

SUPERANNUATION

# Annual Report

## BMA Personal Superannuation Fund

YEAR ENDED 30 SEPTEMBER 2009





## Introduction

This Annual Report for the BMA Personal Superannuation 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 226 364 or email [customerservice@toweraustralia.com.au](mailto:customerservice@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 'Death Benefit Nomination Form' which can be downloaded from the webpage [www.toweraustralia.com.au/assetmgt/disclosure.asp](http://www.toweraustralia.com.au/assetmgt/disclosure.asp) Please download the form titled 'Death Benefit Nomination Form (BMA Personal Superannuation Fund)' which is applicable to your policy.

Alternatively, contact us on 1800 226 364 to obtain a copy of the form. If you require any further information regarding the death benefit nomination process please contact us on 1800 226 364 or via email on [customerservice@toweraustralia.com.au](mailto:customerservice@toweraustralia.com.au)



# YOUR SUPERANNUATION STRATEGY

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

Trustee’s investment objective and strategy

Product	Objective	Strategy
<p><b>Participating Policies</b>            For Members with the following products:</p> <ul style="list-style-type: none"> <li>• Foundation Plan</li> <li>• Growing Dollar Plan Series 1</li> <li>• Growing Dollar Plan Series 2</li> <li>• Endowment Assurance</li> <li>• Pure Endowment</li> <li>• Whole of Life</li> </ul>	To provide a pre-defined investment return over time.	To invest in participating insurance policies which provide exposure to asset classes that the investment manager, in its absolute discretion, determines is consistent with the Trustee’s investment objective.
<p><b>Non Participating Policies</b>            For Members with the following products:</p> <ul style="list-style-type: none"> <li>• BMA Personal Superannuation Bond</li> </ul>	To provide a pre-defined investment return over time.	To invest in non participating insurance policies which provide exposure to asset classes that the investment manager, in its absolute discretion, determines is consistent with the Trustee’s investment objective.
<p><b>Non Participating Policies</b>            For Members with the following products:</p> <ul style="list-style-type: none"> <li>• Guaranteed Renewable Life</li> <li>• Whole of Life</li> <li>• Endowment Assurance</li> <li>• Pure Endowment</li> </ul>	To provide a pre-defined benefit for members at the end of their policy term.	To invest in non participating insurance policies which provide exposure to asset classes that the investment manager, in its absolute discretion, determines is consistent with the Trustee’s investment objective.

# INVESTMENT INFORMATION

## Changes to the strategic asset allocation

The strategic asset allocation (SAA) is the asset allocation that TOWER has decided is most appropriate to meet each investment option's investment objective.

As part of the ongoing monitoring and commitment to continually improve investment offerings, the asset allocation of each investment option has been reviewed.

As a result, the SAA of the following investment options have been adjusted to ensure it can continue to efficiently meet the investment objective. These changes were effective in March 2009.

The actual asset allocation will vary from time to time based on the market movements and investment decisions within the minimum and maximum ranges listed.

## Capital Guaranteed (for Non Participating BMA policies only)

	Previous benchmark %	New benchmark %	Ranges Min %	Ranges Max %
Australian fixed interest	20	85	80	90
Australian shares	27	0	0	0
International fixed interest	15	0	0	0
International shares	15	0	0	0
Property	8	0	0	0
Short term securities and cash	15	15	10	20

If you need further information about asset allocation benchmarks and minimum and maximum ranges, please contact your financial adviser, call us on 1800 226 364 or visit the website at [www.toweraustralia.com.au](http://www.toweraustralia.com.au)

## Other investment information

### Investment option details

All products that are part of the Fund are invested in a Capital Guaranteed investment option of which TOWER is the investment manager. The investment objective and strategy for each investment option is consistent with the Trustee's investment objective and strategy.

### Pre-defined returns

TOWER declares an annual crediting rate for the Capital Guaranteed investment option which must provide, as a minimum, a pre-defined rate of return.

For further information on your pre-defined rate of return, please refer to the policy document issued on commencement of your membership or contact us for more information.

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

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/assetmgt/riskmgt.asp](http://www.toweraustralia.com.au/assetmgt/riskmgt.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 interest 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.

# 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



## The Fund

The products listed on the inside cover of this Annual Report are part of the BMA Personal Superannuation 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 BMA Personal Superannuation 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.

## 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

- call us on 1800 226 364 Monday – Friday 8:30am-5:30pm (EST)
- email us at [customerservice@toweraustralia.com.au](mailto:customerservice@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:**

BMA Personal Superannuation Fund  
ABN 36 628 750 779

**Issuer and Trustee:**

TOWER Australian Superannuation Limited  
ABN 69 003 059 407  
AFSL No. 237851  
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**TOWER Australia Limited**

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