestricted non-preserved amount that you can take in cash at any time.

if you were born	your preservation age is
Before 1 July 1960	55
1 July 1960 to 30 June 1961	56
1 July 1961 to 30 June 1962	57
1 July 1962 to 30 June 1963	58
1 July 1963 to 30 June 1964	59
1 July 1964 or after	60



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

### FACTSHEETS & GUIDES

- Insurance enhancements 2008



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

You can obtain your benefit information online and perform certain transactions through the online service available via [aonmastertrust.com.au](http://aonmastertrust.com.au).

Our online service allows you to:

- ↳ view personal information and investment performance
- ↳ view your transaction history
- ↳ view your benefit statements
- ↳ calculate benefits
- ↳ switch investments for current balance and future contributions
- ↳ change your address, non-binding beneficiaries or other personal information.

To access our online service, go to the website and log in. Please note that the move to Pillar (our new administration services provider) means you have a new user name. Please follow the instructions behind the log in button on the website. If you have any problems, call 1300 880 588 or email [contactaon@pillar.com.au](mailto:contactaon@pillar.com.au)

## trust deed changes and significant events

The Aon Master Trust was established by a trust deed dated 25 June 1990 and this deed has been amended from time to time. In the year ended 30 June 2008, an amendment was made to permit binding death benefit nominations.

Significant events during the year were:

- ↳ the introduction of minimum level default insurance cover for eligible members (1 July 2007)
- ↳ the enhancement of the identification procedures to verify a member's identity for certain transactions. This enhancement was made to comply with the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 which became law during the year.

## 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
- ↳ Steve Gaffney
- ↳ Paul Mazoudier – Chairman and non-executive trustee director
- ↳ Mike Murphy
- ↳ Bruce Robertson – non-executive trustee director

### 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 members of the Aon Master Trust and maintains their best interests in its decision-making and strategy process.

## indemnity insurance

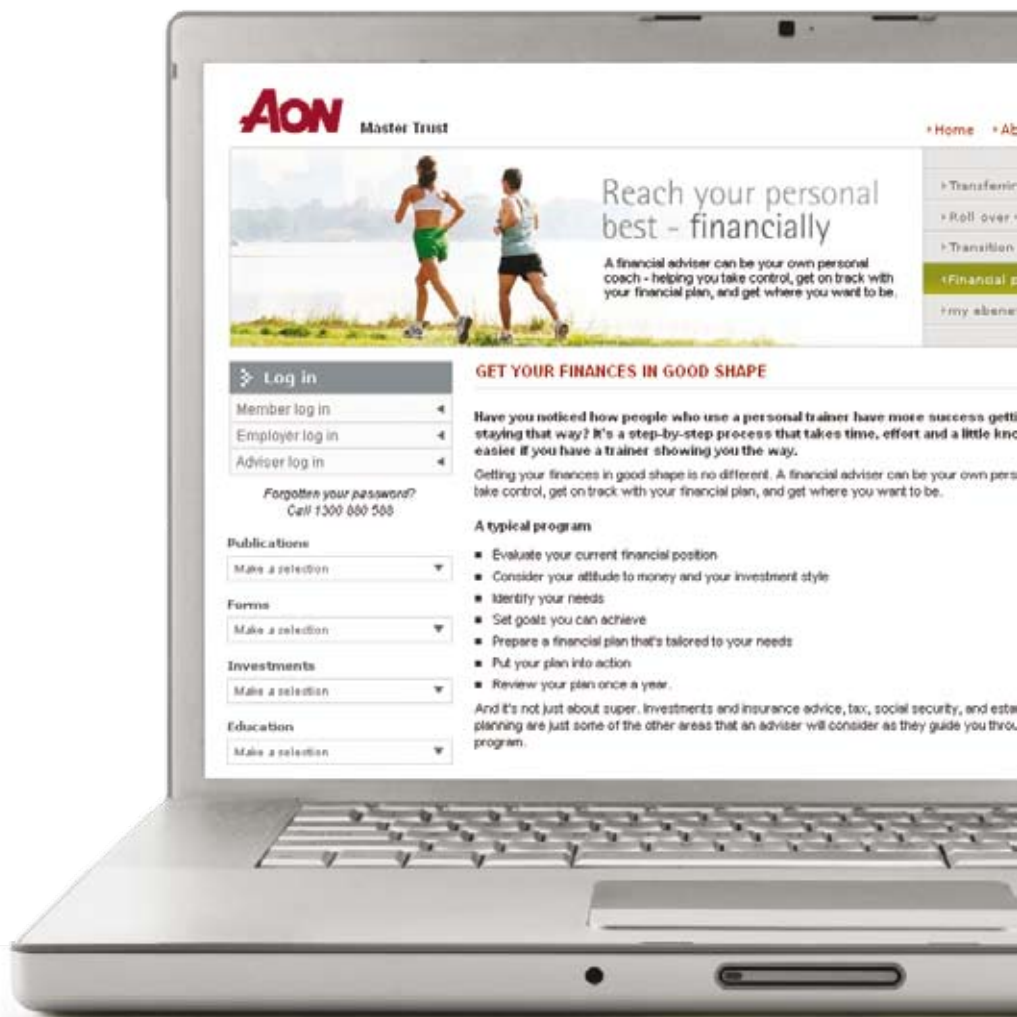
The trustee has the benefit of professional indemnity insurance cover to protect the trustee, its directors, and the Trust.

## 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 the Australian Taxation Office (ATO).

No penalties have been imposed on the Aon Master Trust or the trustee for any kind of non-compliance during the 2007/2008 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.



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## 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.

## 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 including the trust deed and rules, risk management plan, the latest actuarial report for your sub-plan (if applicable), 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.

## complaints resolution

The trustee has an established procedure for dealing with member complaints about the operation and management of the Trust. Complaints should be made in writing to the Inquiries Officer, Aon Master Trust, PO Box 1949, Wollongong NSW 2500. 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 the 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 may 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.

# DIRECTORY

## **Aon Master Trust**

PO Box 1949  
Wollongong NSW 2500

## **Trustee**

Aon Superannuation Pty Limited  
Level 33  
201 Kent Street  
Sydney NSW 2000

## **Auditor**

KPMG

## **Custodian Services**

Cogent Nominees Pty Ltd (a BNP Paribas company)

## **Administrator**

Aon Consulting Pty Limited (with majority of administration services outsourced to Superannuation Administration Corporation – trading as Pillar Administration – from October 2008)

## **Actuary and Superannuation Consultant**

Aon Consulting Pty Limited

## **Insurer – Group Life/Income Protection**

American International Assurance Company (Australia) Limited – trading as AIG Life

## **Eligible Rollover Fund**

Aon Eligible Rollover Fund  
PO Box 1949  
Wollongong NSW 2500

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) as trustee for the Aon Master Trust (ABN 68 964 712 340).

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