

SUPERANNUATION

# Annual Report

## TOWER Master Fund

YEAR ENDED 30 SEPTEMBER 2009



## LIFE'S A JOURNEY, WE'RE WITH YOU EVERY STEP OF THE WAY.



### The following products are part of the TOWER Master Fund

ARC Corporate Plan  
ARC Personal Plan  
ARC Allocated Pension

### Terms used in this Annual Report

ABN Australian Business Number  
AFSL Australian Financial Services Licence  
APRA Australian Prudential Regulation Authority  
the Fund TOWER Master Fund  
EST Eastern Standard Time  
pa per annum  
CPI Consumer Price Index  
SCT Superannuation Complaints Tribunal  
Russell  
Investments Russell Investment Management Limited  
the Trustee TOWER Australian Superannuation Limited  
'we', 'us', 'our'  
'TOWER' TOWER Australia Limited  
'you', 'your'  
'member' member of the Fund

Prepared and issued – December 2009

### Directory

**Superannuation Fund**  
TOWER Master Fund  
ABN 20 891 605 180

### Disclaimer

TOWER Australian Superannuation Limited (nor any of its related bodies corporate and their respective directors and associates) does not guarantee any particular rate of return, or the repayment of capital or income, or the performance of any of the products or funds referred to in this report unless otherwise stated. The information contained in the Annual Report is general information only. It does not take into account your individual investment objectives, financial situation or particular needs. You should obtain your own advice from a financial adviser with respect to your own individual investment objectives, financial situation and particular needs.

### Issuer & Trustee

TOWER Australian Superannuation Limited  
ABN 69 003 059 407 AFSL 23785 1

### Insurer & Administrator

TOWER Australia Limited  
ABN 70 050 109 450 AFSL 237848

### Customer Service

#### ARC Corporate Plan and ARC Personal Plan

☎ 1800 101 014 Monday to Friday 8:30am – 5:30pm (EST)

📞 1800 300 072

@ arcmt@toweraustralia.com.au

🌐 www.arcmt.com.au

#### ARC Allocated Pension

☎ 1800 226 364 Monday to Friday 8:30am – 5:30pm (EST)

📞 1800 300 072

@ arcmt@toweraustralia.com.au

🌐 www.arcmt.com.au

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PO Box 142  
Milsons Point NSW 1565

80 Alfred Street  
Milsons Point NSW 2061  
Call 02 9448 9000  
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## Introduction

This Annual Report for the TOWER Master Fund is for the year ended 30 September 2009 and is provided by the Trustee of the Fund, TOWER Australian Superannuation Limited. It includes details about the Fund's investment objective and strategy, investment option details and other fund information. Please read it in conjunction with your Annual Statement and the TOWER Newsletter. Your Annual Statement details your specific entitlements under the Fund.

If you'd like a printed copy of this report or have any questions, please call us on 1800 101 014 for ARC Corporate and ARC Personal or 1800 226 364 for ARC Allocated Pension or email [arcmt@toweraustralia.com.au](mailto:arcmt@toweraustralia.com.au)

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Whether you've just started working or are nearing retirement age, keeping track of your superannuation is important. Review your investment strategy regularly and make sure details such as your beneficiaries are up to date.

#### Keep your superannuation up to date

A superannuation portfolio is often a major part of a long-term savings plan which is why it's important to review your investment strategy regularly. Your investment strategy has a significant impact on your final superannuation balance so it's a good idea to keep on top of your superannuation and consult a financial adviser if you need to. If you don't have a financial adviser, please contact us and we'll put you in touch with one.

Don't forget to let us know any changes to your account details such as your address so we can keep you up to date on your superannuation.

#### How to nominate or update your beneficiaries

Understanding who receives your superannuation benefit (and any applicable insurance) in the event of your death is important. Under the Fund rules, the Trustee has a discretion to determine to whom and in what proportions any death benefit is payable. You may, however, nominate your personal representative and/or dependants as your preferred beneficiaries and the Trustee will take into account your wishes in the event of your death.

To nominate or update your beneficiary details, please complete and return the 'Change of Details Form' which can be downloaded from the website [www.arcmt.com.au](http://www.arcmt.com.au) under the PDS/Documents/Forms page. Alternatively, contact us on 1800 101 014 to obtain a copy of the form. If you require any further information regarding the death benefit nomination process please contact us on 1800 101 014 or via email on [arcmt@toweraustralia.com.au](mailto:arcmt@toweraustralia.com.au)



# YOUR SUPERANNUATION STRATEGY

**This section details the Fund’s objective and strategy as well as each investment option’s strategy, objective, asset allocation and other important investment information.**

**Trustee’s investment objective and strategy**

The Trustee’s investment objective is to provide a range of investment options from various asset sectors from which members can select investments which are suitable for their personal circumstances.

The Trustee’s investment strategy is to invest in an investment life insurance policy issued by TOWER, which provides a range of investment portfolios with different risk/return profiles.

The investment objective and strategy for each investment option is consistent with the Trustee’s investment objective and strategy.

**Investment option details**

<b>TOWER Balanced Growth</b>			
<b>Investment manager</b>	Russell Investments		
<b>Investment objective</b>	To aim to provide investors with exposure to a diversified mix of predominantly growth orientated assets with moderate to high volatility and some defensive assets.		
<b>Investment strategy</b>	This fund typically invests in a diversified portfolio mix with exposure to 70% growth and 30% defensive investments. Derivatives may be used to implement investment strategies.		
<b>Investment timeframe</b>	5+ years		
<b>Risk and return profile</b>	Moderate – high		
<b>Asset allocation</b>	<b>Asset class</b>	<b>2009 (%)</b>	<b>2008(%)</b>
	Alternatives	1	1
	Australian shares	33	31
	Cash	4	4
	Fixed interest	27	26
	International shares	27	31
	Property	8	7

<b>TOWER Capital Assured</b>			
<b>Investment manager</b>	Russell Investments		
<b>Investment objective</b>	The option aims to provide modest investment growth over the medium term from a portfolio that invests in a range of asset classes.		
<b>Investment strategy</b>	The option invests in a range of asset classes, with a strong emphasis on defensive assets such as cash and fixed interest.		
<b>Investment timeframe</b>	3 years		
<b>Risk and return profile</b>	Low		
<b>Asset allocation</b>	<b>Asset class</b>	<b>2009 (%)</b>	<b>2008(%)</b>
	Australian fixed interest	41	42
	Australian shares	10	9
	Cash and short term securities	20	21
	International fixed interest	22	20
	International shares	4	5
	Property	3	3

# INVESTMENT INFORMATION

<b>TOWER Conservative Balanced</b>			
<b>Investment manager</b>	Russell Investments		
<b>Investment objective</b>	To aim to provide investors with exposure to a diversified mix of defensive and growth orientated assets with some volatility		
<b>Investment strategy</b>	This fund typically invests in a diversified portfolio mix with exposure to 50% growth and 50% defensive investments. Derivatives may be used to implement investment strategies.		
<b>Investment timeframe</b>	3+ years		
<b>Risk and return profile</b>	Low - moderate		
<b>Asset allocation</b>	<b>Asset class</b>	<b>2009 (%)</b>	<b>2008(%)</b>
	Alternatives	0	0
	Australian shares	23	22
	Cash	13	15
	Fixed interest	37	36
	International shares	20	22
	Property	7	5

<b>TOWER Growth Maximiser</b>			
<b>Investment manager</b>	Russell Investments		
<b>Investment objective</b>	To aim to provide investors with capital growth over the long term by focusing on growth assets, while accepting fluctuations in capital values in the short term.		
<b>Investment strategy</b>	This fund typically invests in a diversified portfolio mix with exposure to 90% growth and 10% defensive investments. Derivatives may be used to implement investment strategies		
<b>Investment timeframe</b>	5+ years		
<b>Risk and return profile</b>	Moderate – high		
<b>Asset allocation</b>	<b>Asset class</b>	<b>2009 (%)</b>	<b>2008(%)</b>
	Alternatives	1	1
	Australian shares	42	42
	Cash	1	2
	Fixed interest	9	7
	International shares	37	39
	Property	10	9

<b>TOWER Security Focus</b>			
<b>Investment manager</b>	Russell Investments		
<b>Investment objective</b>	To aim to provide investors with exposure to a diversified mix of predominantly defensive assets and some growth orientated assets with low volatility		
<b>Investment strategy</b>	This fund typically invests in a diversified portfolio mix with exposure to 30% growth and 70% defensive investments. Derivatives may be used to implement investment strategies.		
<b>Investment timeframe</b>	3+ years		
<b>Risk and return profile</b>	Low – moderate		
<b>Asset allocation</b>	<b>Asset class</b>	<b>2009 (%)</b>	<b>2008(%)</b>
	Alternatives	0	0
	Australian shares	15	15
	Cash	24	29
	Fixed interest	47	41
	International shares	8	12
	Property	6	3

Colonial First State Wholesale Imputation			
Investment manager	Colonial First State Investments Limited		
Investment objective	To provide long term capital growth with some tax effective income by investing in a broad selection of Australian companies.		
Investment strategy	Colonial First State's Growth approach is based on the belief that, over the medium to long term, stock prices are driven by the ability of management to generate excess returns over their cost of capital in their chosen industry. The strategy of the fund is to generally invest in high quality companies with strong balance sheets and earnings. The strategy has an emphasis on companies paying higher dividend yields and some tax-effective income. The fund predominantly invests in Australian companies and therefore does not hedge currency risk.		
Investment timeframe	7 years		
Risk and return profile	High		
Asset allocation	Asset class	2009 (%)	2008(%)
	Australian shares	99	97
	Cash	1	3

Legg Mason Australian Bond Trust			
Investment manager	Legg Mason Asset Management Australia Limited		
Investment objective	The Trust aims to earn a return of 0.75% pa in excess of the UBS Australian Composite Bond Index over rolling, three year periods (before fees and tax).		
Investment strategy	The Trust aims to achieve the investment objective by holding a diversified portfolio of actively managed Australian fixed income and cash securities that focuses on capturing incremental returns from an array of diversified sources whilst adhering to strict risk controls.		
Investment timeframe	3 years		
Risk and return profile	Low – moderate		
Asset allocation	Asset class	2009 (%)	2008(%)
	Australian fixed interest	0	97
	Cash	4	3
	Commonwealth Government and semi-government bonds	39	0
	Supranational and sovereign bonds	6	0
	Corporate bonds	45	0
	Inflation linked bonds	1	0
	Mortgage and asset backed securities	5	0

Perennial Value Shares Wholesale Trust			
Investment manager	Perennial Investment Partners Limited		
Investment objective	To grow the value of the investment over the long term via a combination of capital growth and tax-effective income, by investing in a diversified portfolio of Australian shares. Perennial aims to provide returns that exceed the S&P/ASX 300 Accumulation index, measured on a rolling three year basis.		
Investment strategy	The Trust will invest in a range of companies listed (or soon to be listed) on the Australian Stock Exchange, which the manager believes have sustainable operations and whose share price offers good value. The cornerstone to this approach is a strong emphasis on company research. The aim is to develop a detailed understanding of each company before committing investors' funds.		
Investment timeframe	5 years		
Risk and return profile	High		
Asset allocation	Asset class	2009 (%)	2008(%)
	Australian shares	97	97
	Cash	3	3

Perpetual's Wholesale Industrial			
Investment manager	Perpetual Investment Management Limited		
Investment objective	The fund aims to provide long term capital growth and income through investment in quality Australian industrial shares and other securities.		
Investment strategy	Perpetual researches companies of all sizes using consistent share selection criteria. Perpetual's priority is to select those companies that represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria: conservative debt levels, sound management, quality business and recurring earnings. Derivatives may be used in managing the fund.		
Investment timeframe	5+ years		
Risk and return profile	High		
Asset allocation	Asset class	2009 (%)	2008(%)
	Australian shares	97	95
	Cash	3	5

Platinum International			
Investment manager	Platinum Investment Management Limited		
Investment objective	The fund aims to provide capital growth over the long term through searching out undervalued listed (and unlisted) investments around the world.		
Investment strategy	The fund primarily invests in listed securities. The portfolio will ideally consist of 100 to 200 stocks that Platinum believes to be undervalued by the market. Cash may be held when undervalued stocks cannot be found. Platinum may short sell shares that it considers overvalued. The portfolio will typically have 50% or more net equity exposure. Currency is actively managed.		
Investment timeframe	5+ years		
Risk and return profile	High		
Asset allocation	Asset class	2009 (%)	2008(%)
	Cash	14	17
	International shares	86	83

Schroder Wholesale Australian Equity			
Investment manager	Schroder Investment Management Australia Limited		
Investment objective	The objective of the fund is to outperform the S&P/ASX 200 Accumulation Index over the medium to long term.		
Investment strategy	The investment manager is a fundamental active manager of Australian shares, which seeks to invest primarily in growth stocks (i.e. companies which will be able to grow shareholder value in the longer term).		
Investment timeframe	5+ years		
Risk and return profile	High		
Asset allocation	Asset class	2009 (%)	2008(%)
	Australian and NZ shares	98	98
	Cash	2	2



<b>TOWER Australian Fixed Interest</b>			
<b>Investment manager</b>	Russell Investments		
<b>Investment objective</b>	To aim to provide exposure to a diversified portfolio of fixed income securities. To aim to provide a total return, before costs and tax, higher than the fund's benchmark over the long term.		
<b>Investment strategy</b>	The fund typically invests in Australian government securities, semi-government and corporate securities. In addition, the portfolio may also include non-Australian governments, supranational, agency and corporate bonds, as well as mortgage and asset backed securities.		
<b>Investment timeframe</b>	3+ years		
<b>Risk and return profile</b>	Low		
<b>Asset allocation</b>	<b>Asset class</b>	<b>2009 (%)</b>	<b>2008(%)</b>
	Fixed interest	100	100
<b>TOWER Australian Property</b>			
<b>Investment manager</b>	Vanguard Investments Australia Limited		
<b>Investment objective</b>	The fund seeks to match the total return of the S&P/ASX 300 Property Trusts Index before taking into account fund fees and expenses.		
<b>Investment strategy</b>	To closely track the index, Vanguard employs optimised replication techniques to select property securities.		
<b>Investment timeframe</b>	5+ years		
<b>Risk and return profile</b>	High		
<b>Asset allocation</b>	<b>Asset class</b>	<b>2009 (%)</b>	<b>2008(%)</b>
	Property	100	n/a
<b>TOWER Australian Shares</b>			
<b>Investment manager</b>	Russell Investments		
<b>Investment objective</b>	To aim to provide exposure to a diversified portfolio of Australian shares. To aim to provide a total return, before costs and tax, higher than the Fund's benchmark over the long term.		
<b>Investment strategy</b>	The fund invests predominantly in shares or unit trusts listed or about to be listed on the Australian Stock Exchange. The fund may also be exposed to short selling.		
<b>Investment timeframe</b>	5+ years		
<b>Risk and return profile</b>	High		
<b>Asset allocation</b>	<b>Asset class</b>	<b>2009 (%)</b>	<b>2008(%)</b>
	Australian shares	100	100
<b>TOWER Cash</b>			
<b>Investment manager</b>	Russell Investments		
<b>Investment objective</b>	To aim to provide exposure to a diversified portfolio of investment grade cash and cash equivalents. To aim to provide a total return, before costs and tax, in line with the Fund's benchmark over the short term.		
<b>Investment strategy</b>	The Fund typically invests in assets such as cash deposits, bank bills, floating rate notes and other cash equivalent products.		
<b>Investment timeframe</b>	The expected volatility of the fund is low, so the fund is appropriate for short-term investments.		
<b>Risk and return profile</b>	Low		
<b>Asset allocation</b>	<b>Asset class</b>	<b>2009 (%)</b>	<b>2008(%)</b>
	Cash and short-term securities	100	100

TOWER Ethical Growth			
Investment manager	AMP Capital Investors Limited		
Investment objective	The option aims to provide high investment growth over the long term from a portfolio of Australian shares issued by companies that take into account the wider ethical, social and environmental issues in the community.		
Investment strategy	The option invests in a range of Australian shares issued by companies that take into account the wider ethical, social and environmental issues in the community.		
Investment timeframe	5+ years		
Risk and return profile	High		
Asset allocation	Asset class	2009 (%)	2008(%)
	Australian shares	100	100

TOWER International Shares			
Investment manager	Russell Investments		
Investment objective	To aim to provide exposure to a diversified portfolio of International Shares. To aim to provide a total return, before costs and tax, higher than the Fund's benchmark over the long term.		
Investment strategy	The fund invests predominantly in a broad range of international shares listed on stock exchanges in developed international markets (such as countries included in the MSCI World Index). The fund may also be exposed to emerging market securities.		
Investment timeframe	5+ years		
Risk and return profile	High		
Asset allocation	Asset class	2009 (%)	2008(%)
	International shares	100	100

## Other investment information

### Changes in investment options

We regularly review the investment options and managers offered on the ARC Master Trust (ARC) investment menu and have decided to make the following changes following the most recent review:

- addition of a new investment option – TOWER Australian Property Fund. This was introduced from 1 July 2009
- termination of the following ten investment options on 19 August 2009. Below is the asset allocation of these ten investment options as at 30 September 2008.

UBS Diversified Fixed Income		
Asset allocation	Asset class	2008 (%)
	Australian fixed interest	71
	International fixed interest	29

Advance Sharemarket Fund – Wholesale Units		
Asset allocation	Asset class	2008 (%)
	Australian shares	97
	Cash and other	3

Eely Griffiths Group Small Companies Fund		
Asset allocation	Asset class	2008 (%)
	Australian shares	87
	Cash and other	13

Investors Mutual Australian Share Fund		
Asset allocation	Asset class	2008 (%)
	Australian shares	93
	Cash and other	7

Vanguard Australian Shares Index Fund		
Asset allocation	Asset class	2008 (%)
	Australian shares	100

Aberdeen Actively Hedged International Equities Fund <sup>1</sup>		
Asset allocation	Asset class	2008 (%)
	Cash and other	4
	International shares	96

<sup>1</sup> Formerly Credit Suisse International Shares Fund

Perpetual Wholesale International Share Fund		
Asset allocation	Asset class	2008 (%)
	Cash and other	1
	International shares	99

Vanguard International Shares Index Fund		
Asset allocation	Asset class	2008 (%)
	International shares	100

BT Wholesale Property Investment Fund		
Asset allocation	Asset class	2008 (%)
	Cash	3
	Property	97

RREEF Paladin Property Securities Fund		
Asset allocation	Asset class	2008 (%)
	Cash	3
	Property	97

### **Asset allocations and benchmarks**

Asset allocations for 30 September 2009 and 2008 for each of the investment options are shown on pages 3 to 8 and have been rounded to the nearest whole percentage point. The actual allocations may vary from time to time due to market fluctuations and investment decisions.

A limited portion of the investment portfolios may be held as cash for liquidity or other investment purposes from time to time. This cash holding is included in the asset class specified in the manager's mandate. For example, a specialist shares manager may hold some cash (within specified limits) and this would be classified as shares.

If you need further information about asset allocation benchmarks and minimum and maximum ranges, please contact your financial adviser, call us on 1800 101 014 or visit the website at [www.arcmt.com.au](http://www.arcmt.com.au)

### **Risk and return profile**

Volatility can be simply defined as fluctuations in the returns of an investment and is the most common way to measure the risk associated with certain asset classes. An investment which is more volatile than another is said to be riskier. This is because the greater the volatility of an investment, the greater the chance that its return could be less than expected.

It is widely accepted that over long periods of time, a relationship exists between the risk and return of each investment option. Generally, the investment options with the potential for earning higher returns carry a higher risk (ie have higher volatility of returns).

If you would like details for each of the investment options available to you as a member of the Fund (including asset allocation benchmarks and ranges) contact us on 1800 101 014 or visit the website at [www.arcmt.com.au](http://www.arcmt.com.au)

### **Multi-manager investment style**

TOWER's multi-manager investment options are managed by Russell Investment Management Ltd (Russell Investments), ABN 53 068 338 974. Russell Investments selects the underlying investment managers for its funds and regularly monitors the investment managers ensuring the investment options continue to meet investment objectives.

Multi-manager investing involves selecting quality specialist investment managers from around the world to manage some assets in the investment options. Russell Investments conducts a wide range of research, and has access to superior market information and a broad skill base for investment decision making.

TOWER's incumbent investment manager, Russell Investments, is a signatory to the United Nations Principles of Responsible Investment (UN PRI). As a signatory, Russell Investments believes that environmental, social and corporate governance issues can affect the performance of investment portfolios. They also recognise that applying the Principles to investment decisions may better align investors with the broader objectives of society.

### **Labour standards and environmental, social and ethical considerations**

Other than for the Ethical Growth investment option, labour standards, environmental, social, or ethical considerations are not taken into account for the purpose of selecting, retaining, or realising an investment. Underlying investment managers may or may not take these considerations into account.

### **Investment in derivatives**

Derivatives such as futures, forwards, options and swaps (as applicable) may be used, within agreed limits, by the underlying investment managers in managing the various asset classes.

TOWER's Derivative Risk Statement (DRS) contains information about our approach to the use of derivatives. If you would like a copy of this, please contact us or visit [www.toweraustralia.com.au/assetmgmt/riskmgmt.asp](http://www.toweraustralia.com.au/assetmgmt/riskmgmt.asp) where a copy of the DRS can be accessed.

## Processing of contributions and withdrawals

We reserve the right to suspend the processing of all contributions or withdrawals under certain market conditions or extraordinary circumstances, if in our opinion, to continue processing would not be in the best interests of members.

If the suspension on withdrawals continues for a long period, the Trustee must seek approval from the Australian Prudential Regulation Authority (APRA).

Please note that before you rollover, transfer or withdraw a benefit you can ask us for any assistance or information on anything you are unsure of, including benefits, fees and charges, or the possible effects of rolling over/transferring your benefit.

## Identification requirements

TOWER has processes in place to help to prevent unauthorised people from gaining access to your investments. However, there are some steps that individuals can take to help protect their personal information from unauthorised access or use and these are available within our website at [www.toweraustralia.com.au/privacy.asp](http://www.toweraustralia.com.au/privacy.asp)

The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (the AML/CTF Act) requires us to identify you and verify your identity when you withdraw benefits from your policy. Generally, you will need to provide certain documents (such as your passport or current driver's licence) for sighting and verification of your identity. If you do not provide identifying documents we will not be able to pay your benefit.

The AML/CTF Act also imposes reporting obligations on us if we form suspicions about the identity of someone we are transacting with or about the transaction itself. In these circumstances we may decide to delay or decline to process that transaction and report it to the regulator if we are concerned that the request or transaction may be in breach of the provisions of the AML/CTF Act or cause us to commit an offence under that Act. If we take this step we will not incur any liability to you.

## Unit pricing

### Benefit payments

TOWER's current procedure is to calculate the withdrawal value using the latest available unit price at the time of calculating the payment. Our current process has been updated and may differ from the benefit calculation procedure in your original product terms.

### Adjustments

Unfortunately from time to time, an error may occur in the calculation of a unit price. When a material error has been identified, TOWER will adjust members' accounts as follows:

- for members who are still current, we will adjust your investment to ensure it is in the position it should have been had the error not occurred; and
- for members who have exited, compensation may be paid where the adjustment is at least \$20. Amounts less than \$20 will remain in the Fund.

Where an exited member has been overpaid, TOWER may seek to recover the overpayment from the Trustee. In these circumstances, the Trustee reserves its right to recover the overpayment from the exited member.

# HOW WE MANAGE YOUR SUPERANNUATION

## Fees

We will provide you with at least 30 days notice before introducing any additional fee(s) or before any increases (other than Consumer Price Index increases) to existing fees.

## Lost members

The Australian Taxation Office (ATO) maintains a register of 'lost members'. Members may search this register to help trace any superannuation entitlements that may have been transferred to an eligible rollover fund. It is important to ensure that we are always advised of any change of address.

## Unclaimed benefits

In some circumstances, your benefit in the Fund may become subject to the unclaimed money laws.

For example, if you reach the prescribed age (ie 65 years of age) and a benefit from the Fund is to be paid to you but we have not received any contributions or rollovers into your account in the last two years and, after making reasonable efforts and after five (5) years, we are unable to contact you about the benefit payable, your benefit will be considered as an unclaimed benefit.

We must pay unclaimed benefits to the ATO.

To claim any benefit transferred to the ATO, you or your dependants will need to contact the unclaimed money service of the ATO. The contact details are:

Call 13 10 20

Website [www.ato.gov.au](http://www.ato.gov.au)

On transfer to the ATO, any benefit entitlement (including any insurance protection benefit, if applicable) that you have in the Fund will cease.

## Superannuation surcharge

The Government abolished the superannuation surcharge with effect from 1 July 2005, however if an assessment is still outstanding, the surcharge will be deducted from your account balance. Details of any such deduction will be shown on your Annual Statement.

## Approved eligible rollover fund

We are required by superannuation law to select an eligible rollover fund (ERF) to which we may transfer your withdrawal benefit in certain circumstances including if:

- your address details have never been provided to us; or
- we have sent to you one item of written communication which has been returned as unclaimed mail.

Small accounts of \$1,000 or less may also be transferred to the ERF. If we pay your benefit to the ERF, you cease to be a member of the Fund and become a member of the ERF. On transfer to the ERF, any benefit entitlement (including any insurance protection benefit) that you have in the Fund ceases. You are able to transfer or withdraw your benefit from the ERF as the governing legislation permits.

The Trustee has nominated the Australian Eligible Rollover Fund as the Fund's ERF. The contact details are:

Australian Eligible Rollover Fund  
Locked Bag 5429  
Parramatta NSW 2124  
1800 677 424

Fee type	No. of Members in Plan	Previous amount (net)	From 1 January 2010(net)
Member fee (ARC Corporate Plan only)	1-4	\$6.50/month	\$6.58/month
	5 or more	\$5.00/month	\$5.07/month
Members with an ARC Corporate account balance of \$26,342 or more are not charged this fee			
Family Law – Request for Information charge (this fee is payable by the spouse making the request for information)		\$65.00	\$65.85

## The Fund

The products listed on the inside cover of this Annual Report are part of the TOWER Master Fund, which is a complying superannuation fund under the Superannuation Industry (Supervision) Act 1993.

## The Trustee

The Trustee, TOWER Australian Superannuation Limited, currently has an approved guarantee from the National Australia Bank. Under this agreement, all liabilities of the Trustee incurred as a result of the Trustee fulfilling its duties to the TOWER Master Fund (and other superannuation entities of which it is trustee) are guaranteed by the National Australia Bank. This guarantee extends up to the amount of \$5 million. A copy of the approved guarantee is available for review upon request by contacting us.

## Indemnity insurance

The Trustee is covered under a professional indemnity insurance policy.

## Trust deed

A legal document called a trust deed sets out the provisions that govern the Fund. The Trustee is responsible for ensuring that the Fund operates according to the trust deed and the accompanying rules and that it complies with all relevant superannuation law.

Members may inspect the trust deed at any time by arrangement with us (see Directory on the inside cover for contact details).

## Fund review date

The annual fund review date is 30 September. This is the date each year when your account balance is valued specifically for the purpose of:

- determining and reporting your benefits to you (ie as at the end of the reporting period), as required by law;
- and
- preparing the Fund's financial accounts (see 'Financial Information' for further information) and annual return to APRA.

Please note that where applicable your member account balance as at 30 June each year is used to determine your minimum and maximum pension levels for the financial year ahead.

## Financial information

The financial accounts of the Fund are prepared in accordance with the Australian Accounting Standard AAS25 *Financial Reporting by Superannuation Plans* and within the provisions of the trust deed and relevant legislative requirements.

Members' benefits in the Fund are wholly determined by reference to life insurance policies. This means that the Fund is exempt from providing the following information to members:

- audited fund accounts, auditor's report or abridged financial information;
- statement of assets; and
- details of any assets (or group of associated assets) which exceed 5% of the value of the Fund.

All expenses incurred by the Trustee of the Fund to date have been borne by us, and reflected in the charges appropriate to the life insurance policies within the Fund. The Trustee is entitled (and may commence) to recover reasonable expenses from the Fund by giving 30 days notice to members. Any such expense recoveries may be made by deducting the relevant amounts from the Fund's assets as a whole.

# FUND INFORMATION

At TOWER we pride ourselves on our high standards of customer service. If you have any questions about your TOWER product, we're here to help.

## Contact us

### ARC Corporate Plan and ARC Personal Plan

- call us on 1800 101 014 Monday – Friday 8:30am-5:30pm (EST)
- email us at [arcmt@toweraustralia.com.au](mailto:arcmt@toweraustralia.com.au) quoting your member number: or
- write to us at the following address quoting your member number

### ARC Allocated Pension

- call us on 1800 226 364 Monday – Friday 8:30am-5:30pm (EST)
- email us at [arcmt@toweraustralia.com.au](mailto:arcmt@toweraustralia.com.au) quoting your member number: or
- write to us at the following address quoting your member number

TOWER Australia Limited

PO Box 142

Milsons Point NSW 1565

## Complaints

If you have a complaint about the Fund please put it in writing and send it to the following address:

TOWER Complaints Manager

TOWER Australia Group Limited

PO Box 142

Milsons Point NSW 1565

If your complaint has not been resolved to your satisfaction within 90 days of lodging your complaint, you may refer your complaint in writing to the Superannuation Complaints Tribunal (SCT), at the following address:

Superannuation Complaints Tribunal

Locked Bag 3060

GPO Melbourne VIC 3001

Call 1300 780 808

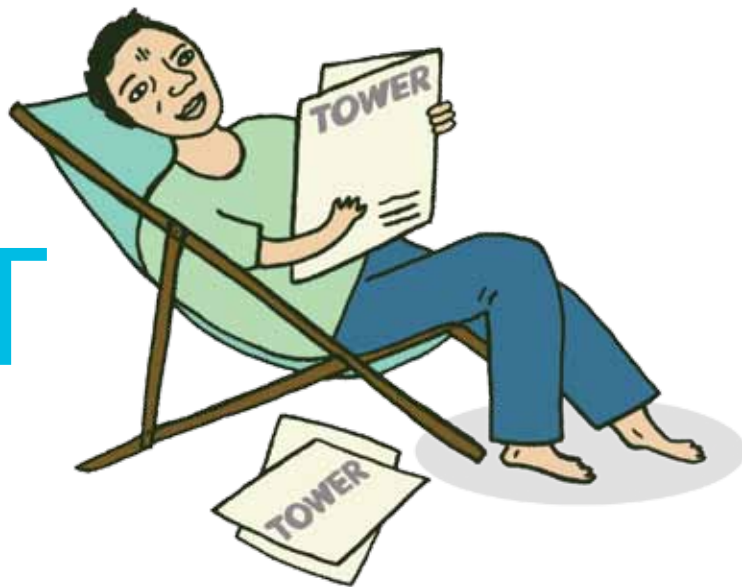
Email [info@sct.gov.au](mailto:info@sct.gov.au)

Website [www.sct.gov.au](http://www.sct.gov.au)

### About the Superannuation Complaints Tribunal

The SCT is an independent body established by the Commonwealth Government to review unresolved complaints arising from trustee decisions relating to its members as opposed to trustee decisions about the management and operation of a superannuation fund as a whole. The objective of the SCT is to provide a fair, timely and economical means of resolution of complaints as an alternative to the court system. The SCT cannot consider complaints that have not been first referred to the Trustee's complaint resolution process.

# CONTACT DETAILS





**Superannuation Fund:**

TOWER Master Fund  
ABN 20 891 605 180

**Issuer and Trustee:**

TOWER Australian Superannuation Limited  
ABN 69 003 059 407  
AFSL No. 237851  
Prepared and Issued – December 2009

**TOWER Australia Limited**

80 Alfred Street, Milsons Point NSW 2061  
**Phone** 02 9448 9000 | **Fax** 02 9448 9100  
[www.toweraustralia.com.au](http://www.toweraustralia.com.au)