

Annual Report to Members for the Year Ending 30 June 2011

Issued by the Trustee of the Millennium Master Trust,
The Trust Company (Superannuation) Limited
ABN 49 006 421 638
AFS Licence No 235153
RSE Licence No L0000635

millennium MASTER TRUST



This Annual Report should be read in conjunction with your Annual Benefit Statement for the year ended 30 June 2011. Together, they form your annual periodic information.



This report is issued by the Trustee of the Fund, The Trust Company (Superannuation) Limited ABN 49 006 421 638 AFS Licence No 235153 RSE Licence No L0000635. Neither The Trust Company (Superannuation) Limited, any investment manager nor other service provider to the Fund guarantees the investment performance of any investment offered or the repayment of capital. Investment in the Fund is subject to investment risk including loss of income and capital invested. The information provided in this report is in accordance with the requirements of the Corporations Act 2001. The information is of a general nature only and has been prepared without taking account of your investment objectives, financial situation and needs. Before making any investment decisions in relation to the Fund you should consider obtaining professional financial advice from an appropriately licensed or authorised financial adviser.

The report contains reference to an internet facility for interactive access to information by members and a website for information about the Fund provided by the Administrator, Millennium3Financial Services Pty Ltd. The Trustee is not the provider of, and therefore cannot accept responsibility for, these facilities.

Whilst all due care has been taken in the preparation of this report, the Trustee reserves the right to correct any errors or omissions.

The terms of your membership in the Fund are set out in the Fund's trust deed. Should there be any inconsistency between this report and the Fund's trust deed, the terms of the Fund's trust deed will prevail.

CONTENTS

GREETING FROM YOUR TRUSTEE	3
HOW YOUR FUND OPERATES	4
INVESTMENT NEWS	7
INSURANCE COVER	26
FEES AND COSTS	28
GENERAL INFORMATION	29
TAXATION AND SUPERANNUATION	36
ENQUIRIES AND COMPLAINTS	43
FINANCIAL ACCOUNTS	44
DIRECTORY	Inside Back Cover

GREETING FROM YOUR TRUSTEE

The Trust Company (Superannuation) Limited (the Trustee) is pleased to present the Annual Report for Millennium Master Trust (the Fund) for the year ending 30 June 2011.

This report provides you with information on the Fund's progress throughout the year, along with details of the Fund's financial position, its investment objectives and performance, and other issues relevant to your membership of the Fund.

Important Information about changes that may affect you

This report contains important information about:

- The recent closure of an investment option (the 'Challenger Wholesale Cash Management Trust' option). This option is no longer available for selection by any existing or new members of the Fund (refer to page 9 of this report).
- At the same time that the Challenger Wholesale Cash Management Trust option was closed, a new investment option (the 'Cash Strategy Pool') was introduced. As the Cash Strategy Pool was not in existence at 30 June 2011, information about this investment option is not detailed in this report. For information about the Cash Strategy Pool (including objectives, strategy and other characteristics) refer to the Product Disclosure Update available when you go to the Fund's PDS at www.m3.com.au.

The Taxation and Superannuation section of this report also include updated taxation information, including revised benefit tax information.

Significant changes to the superannuation system have also been confirmed or proposed in the Federal Government's May 2011 Budget and as a result of a number of ongoing Government reviews. Except for Budget changes that have become law, this Annual Report does not contain information about proposed reforms.

Take the time to read this report as it will help you in increasing your understanding of how your Fund, and superannuation in general, works towards building an asset for your retirement. Should you have any questions regarding your participation in this Fund, please contact the Administrator, whose details can be found in the Directory at the back of this Report.

HOW YOUR FUND OPERATES

About the Millennium Master Trust

The Fund is set up as a trust and is governed by a legal document called the Trust Deed. The Fund is run by the Trustee, The Trust Company (Superannuation) Limited, a professional trustee company of multiple superannuation funds. The Fund is a regulated fund under the Superannuation Industry (Supervision) Act 1993 (SIS Act).

At 30 June 2011, Fund membership was more than 6,900 and Fund assets were in excess of \$49 million.

Trustee & the issuer of this report

The Trustee is responsible for the prudent management of the Fund and for ensuring that the Fund operates in accordance with the Trust Deed and the relevant legislation. The Trustee is also the issuer of this report.

The directors of the Trustee during the year to 30 June 2011 were:

BOARD OF DIRECTORS

- John ATKIN (Appointed 1 September 2010)
- Vicki Lee ALLEN (Resigned 23 March 2011)
- Noel Albert DAVIS (Appointed 1 September 2005)
- Luigi Mario RODRIQUEZ (Appointed 30 July 1998)
- David Roko Grbin (Appointed 17 December 2008)

SECRETARY

- Nicholas SETTE (Appointed 29 November 2006)
- Sally ASCROFT (Appointed 15 December 2010)

Trustee indemnity insurance

The Trustee has taken out Professional Indemnity insurance to protect it from certain liabilities that may be incurred in carrying out its duties as Trustee. Protection from liability does not extend to loss incurred through gross or wilful misconduct and is subject to the terms and conditions of the indemnity insurance policy.

Approved Guarantee

The Trustee satisfies its capital requirements under section 29 DA (3) of the Superannuation Industry (Supervision) Act through an Approved Guarantee in the sum of \$5 million.

A copy of the Approved Guarantee is available for review at our offices.

Related party disclosures

The Trustee and related parties do not have any interest in any service provider or investment managers engaged by the Fund.

The Trustee is the trustee of the Eligible Rollover Fund to which benefits may be paid (without your consent) in certain circumstances (see the section "What happens if you lose contact with this fund" below for more information).

The Trustee is the trustee of the pooled superannuation trust in which the assets of the Fund are invested (see the section "How your Fund invests" below for more information).

The Trustee receives remuneration in its capacity as trustee of these other superannuation vehicles, on an arms length and commercial basis.

Trustee Statements in relation to the year ending 30 June 2011

Compliance Statement

The Trustee intends to operate the Fund at all times as a complying superannuation fund under the SIS Act. Compliance with the SIS Act entitles the Fund to receive concessional tax treatment. The Trustee is unaware of any events that could jeopardise the Fund's complying status and has not had any penalties imposed under Section 38A of the SIS Act.

Trust Deed

The overall operations of the Fund are governed by a legally binding document known as the Trust Deed. The Trust Deed as amended from time to time, sets out who can join the Fund, how monies are received and invested, how benefits are paid to Members, and other details on how the Fund must operate.

You can obtain a copy of the Trust Deed and the amendments made thereto free of charge by contacting the Administrator, whose details can be found in the Directory at the back of this Report.

Policy Committees

Where an Employer group in the Fund has more than 49 Members, there is a requirement that a Policy Committee be formed.

A Policy Committee is made up of an equal number of Member-appointed and Employer-appointed persons, who collectively act as a link between the Trustee, the Members, and the Employer. Members of the Fund are invited to nominate candidates for the applicable number of Member-appointed representatives, and a secret ballot is held when there are more nominations than there are vacancies. The employer will nominate Employer-appointed representatives, in equal numbers to the number of Member-appointed representatives. There are restrictions in relation to who can serve on a Committee and these details, along with all other relevant information, is provided at the time when nominations are sought. These details are also available upon request from the Administrator.

The main role of the Committee is to facilitate the flow of information between the Trustee and the Members – for example, the Committee can let the Trustee know the views and needs (including information needs) of the Members. It is not the role of the Committee to set the Employer's superannuation policy, nor is it the role of the Committee to set or advise on investment strategies.

If your Employer group has a Policy Committee, details are provided in your Annual Benefit Statement, showing details of the Policy Committee as at 30 June 2011.

What we do to keep you informed

At least once every year the Trustee will provide you with, in writing:

- a Member's Annual Benefit Statement – it shows details about your account, your benefits, and a summary of transactions over the last year. This will be posted to your mailing address after the end of each financial year (together with this Annual Report).
- an Annual Report - this will provide you with details about the Fund, its operation, and its performance.

During the year, you can keep up to date with your Fund:

- by visiting the Administrator's web site – www.m3.com.au
- by using MySuperSolution – the Administrator's internet facility for interactive access
- by contacting the Administrator or Fund Enquiries and Complaints Officer (see the Directory at the back of this report).

Members may also obtain or view the following information upon written request to the Trustee:

- copy of the Annual Return to the Australian Prudential Regulation Authority
- copy of the Auditor's Report
- copy of the latest audited accounts
- risk management plan
- provisions of the Trust Deed which relate to your membership.

In addition you may request information from the Trustee in order to:

- understand any benefit entitlements that you may have or used to have;
- understand the main features of the Fund;
- make an informed judgment about the management and financial condition of the Fund;
- make an informed judgment about the investment performance of the Fund; and
- understand the particular investments of the Fund.

You can obtain forms, a copy of this Annual Report, investment updates (including updates to Investment Fund PDS for Single Manager Options), and other general information via the Administrator's web site – www.m3.com.au.

If you have any questions regarding the Fund, its insurance, contribution and investment options, or your benefits, please contact the Administrator.

What happens if you lose contact with this Fund?

The SIS Act allows trustees to nominate an Eligible Rollover Fund (ERF). In special circumstances (and subject to any obligation on the Trustee to pay superannuation accounts to the ATO – see below), the Trustee may transfer your accumulated benefit to an ERF without your permission. This usually occurs if you cannot be located at the address recorded on the administration system.

If you have left employment and have not instructed the Trustee to pay your benefit to you or to another superannuation fund, the Trustee may pay your benefit to the ERF after 90 days. If you have left employment and the Trustee is satisfied that you have not received the last Annual Benefit Statement at your last known address, the Trustee may pay your benefit to the ERF. Once your benefit is transferred to the ERF, you cease to be a member of the Millennium Master Trust and instead become a member of the ERF and subject to its governing rules. Any insurance cover you may have had in the Millennium Master Trust will cease.

In an ERF, the administration fees deducted directly from your account cannot usually exceed investment earnings allocated to that account (called "member protection"). However, your benefit can reduce due to negative earnings and taxes. The ERF has different fees and costs and investments to the Millennium Master Trust and does not provide insurance cover.

The Trustee has elected the Super Safeguard Fund ("Super Safeguard") as the ERF to which it will make payments under these circumstances. Super Safeguard ERF is administered by Primary Superannuation Services Ltd and the trustee is The Trust Company (Superannuation) Limited.

The contact details of Super Safeguard are:

Contact person: The Fund Administrator

Postal address: GPO Box 3426,
Melbourne VIC 3001

Tel: 1300 135 181

Fax: 1300 135 191

If Super Safeguard holds your current contact details, you will be provided with a Product Disclosure Statement (PDS) for the ERF outlining the operational and membership details of that fund. If you would like more information about Super Safeguard, contact the Fund Administrator

for Super Safeguard (contact details above) for a PDS.

If, as a result of losing contact with you, you are classified as a 'lost' member for the purposes of the SIS Act, the Trustee is also required to report your details to the Australian Taxation Office's Lost Member Register. You can search the Lost Member Register to locate lost benefits by visiting www.ato.gov.au.

Payment of small and insoluble lost accounts to unclaimed monies

From the 2010/11 financial year, superannuation funds are required to transfer to the ATO lost accounts which have balances less than \$200 or which have been inactive for 5 years and for which there are insufficient records to identify the owner of the account, to unclaimed monies.

Former holders of these lost accounts will still be able to reclaim their money from the ATO at any time. Other circumstances in which account balances are currently paid to the ATO (as unclaimed monies) include when a member reaches age 65 and cannot be found by a fund trustee, or when a member dies and the trustee cannot ensure the benefit is received by the person entitled to receive the benefit.

INVESTMENT NEWS

How your Fund invests

Your Fund provides Members with a choice of 16 different investment options, including options that invest across a range of asset classes, and options that invest in just the one asset class.

All investment options under the Fund are provided through the Millennium3 Pooled Superannuation Trust ('Millennium3 PST'), which means that 100% of the Fund's investments are in the Millennium3 PST. Investing via the PST gives the Trustee and Fund members access to a wide variety of underlying investment managers, and enables even small balances to benefit from the specialist asset consulting and research skills of major investment research and consulting firms.

Please note that Millennium3 Financial Services Pty Ltd (the Administrator of the Millennium Master Trust) is the Promoter of the Millennium3 PST and also acts as Asset Consultant for the PST and the Millennium Master Trust. The Millennium3 PST was established for the sole purpose of obtaining the economies of scale that can be achieved by pooling funds together and Millennium3 Financial Services Pty Ltd does not receive any financial benefit or income from the Millennium3 PST.

If you do not make a choice, your investment will be placed in the default option - 100% in the ING Wholesale Managed Growth Trust.

More information about the investment options can be found in the Fund's current PDS, which is available from the Administrator's website, or by contacting the Administrator on 1800 336 911. For Single Manager options, also refer to the relevant Investment Fund PDS available from the Administrator's website at www.m3.com.au or on request by contacting the Customer Service Centre on 1800 336 911. You should read the Investment Fund PDS applicable to a Single Manager Option before making an investment decision about them. Before selecting a Single Manager Option you are required to acknowledge that you have received the relevant Investment Fund PDS.

Changing your investment options

You can nominate anything from one to ten of the investment options and can change your investment options at any time by notifying us in writing, as many times as you like during the year. There is no fee for changing your investment options but the units for some options do have a difference between the Buy and Sell price. The Sell price applies when you switch out of an investment option. The Buy price applies when you switch into an investment option. Buy/Sell prices are determined weekly unless circumstances arise in which the Trustee determines that unit pricing should be deferred or suspended. Some more information about unit pricing is provided later in this report. To find out more about your investment options and any buy/sell margin that may apply, see the Fund's current PDS. You can obtain the Fund's current PDS and an Investment Nomination Form, from the website or by contacting the Administrator on 1800 336 911. Up to date unit prices are available from www.m3.com.au.

You can update your investment choices at any time by:

- sending us an investment nomination form (available from www.m3.com.au or by contacting the Administrator);
- changing your allocation on-line through the Administrator's internet facility called MySuperSolution (see page 41 of this report for more details).

Investments are switched at the prices applicable for the week in which the switch is processed. Our time standard for investment switches is 5 days from receipt of the completed and valid request and any investment nomination can not be altered within 30 days of the nomination being made.

Derivatives

The Trustee has never invested directly in derivatives and does not intend to do so. However, the underlying investment managers utilised by the Millennium3 PST may use futures, options and other derivative instruments to assist with the effective management of the Fund's assets. These instruments may not be used to gear the Fund's portfolio of assets. Derivatives may be used to enhance returns on the Fund's assets, improve liquidity in some asset classes and control risk.

Investment Commentary

Note: Past performance is not a reliable indicator of future performance. Investment earnings can be positive or negative.

(This commentary is provided by the Fund's Asset Consultant, Millennium3 Financial Services Pty Ltd (ABN 61 094 529 987, AFS Licence No. 244252) ('Millennium3'). The information provided is for general use only. Millennium3 warns that (a) Millennium3 has not considered any individual person's objectives, financial situation or particular needs, and (b) individuals should seek advice and consider whether the advice is appropriate in light of their goals, objectives and current situation. Before making any decision about whether to invest in a financial product, individuals should obtain and consider the relevant disclosure document.

Whilst all reasonable care has been taken to ensure the accuracy of information provided, Millennium3 does not accept responsibility for any inaccuracy or for investment decisions or any other actions taken by any person on the basis of the information included.

2010/2011 Financial Year in Review

The past year offered an interesting mix of positive and negative news as investors around the world eagerly anticipated signs of economic recovery and financial stabilization. While most financial markets logged positive returns for a second straight year, investors had to endure a host of troubling news and pessimistic market predictions.

Stocks performed well in the US and most developed countries, and across size and value risk factors, despite ongoing concerns over a possible double-dip recession, rising government indebtedness, and inflation. Thirty-seven out of forty-five countries tracked by MSCI achieved positive returns in both local currency and US dollar terms.

Australian shares returned 11.9% in another volatile year for the domestic share market, whilst International shares produced returns of 22.3% in their local currencies over the year, as measured by the MSCI Worldex Australia Index (net return). However, unhedged returns to Australian investors were severely reduced by the continued rise of the Australian dollar, returning only 2.7% in Australian dollar terms.

Fixed income returns were positive, thwarting assertions that bond prices were in dangerous "bubble" territory. Australian fixed income returned 5.55% over the financial year, as measured by the UBS Australian Composite Bond Index. International fixed income returned 10.51% in \$US, as measured by the Barclays Capital Global Aggregate Index.

Despite continued weakness in residential housing and commercial property, real estate securities around the world outperformed the broad equity market. The Australian listed property sector recorded total returns of 5.9% for the financial year as measured by the S&P/ASX 300 A-REIT Accumulation Index. Diversification across the size and value risk dimensions proved rewarding in both US and non-US markets, particularly among small company stocks.

In the wake of the financial crisis, investors who have become more risk averse or accepted the tenets of a "new normal" in the economy and markets chose to remain in fixed income assets. Bond funds in the US received a massive net inflow of money in the past two years, suggesting that many investors who fled stocks may have missed out on much of the rebound in equities. Throughout most of 2010, investment flows were leaving the US stock market and moving to emerging markets.

Despite moderate inflation in most economies during 2010, economists warned that continued government budget deficits and monetary expansion would drive up prices.

Throughout the year, investors could find a host of reasons to avoid stocks and wait for more positive news before returning to the market. As these select headlines suggest, determining the right time to invest is a difficult task since the market anticipates news and quickly factors in new information.

While sovereign debt risks in Europe, the Japanese earthquake and high oil prices pose significant risks, the global recovery is continuing albeit in a constrained and fragile fashion. Given the uncertain global fundamentals, shares are likely to remain volatile and possibly fall further in the near term. Please note that the investment commentary above is of a general nature only and relates to the broader investment market for the period ending 30 June 2011. Decisions about your investments are important and should not be made without first obtaining advice from an appropriately licensed or authorised financial adviser that takes into account your personal circumstances and needs.

About the Investment Options

The Fund offers investment options that are either Single Manager options (where the one company manages the investment), or Multi-Manager options, where the managers are selected with the assistance of the Fund's asset consultant, Millennium3 Financial Services Pty Ltd (AFSL 244252), an AFS Licensee authorised to deal in securities.

Within these option types, the Fund also offers two styles of investment which aim to meet your investment needs:

- Diversified strategies with assets spread across a number of investment sectors ('Diversified Options');
- Sector strategies which allow you to have some control over your exposure to specific asset sectors ('Sector Options').

Each investment option has an objective. The objective is not a promise or guarantee of any particular benefit or return. The objective is used to measure the performance of the option's investments.

Multi-Manager Options

Under our Multi-Manager Options, which we call our Strategy Pools, the asset consultant uses their rigorous research and analysis to select the most suitable managers and trusts. The underlying managers and trusts utilised in each Strategy Pool are reviewed on a quarterly basis, and the underlying managers and trusts may be changed from time to time as a result. This takes the responsibility for selecting and monitoring managers away from members who may not have the desire or skills to fulfil this role themselves.

The underlying managers or investment products shown for the Strategy Pools are for illustrative purposes only and are not intended to indicate an ability on the part of members to direct which investment managers or investment products will be used to implement the investment strategy of each Strategy Pool.

Diversified Options	Sector Options
<p>Assertive Options</p> <ul style="list-style-type: none"> • Growth Strategy Pool <p>Balanced Options</p> <ul style="list-style-type: none"> • Balanced Strategy Pool <p>Conservative Options</p> <ul style="list-style-type: none"> • Conservative Growth Strategy Pool 	<p>Australian Share Options</p> <ul style="list-style-type: none"> • Australian Smaller Companies Strategy Pool <p>Cash Options</p> <ul style="list-style-type: none"> • Cash Strategy Pool

Details of the underlying managers are provided in the following sections.

Please note that the Trustee has absolute discretion to change the manager at any time without prior notification to you.

Single Manager Options

As the name suggests, these options are managed by just the one company. The companies we use are based on manager research by the Fund's asset consultant.

Our Single Manager options are:

Diversified Options	Sector Options
<p>Assertive Options</p> <ul style="list-style-type: none"> Colonial First State Wholesale Diversified Fund ING Managed Growth BlackRock Wholesale Balanced Fund <p>Conservative Options</p> <ul style="list-style-type: none"> Colonial First State Wholesale Conservative Fund ING Wholesale Capital Stable Trust 	<p>International Share Options</p> <ul style="list-style-type: none"> BT Wholesale International Shares Fund MFS Global Equity Trust <p>Australian Share Options</p> <ul style="list-style-type: none"> AMP Capital Equity Fund – Class A Units Aberdeen Classic Series Australian Equities Fund Wholesale Alphinity Socially Responsible Share Fund <p>Property Options</p> <ul style="list-style-type: none"> Challenger Wholesale Property Securities Fund

Please Note: The Fund has the following closed options:

- Challenger Howard Wholesale Mortgage Fund (formerly named the Howard Wholesale Mortgage Fund), which was closed to new investments effective from the 21 October 2008;
- ING Wholesale Capital Guaranteed Fund, which was closed from 31 December 2002;
- ING Wholesale Emerging Companies Trust, which was closed from 31 December 2002;
- Perpetual's Wholesale Smaller Companies Fund, which was closed from 1 October 2002.
- Challenger Wholesale Cash Management Trust, which was closed from 1 July 2011.

With regard to the Challenger Wholesale Cash Management Trust, all monies held in this option have now been transferred to the Cash Strategy Pool, a new investment option introduced to the Fund with effect from 1 July 2011.

With regard to the other closed options, members can transfer out of these options (except in the case of the Challenger Howard Wholesale Mortgage Fund, which is subject to liquidity restrictions), but cannot switch in.

About Underlying Investment Funds

The Single Manager options enable you to choose named financial products or investment funds as your preferred investment strategy. Before you choose or switch to a Single Manager option you should read the relevant Investment Fund PDS. Investment Fund PDSs are available from the Administrator's website at www.m3.com.au or on request by contacting the Customer Service Centre on 1800 336 911. When nominating any Investment Fund as your preferred investment option you will be required to acknowledge that you have received the applicable Investment Fund PDS.

Investment Option Profiles

Option

Objective And Strategy

Colonial First State Wholesale Diversified Fund

This investment option aims to provide medium-to-long-term capital growth, together with some income, by investing in cash, fixed interest, property and shares.

The broad asset allocation is to be 70% invested in growth assets (shares, property) and 30% in defensive assets (fixed interest, cash). Allocations are reviewed regularly although changes are infrequent, and a reallocation would only be considered in response to a fundamental change in long-term expectations or market demand. The manager seeks to add value through a disciplined approach to selection of the shares and other assets held by the option. For risk management purposes, the option indexes part of its global share exposure and may partially hedge currency risk.

Managed By Colonial First State Investments Limited

Growth Strategy Pool

This investment option aims to generate a return of 5% above the inflation rate on an annual basis over an investment period of 5 years.

A high weighting towards growth assets such as shares and property.

See details of managers responsible for each of the sectors in this pool on page 22

ING Wholesale Managed Growth Trust

This is the default
option for the Fund.

This option aims to achieve returns (before fees, charges and taxes) that on average exceed inflation by at least 5% per annum, over periods of five years or more. The Trust invests in a diversified mix of Australian and international assets with a strategic bias towards growth assets. The Trust is actively managed in accordance with ING Investment Management Limited's investment process.

Managed by ING Investment Management Limited

Balanced Strategy Pool

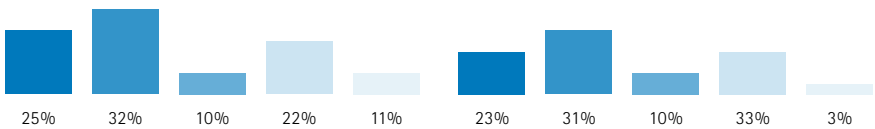
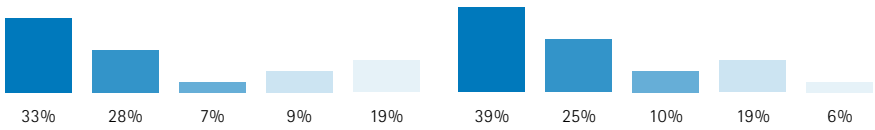
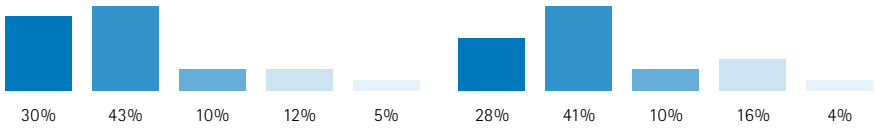
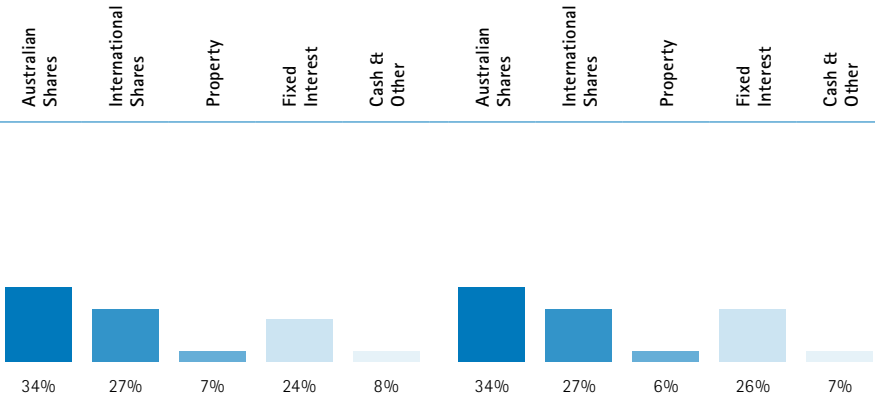
This investment option aims to outperform the Conservative Growth Strategy Pool and to exceed inflation over 4 - 5 years.

A significant exposure to growth assets (70%) such as Australian and international shares and property.

See details of managers responsible for each of the sectors in this pool on page 23

Asset Allocation @ 30 June 2011

Asset Allocation @ 30 June 2010



Investment Option Profiles

Option	Objective And Strategy
--------	------------------------

BlackRock Wholesale Balanced Fund	<p>The investment objective is to provide investors with the highest possible returns consistent with a "balanced" investment strategy encompassing:</p> <ul style="list-style-type: none">• an orientation towards growth assets;• a bias toward Australian assets; and• active asset allocation, security selection and risk. <p>The investment strategy is to provide investors with a diversified exposure to the best investment teams and strategies that the manager has globally within the context of an Australian based "balanced" investment portfolio.</p> <p>Managed by BlackRock Investment Management (Australia) Limited</p>
--	---

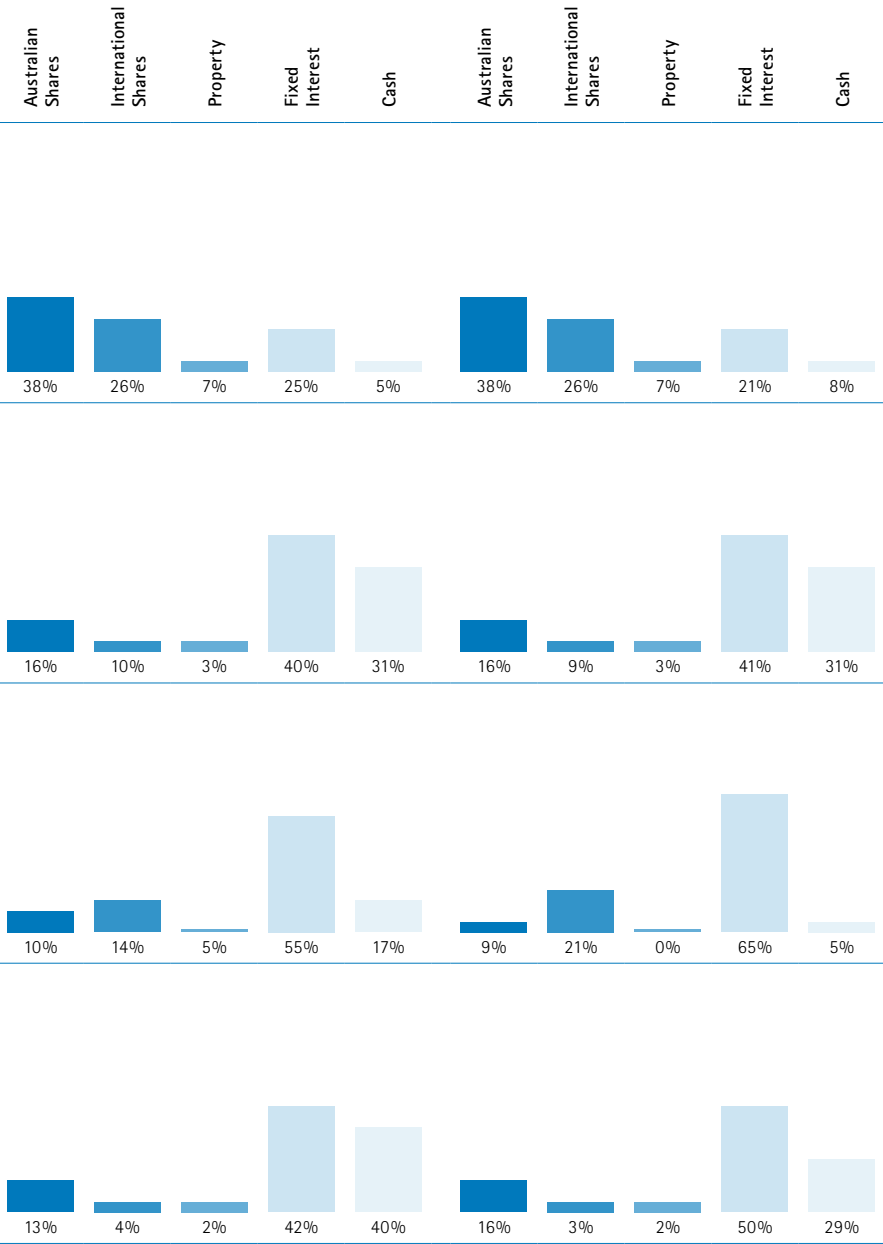
Colonial First State Wholesale Conservative Fund	<p>This investment option aims to provide a regular income stream while maintaining and potentially increasing the value of your capital over the medium term.</p> <p>The broad asset allocation is to be 30% invested in growth assets (shares, property) and 70% in defensive assets (fixed interest, cash). Allocations are reviewed regularly although changes are infrequent, and a reallocation would only be considered in response to a fundamental change in long-term expectations or market demand. The manager seeks to add value through a disciplined approach to selection of the shares and other assets held by the option. For risk management purposes, the option indexes part of its global share exposure and may partially hedge currency risk.</p> <p>Managed By Colonial First State Investments Limited</p>
---	---

Conservative Growth Strategy Pool	<p>This investment option aims to achieve a return in excess of inflation over 2-3 years, so as to ensure that the value of the investments over that period is maintained.</p> <p>The strategy is to invest in a diversified range of cash and fixed interest investments with only a 30% allocation to shares and property.</p> <p>See details of managers responsible for each of the sectors in this pool on page 24.</p>
--	---

ING Wholesale Capital Stable Trust	<p>This option aims to achieve returns (before fees, charges and taxes) that on average exceed inflation by at least 2.5% per annum, over periods of three years or more.</p> <p>This option invests in a diversified mix of Australian and International assets with a strong bias towards defensive assets. This option is actively managed in accordance with manager's investment process.</p> <p>Managed by ING Investment Management Limited</p>
---	--

Asset Allocation @ 30 June 2011

Asset Allocation @ 30 June 2010



Investment Option Profiles

Option Objective And Strategy

ING Wholesale Capital Guaranteed Fund

This option was closed from 31 December 2002. Members can transfer out of this option, but cannot switch in.

This option aims to provide an investment with low relative risk over the medium to long term where the performance directly reflects the underlying performance of the assets in which it invests.

The Trust invests in a wide range of asset classes.

Managed by ING Investment Management Limited

BT Wholesale International Share Fund

This investment option aims to provide a return (before fees, costs and taxes) that exceeds the MSCI World ex Australia (Standard) Index (Net Dividends) in AUD over the medium to long term.

The BT Wholesale International Share Fund is actively managed and seeks what the investment manager perceives to be the best investment opportunities within a broad portfolio of international investments. Whilst the BT Wholesale International Share Fund can invest in any international market that offers attractive opportunities, most investments will be located in the United States, Europe and Japan.

Managed by BT Funds Management Limited

MFS Global Equity Trust

This investment option is designed for investors seeking capital appreciation over the longer term by investing in a diversified portfolio of international shares (unhedged) and aims to outperform its benchmark (the MSCI World in AUD) over rolling 3 to 5 year periods, before taking into account Trust fees and expenses.

The Trust invests in all types of ordinary shares and equivalents of US and non-US issuers. The manager's style ensures that companies are selected as opposed to countries which may lead to country over/underweightings relative to the MSCI World Index.

Managed by Massachusetts Financial Services Company

Australian Smaller Companies Strategy Pool

This investment option aims to provide capital growth over the medium to long term and a small amount of income.

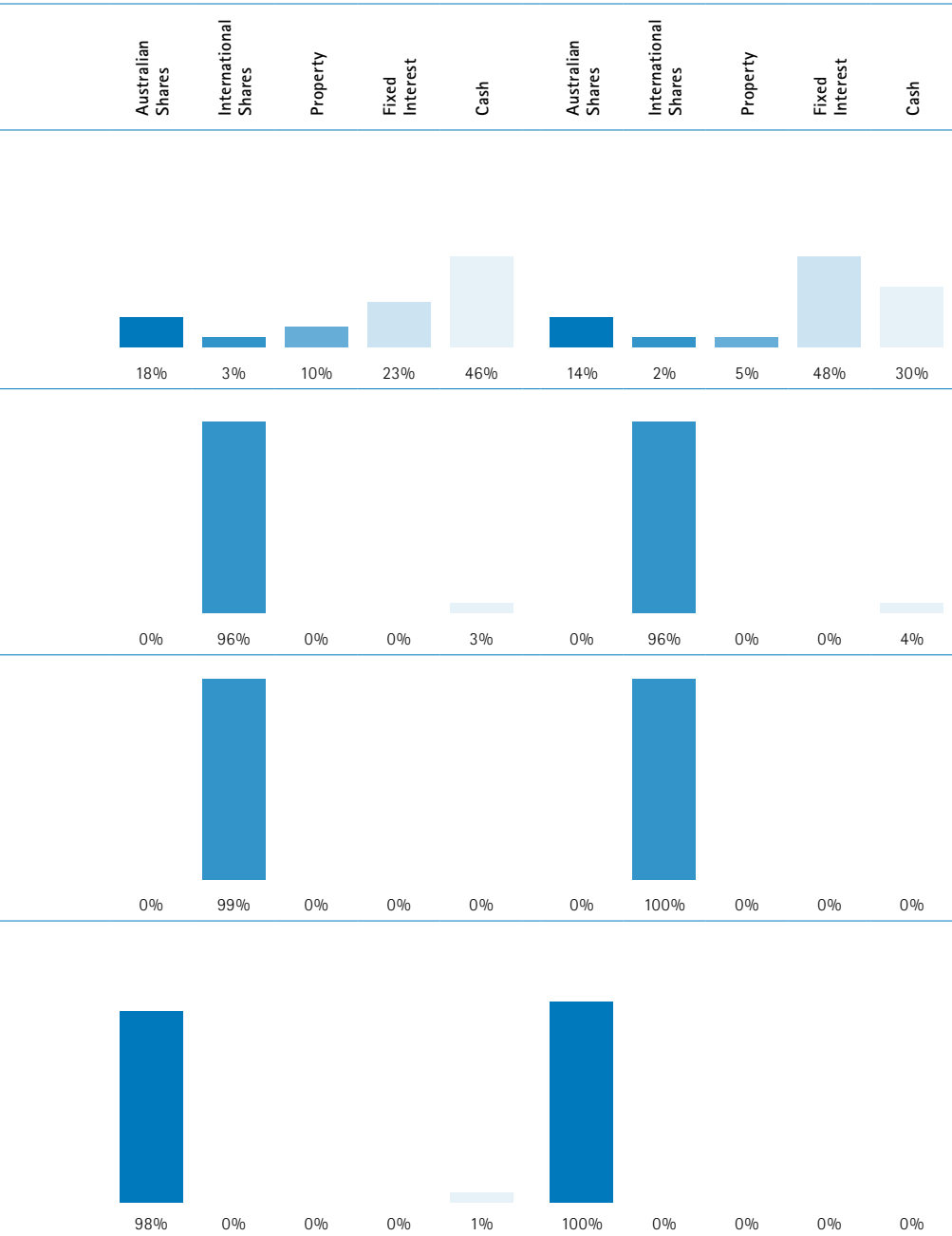
This option invests in one or more Australian Smaller Companies trusts, selected from the Recommended List of Australian Smaller Companies trusts as used by Millennium3 Financial Services Pty Ltd, a licensed dealer in securities. These trusts invest in a range of companies listed or about to list on the Australian Stock Exchange. Investments are selected from those companies outside the largest 50 listed companies. A small portion of the portfolio may be held in money market investments.

The underlying trusts will be reviewed on a quarterly basis, and it is expected that the underlying managers may change from time to time.

See details of managers responsible for each of the sectors in this pool on page 24.

Asset Allocation @ 30 June 2011

Asset Allocation @ 30 June 2010



Investment Option Profiles

Option Objective And Strategy

ING Wholesale Emerging Companies Trust

This option aims to provide capital growth over the medium to long term and a small amount of income. The Trust invests in a range of companies listed or about to list on the Australian Stock Exchange. Investments are selected from those companies outside the largest 100 listed companies. A small portion of the portfolio may be held in money market investments.

Managed by ING Investment Management Limited

Refer to page 20 for additional asset allocation data

This option was closed from 31 December 2002. Members can transfer out of this option, but cannot switch in.

Perpetual's Wholesale Smaller Companies Fund

This option aims to provide investors with long-term capital growth and income.

This option makes investment in quality Australian industrial and resource shares which, when first acquired, do not rank in the S&P/ASX 50 Index.

Managed by Perpetual Investment Management Limited

Refer to page 20 for additional asset allocation data

This option was closed from 1 October 2002. Members can transfer out of this option, but cannot switch in.

AMP Capital Equity Fund – Class A Units

This investment option aims, over the long term, to provide:

- high returns while accepting high levels of volatility, and
- returns above the AMP Capital Equity Fund's performance benchmark (after costs and before tax).

The AMP Capital Equity Fund seeks to achieve its objectives by investing primarily in a portfolio of shares listed on the Australian Stock Exchange.

The AMP Capital Equity Fund may invest up to 20% in cash and fixed interest securities if these investments are seen to add value or assist in managing risk. The AMP Capital Equity Fund may also invest in financial products such as managed funds and securities, including those offered by AMP Capital or its associates, where this strategy is consistent with the AMP Capital Equity Fund's investment objectives.

Managed by AMP Capital Investors Limited

Refer to page 21 for additional asset allocation data

Aberdeen Classic Series Australian Equities Fund Wholesale

(formerly Credit Suisse Asset Management (CASM) Australian Shores Fund)

This investment option aims to provide exposure primarily to Australian shares (up to 10% of the fund may be held in cash), with the potential for long term capital growth, combined with tax effective income. The fund aims to outperform the benchmark S&P/ASX 200 Accumulation Index over the suggested investment time frame.

The option focuses on investing in well managed companies, with improving returns on equity, and which offer valuation support. The manager invests after extensive research of companies, identifying key characteristics such as: management expertise, industry structures, and identifiable strategies and asset bases which lead to improving returns for equity holders.

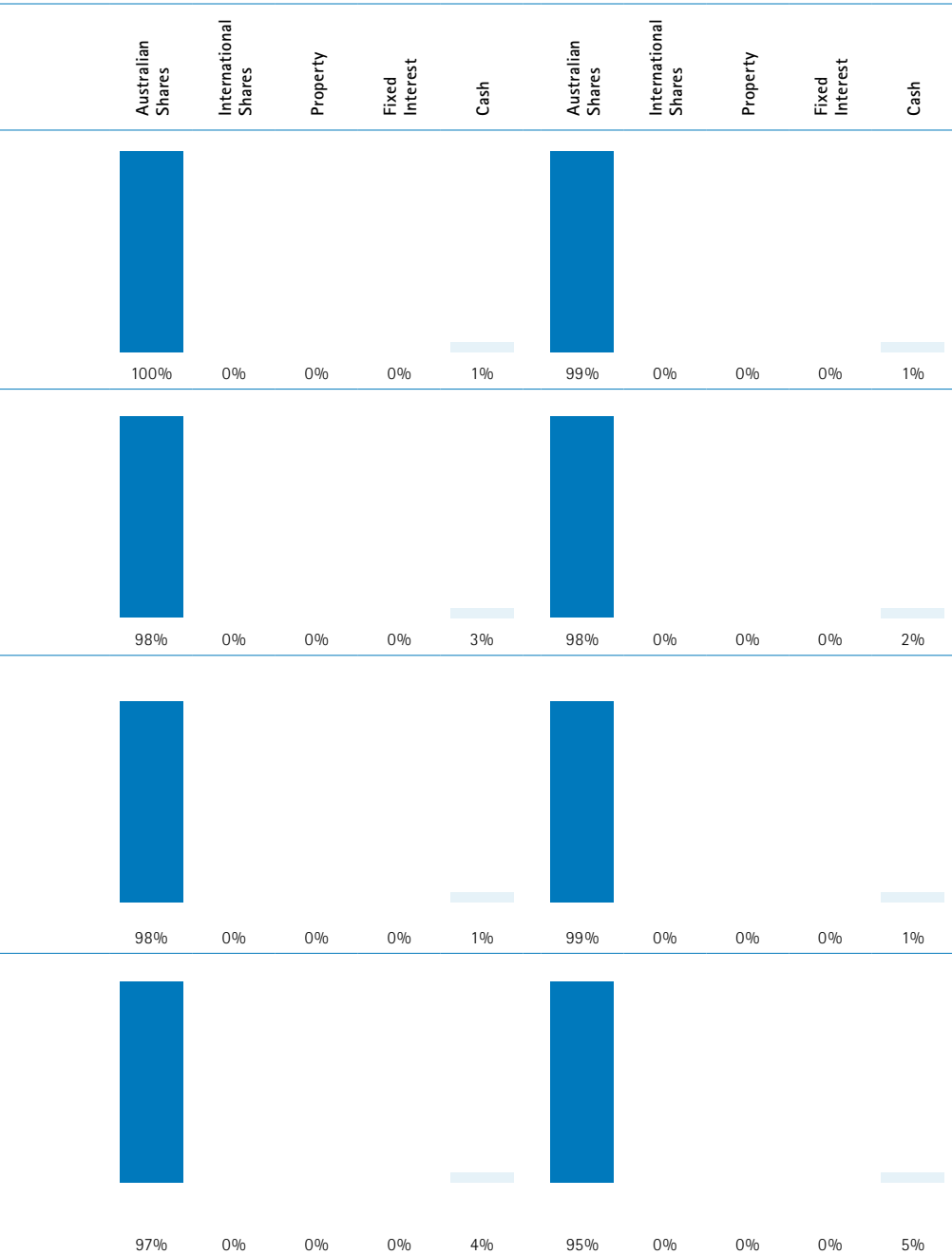
These characteristics may provide the basis for good growth in positive economic conditions and provide protection relative to other shares in periods of economic downturn and share market weakness.

Managed by Aberdeen Investment Management Australia Limited

Refer to page 21 for additional asset allocation data

Asset Allocation @ 30 June 2011

Asset Allocation @ 30 June 2010



Investment Option Profiles

Option Objective And Strategy

Alphinity Socially Responsible Share Fund *(formerly named the Challenger Wholesale Socially Responsible Share Fund)*

This investment option aims to outperform the S&P/ASX 300 Accumulation Index over rolling three-year periods.

Challenger is an active manager and believe they can add value and outperform the market by using fundamental research to identify companies mis-priced or overlooked by the market.

As a 'style neutral' manager, Challenger invest in companies that exhibit both value and growth characteristics. Challenger focus on identifying companies that are undervalued and they believe will be re-rated by the market. This investment approach moderates the cyclical swings from growth and value investing and can outperform over the full business cycle.

Managed by Challenger Managed Investments Ltd

Refer to page 21 for additional asset allocation data

Challenger Wholesale Property Securities Fund *(formerly named the HSBC Property Securities Wholesale Fund)*

This investment option aims to outperform its benchmark, the S&P/ASX 300 Property Trust Accumulation Index, over rolling three year periods, while providing investors with a quarterly income stream and some capital growth over the medium term (at least three years).

The Challenger Property Securities Fund invests in a diversified portfolio of listed property and property-related securities.

Managed by Challenger Managed Investments Ltd

Refer to page 21 for additional asset allocation data

Challenger Howard Wholesale Mortgage Fund *This option was closed to new investments effective from 21 October 2008. Restrictions apply to withdrawal from this option.*

This investment option aims to provide investors with regular income, capital stability and convenient access to their funds.

The Challenger Howard Wholesale Mortgage Fund invests in commercial mortgage loans, fixed interest securities, cash and other short-term investments. Challenger's mortgage lending team employs a conservative approach to managing the investments of the fund.

Managed by Challenger Managed Investments Ltd

Refer to page 21 for additional asset allocation data

Challenger Wholesale Cash Management Trust *This option was closed effective 1 July 2011.*

Prior to 1 July 2011, the aim of this option was to provide investors with a relatively high degree of capital security and competitive returns by investing in cash and short-term securities.

The Challenger Wholesale Cash Management Trust invested in a highly liquid portfolio which included a range of assets with a short-term average maturity.

The Trust was designed for investors seeking to maintain their investment capital and have their funds at call.

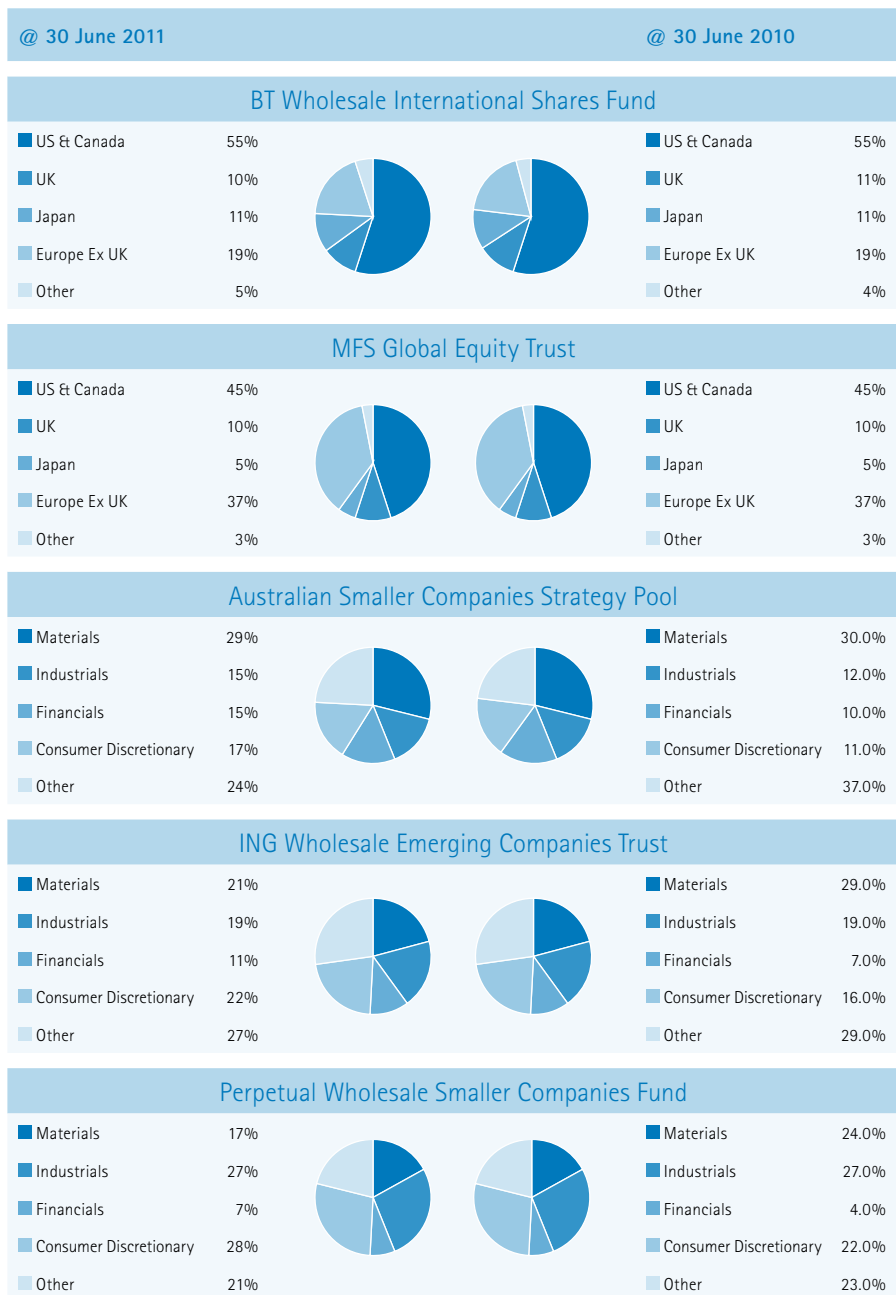
Asset Allocation @ 30 June 2011

Asset Allocation @ 30 June 2010



Additional Asset Allocation Data

The following tables show additional asset allocation information for some of the Fund's investment options (mainly Single Manager options):

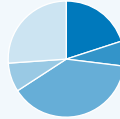
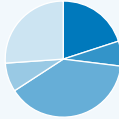


@ 30 June 2011

@ 30 June 2010

AMP Capital Equity Fund - Class A

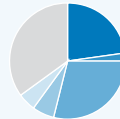
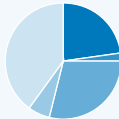
Materials	20%
Industrials	7%
Financials	39%
Consumer Discretionary	8%
Other	26%



Materials	30.0%
Industrials	4.0%
Financials	28.0%
Consumer Discretionary	4.0%
Other	34.0%

Aberdeen Classic Series Australian Equities
(formerly Credit Suisse Australian Shares Fund)

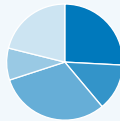
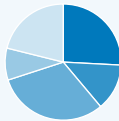
Materials	23%
Industrials	2%
Financials	29%
Consumer Discretionary	6%
Other	40%



Materials	25.0%
Industrials	8.0%
Financials	31.0%
Consumer Discretionary	6.0%
Cash	3.0%
Other	27.0%

Alphinity Socially Responsible Share Fund
(formerly Challenger Wholesale Socially Responsive Share Fund)

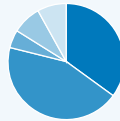
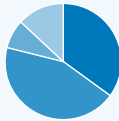
Materials	26%
Industrials	13%
Financials	31%
Consumer Discretionary	9%
Other	21%



Materials	19.0%
Industrials	20.0%
Financials	35.0%
Consumer Discretionary	11.0%
Other	15.0%

Challenger Wholesale Property Securities Fund

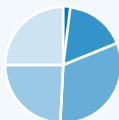
Diversified	35%
Retail	44%
Industrial	8%
Other	13%



Diversified	34.0%
Retail	43.0%
Commercial	3.0%
Industrial	11.0%
Other	9.0%

Challenger Howard Wholesale Mortgage Fund

Cash	2%
Retail	17%
Commercial	32%
Industrial	24%
Residential	25%



Cash	8.0%
Retail	12.0%
Commercial	24.0%
Industrial	19.0%
Residential	35.0%
Other	2.0%

Multi-Manager (Strategy Pools) – underlying managers

The following table shows the managers responsible for each of the sectors utilised in the strategy pools:

Growth Strategy Pool				
Sector	At 30 June 2011		At 30 June 2010	
Australian Equities	AMP Capital Equity Fund – Class A Units	10%	AMP Capital Investors Equity Fund – Class A Units	
	BT Wholesale Core Australian Share Fund	9%	BT Wholesale Core Australian Share Fund	9%
	DDH Australian Equities Fund	10%	DDH Australian Equities Fund	10%
	Perpetual Wholesale Australian Shares Fund	10%	Perpetual Wholesale Australian Shares Fund	10%
International Equities	Intech International Shares Passive (Unhedged) Trust*	12%	Intech International Shares Passive (Unhedged) Trust*	12%
	MFS Global Equity Trust	16%	MFS Global Equity Trust	16%
	Platinum International Fund	11%	Aberdeen Emerging Opportunities Fund	6%
			Platinum International Fund	11%
Fixed Interest	AMP Capital Investors Managed Treasury Fund	5%	AMP Capital Investors Managed Treasury Fund	5%
	DDH Global Fixed Interest Alpha Fund	6%	DDH Global Fixed Interest Alpha Fund	6%
	UBS Diversified Fixed Income Fund	6%	UBS Diversified Fixed Income Fund	5%
Property	Vanguard Property Securities Index Fund	10%	Vanguard Property Securities Index Fund	10%
Total		100%		100%

Balanced Growth Strategy Pool				
Sector	At 30 June 2011		At 30 June 2010	
Australian Equities	Aberdeen Emerging Opportunities Fund	4%	AMP Capital Investors Equity Fund - Class A Units	1%
	AMP Capital Equity Fund - Class A Units	1%		
	BT Wholesale Core Australian Share Fund	7%	BT Wholesale Core Australian Share Fund	5%
	DDH Australian Equities Fund	7%	DDH Australian Equities Fund	9%
	Perpetual Wholesale Australian Shares Fund	8%	Perpetual Wholesale Australian Shares Fund	10%
International Equities	Intech International Shares Passive (Unhedged) Trust*	12%	Intech International Shares Passive (Unhedged) Trust*	14%
	MFS Global Equity Trust	11%	MFS Global Equity Trust	9%
			Aberdeen Emerging Opportunities Fund	4%
	Platinum International Fund	6%	Platinum International Fund	6%
Fixed Interest	AMP Capital Investors Managed Treasury Fund	10%	AMP Capital Investors Managed Treasury Fund	10%
	DDH Fixed Interest Fund	8%	Blackrock Wholesale Monthly Income Fund	8%
	DDH Global Fixed Interest Alpha Fund	7%	DDH Global Fixed Interest Alpha Fund	7%
	UBS Diversified Fixed Income Fund	7%	UBS Diversified Fixed Income Fund	7%
Property	Vanguard Property Securities Index Fund	10%	Vanguard Property Securities Index Fund	10%
Total		100%		100%

Conservative Growth Strategy Pool				
Sector	At 30 June 2011		At 30 June 2010	
Australian Equities	DDH Australian Equities Fund	4%	DDH Australian Equities Fund	4%
	Perpetual Wholesale Australian Shares Fund	5%	Perpetual Wholesale Australian Shares Fund	5%
International Equities	Intech International Shares Passive (Unhedged) Trust*	5%	Intech International Shares Passive (Unhedged) Trust*	5%
	MFS Global Equity Trust	9%	MFS Global Equity Trust	9%
Fixed Interest	AMP Capital Investors Managed Treasury Fund	16%	AMP Capital Investors Managed Treasury Fund	16%
	Blackrock Wholesale Monthly Income Fund	10%	Blackrock Wholesale Monthly Income Fund	10%
	DDH Fixed Interest Fund	21%	DDH Fixed Interest Fund	21%
	DDH Global Fixed Interest Alpha Fund	15%	DDH Global Fixed Interest Alpha Fund	15%
	UBS Diversified Fixed Income Fund	10%	UBS Diversified Fixed Income Fund	10%
Property	Vanguard Property Securities Index Fund	5%	Vanguard Property Securities Index Fund	5%
Total	100%		100%	

Australian Smaller Companies Strategy Pool				
Sector	At 30 June 2011		At 30 June 2010	
Australian Equities	AMP Capital Investors Small Companies Fund - Class A	100%	AMP Capital Investors Small Companies Fund - Class A	100%
Total	100%		100%	

INVESTMENT RETURNS

Returns are net returns for each of the investment options after the deduction of relevant fees, costs and taxes (but not all fees, costs and taxes). See the Fund's current PDS for information about fees and costs. The returns are not your personal rate of return on your investment in the Fund which depends on a range of factors including when money moves in or out of your account.

		Unit Data			Performance Data						
Risk Profile		ICR	Buy / Sell	Unit Price @ 30/06/2010	Year to 30/06/2007	Year to 30/06/2008	Year to 30/06/2009	Year to 30/06/2010	Year to 30/06/2011	3 Year Average	5 Year Average
<i>Diversified Options</i>											
<i>Conservative</i>	Colonial First State Wholesale Conservative Fund	2.71%	0.20%	\$1.3703	7.30%	-2.65%	-1.79%	5.72%	4.26%	2.68%	2.49%
<i>Conservative</i>	M3 Conservative Strategy Pool	2.66%	0.28%	\$1.2504	10.15%	-5.75%	-2.84%	4.24%	4.11%	1.78%	1.82%
<i>Conservative</i>	ING Wholesale Capital Guaranteed Fund ¹	1.95%	0.00%	\$1.2857	6.69%	4.45%	-0.13%	0.00%	0.00%	-0.04%	2.16%
<i>Conservative</i>	ING Wholesale Capital Stable Trust	2.70%	0.12%	\$1.3749	7.70%	-1.96%	-2.24%	5.82%	4.76%	2.71%	2.73%
<i>Balanced</i>	M3 Balanced Strategy Pool	2.68%	0.39%	\$1.2485	12.48%	-12.20%	-8.51%	5.92%	2.72%	-0.15%	-0.34%
<i>Balanced</i>	Blackrock Wholesale Balanced Fund	2.90%	0.35%	\$1.3962	12.66%	-7.60%	-11.46%	4.62%	5.00%	-0.92%	0.25%
<i>Growth</i>	Colonial First State Wholesale Diversified Fund	2.91%	0.40%	\$1.2585	12.43%	-14.96%	-9.72%	7.54%	4.73%	0.56%	-0.56%
<i>Growth</i>	M3 Growth Strategy Pool	2.82%	0.47%	\$1.1944	13.74%	-14.34%	-11.31%	6.44%	2.40%	-1.13%	-1.19%
<i>Growth</i>	ING Wholesale Managed Growth Trust	2.55%	0.36%	\$1.2194	13.06%	-9.42%	-14.24%	4.84%	5.79%	-1.66%	-0.53%
<i>Sector Options</i>											
<i>Cash</i>	Challenger Wholesale Cash Management Trust ¹	2.02%	0.00%	\$1.2703	4.37%	6.40%	3.06%	1.69%	2.62%	2.46%	3.62%
<i>Mortgage</i>	Challenger Howard Wholesale Mortgage Fund ¹	2.95%	0.00%	\$1.3023	6.26%	4.75%	3.67%	1.15%	2.04%	2.28%	3.56%
<i>Property</i>	Challenger Wholesale Property Securities Fund	2.80%	0.40%	\$1.0968	20.53%	-31.00%	-29.11%	-1.70%	2.32%	-10.66%	-9.92%
<i>Australian Shares</i>	AMP Capital Equity Fund – Class A Units	2.66%	0.50%	\$1.7614	19.79%	-9.93%	-14.31%	7.06%	8.16%	-0.26%	1.38%
<i>Australian Shares</i>	M3 Australian Smaller Companies Strategy Pool	2.67%	0.50%	\$2.7105	44.84%	-11.23%	-26.98%	15.34%	12.45%	-1.80%	4.02%
<i>Australian Shares</i>	Alphinity Socially Responsible Share Fund	3.10%	0.60%	\$1.5546	25.91%	-20.27%	-15.57%	1.69%	8.64%	-2.29%	-1.30%
<i>Australian Shares</i>	Aberdeen Classic Series Australian Equities Fund	2.78%	0.60%	\$1.3412	22.61%	-14.47%	-13.27%	6.73%	6.40%	-0.51%	0.65%
<i>Australian Shares</i>	ING Wholesale Emerging Companies Trust ¹	2.60%	0.50%	\$2.3425	44.68%	-17.57%	-15.49%	8.54%	18.42%	2.80%	5.32%
<i>Australian Shares</i>	Perpetual Wholesale Smaller Companies Fund ¹	3.20%	0.40%	\$3.3685	41.19%	-13.39%	-20.00%	9.35%	26.61%	3.47%	6.26%
<i>International Shares</i>	BT Wholesale International Share Fund	2.92%	0.40%	\$0.4795	5.05%	-26.63%	-10.98%	2.14%	1.38%	-2.68%	-6.61%
<i>International Shares</i>	MFS Global Equity Trust	2.72%	0.70%	\$0.7750	5.94%	-17.04%	-9.17%	4.25%	2.85%	-0.88%	-3.06%

Note 1. Closed to new investments

Please note that past performance is not a reliable indicator of future performance. Investment earnings can be positive or negative.

How are investment returns passed on to members?

The Fund is a "unit-linked" Fund. What this means is that contributions credited to your account buy investment units in the investment options that you have nominated. A Buy price applies when acquiring units (for example, when you join the Fund or switch into a new investment option). A Sell price applies when selling units (for example, when you leave the Fund or switch out of an investment option). There may be a difference between the Buy and Sell price (referred to as a Buy/Sell charge, spread or margin). Buy/sell charges can change from time to time.

Unit prices are usually updated on a weekly basis, which means that the performance of your superannuation account will keep up-to-date with the actual investment performance of your chosen investment strategy. When calculating the unit price the performance of the underlying investment pool, movements in cash flow, and any taxes, fees or costs related to the Fund (other than taxes, fees and costs deducted directly from your account), are fully taken into account. This may include estimated taxes, fees or costs or provisions for amounts payable (but not yet paid) as determined appropriate from time to time.

If the underlying investments are performing well, then generally your unit price will go up. If the underlying investments are not performing well, then generally your unit price will go down. Your Annual Benefit Statement will show movements in your investment for the year.

The Trustee reserves the right to change the frequency of the calculation of unit prices, to defer applications and withdrawals, and/or to defer valuations if the Trustee believes that this is in the best interests of members (for example, if an underlying investment fund or product becomes illiquid) or it is required to do so by law.

INSURANCE COVER

Important Reminder Regarding Making claims for Insured Members

For Death or Total and Permanent Disablement (TPD) claims, you must advise us in writing of any claim as soon as it is reasonably possible for you to do so. In the case of a claim for a TPD benefit (if it applies), you must advise us of a claim or potential claim:

- within 30 days of the event giving rise to the claim; or
- within 30 days after the expiration of the six month qualifying period during which you have been unable to engage in the gainful occupation, business, profession or employment that you were engaged in, through injury or illness, prior to that injury or illness; or
- as soon as it is reasonably possible for you to do so,

whichever is the earliest.

For Income Protection claims, you must advise us in writing of any claim:

- within 30 days of being disabled; or
- as soon as it is reasonably possible for you to do so,

whichever is the earlier.

If we do not receive notice within the time specified, the Insurer may reduce or refuse to pay the benefit to the extent their assessment of the claim is prejudiced.

When does insurance cover cease?

Your insurance benefits will cease on the earliest of the following:

- You reach age 65
- You die
- You leave the Fund
- For death and TPD cover, a TPD benefit is paid or payable to you under the policy
- For death and TPD cover, you permanently retire from employment
- You are no longer eligible for insurance benefits
- The date on which all premiums due in respect of you (including all arrears) have remained unpaid for 30 days from the date premiums were last payable
- You cancel your insurance cover
- You have been on unpaid leave for more than 12 months or, if less than 12 months, the Insurer has not approved the continuation of cover
- In the case of income protection benefits, the 2 year benefit period expires; you cease to be disabled or, if you are in receipt of partial disablement payments - you are earning (or capable of earning) monthly salary equal to or greater than your pre-disability salary
- The date you commence active duty with the armed forces of any country.

The insurance cover (if any) applicable to you as at 30 June 2011 is shown in your Annual Benefit Statement based on information known about you at that date. The continuation of any insurance cover depends on you continuing to satisfy eligibility criteria and other terms and conditions contained in the insurance policy. Cover can cease if your personal circumstances change. The Trustee can only pay insurance benefits if a claim is accepted by the Fund's Insurer and the trust deed and relevant law allows. You can obtain a copy of the relevant insurance policy on request to the Administrator to find out full details of the terms and conditions that apply.

What happens to insurance benefits if you are no longer employed by an Employer Group with 5 or more members

If you are no longer employed by an Employer Group with 5 or more members, your insurance benefits will still continue unless your cover has ceased due to any of the above listed events occurring or you specifically request, in writing to the Administrator, that your insurance benefits should be cancelled. However, you will become a Personal Super Member and the terms of your insurance benefits may change (in particular, the cost of insurance premiums may change). Please refer to the section on "Insurance Benefits – Personal Super Members And Employer Groups with Less Than 5 Members" in the Fund's current PDS, available from the website or on request, for information about the terms and conditions that apply to Personal Super members.

Can I continue my insurance benefits if I leave the Fund?

If you leave the Fund, your insurance benefits will cease.

However, if your insurance cover ceases because you no longer meet the eligibility criteria, you may be able to apply for reinstatement of your death insurance cover under an individual insurance policy directly with the Insurer by making an application to the Insurer, subject to the normal terms and conditions of the Insurer (please refer to the Fund's current PDS, available from the website or on request, for more details). Premiums for an individual insurance policy may be higher. For more information, contact the Administrator.

FEES AND COSTS

The information on fees and costs outlined below is a summary of what costs impacted your investment for the year ended 30 June 2011. See the Fund's current PDS, available from the website or on request, for more details.

Note: Past fees are not an indicator of future fees.

Fees Deducted From Your Account

Member Fee (Management Cost)

\$67.65 (inclusive of net GST) per annum per member deducted monthly in arrears from your account.

Insurance Premiums

Death and Total & Permanent Disablement Benefits

Employer Groups with 5 or more members

Standard Cover

Death Only cover: \$41.60 (inclusive of GST) per annum per unit of cover, charged monthly in arrears and deducted from your account.

Death/Total and Permanent Disablement cover: \$52.00 (inclusive of GST) per annum per unit of cover, charged monthly in arrears and deducted from your account.

Employer Groups with less than 5 Members, Personal Super Members, or Members with Tailored Cover

Insurance Premiums will depend upon a number of factors which may include your age, your occupation, smoking habits, health status and the amount of cover. Premiums are deducted from your account monthly in arrears. Details of any premium deductions are shown on your Annual Benefit Statement.

Income Protection Benefits

Insurance Premiums will depend upon a number of factors which may include your age, your occupation, smoking habits, health status and the amount of cover. Premiums are deducted from your account monthly in arrears. If you have income protection cover, details of premium deductions are shown on your Annual Benefit Statement.

Withdrawal Fee

A withdrawal fee of \$46.13 (inclusive of net GST) will be deducted from your account each time you make a withdrawal (partial or full) from your account.

Fees Deducted from the Fund's Assets

Other Management Costs

- 1.49% (inclusive of net GST) per annum of Fund assets charged monthly in arrears and deducted from assets prior to the calculation of unit prices. This covers the costs associated with the administration and trusteeship of the Fund, and adviser remuneration.
- Investment fee of 0.25% to 1.50% per annum of Fund assets deducted prior to the calculation of unit prices (depending on which investment option you have chosen). Investment fees may change from year to year.
- Expense recoveries of 0.21% (for the year to 30 June 2011) to cover audit, accounting, legal and other expenses incurred by the Trustee (these also change from year to year). Audit, accounting and legal fees are charged on a time/cost basis as approved by the Trustee and deducted from assets prior to the calculation of unit prices.

Please refer to the Fund's current PDS, available from the website or on request, for more details about the management costs applicable to investments in the Fund. Total other management costs may vary from year to year depending on the actual experience of the Fund.

Buy/Sell margin

Some of the investment options carry a Buy/Sell charge levied by the investment manager. The maximum Buy/Sell charge was 1.40%. Please refer to the Fund's current PDS, available from the website or on request for details of the Buy/Sell margin applicable to each investment option.

All Buy/Sell margins are deducted prior to the calculation of unit prices.

The Buy/Sell margin may apply when you change your investment options, and when you leave the Fund. When a Buy/Sell margin applies, the value of the amount being switched or withdrawn from an option is based on the Sell Price of the relevant units and the value of the amount invested or switched into an option is based on the Buy Price of the relevant units.

Protection of Small Accounts

Superannuation funds are generally required to protect all members with withdrawal benefits or account balances of less than \$1,000 as at 30 June or the date of leaving the fund (if the benefits or account include or have included mandated contributions). Protection means that administration fees charged directly to a member's account must not exceed the investment earnings credited to that account. (This protection does not extend to government charges, taxation, insurance premiums or fees and costs that are deducted prior to investment earnings being credited. Different arrangements may apply in poor investment periods).

The costs associated with providing member protection to small account balances are charged against the Fund's earnings as additional expense recoveries and their impact is reflected in the unit prices for each investment option.

GENERAL INFORMATION

Accessing your Super

Superannuation benefits can remain in a superannuation fund until you die. However, in certain circumstances you may be able to access your super. In general, if you are an Australian resident, New Zealand citizen or permanent resident, you cannot access your benefit in cash until you are aged 65, or you attain your preservation age and have retired from employment.

Access to your super will depend upon the "preservation" classification that applies to some or all of your superannuation Account. There are three classes of preservation: Unrestricted Non-Preserved Benefits; Restricted Non-Preserved Benefits; Preserved Benefits.

Unrestricted Non-Preserved Benefits

These are benefits that are generally rolled-over from another superannuation fund which could have been cashed at a previous point in time. These benefits can be paid out at any time.

Restricted Non-Preserved Benefits

These are benefits which are not preserved but which cannot be cashed until you leave service with your current employer. These become unrestricted non-preserved benefits when you leave the service of your current employer.

Preserved Benefits

Preserved benefits include members' tax deductible contributions, employers' compulsory contributions and any new or increased employer contributions arising from agreements on or after 22 December 1986. From 1 July 1999 all contributions made into superannuation (personal and employer contributions) plus investment earnings must be fully preserved.

If you are an Australian resident, New Zealand citizen or permanent resident, preserved amounts must remain in a complying superannuation fund, approved deposit fund or retirement savings account until you meet a condition of release including you:

- reach age 65
- permanently retire after reaching your preservation age as per Table 1
- cease an employment arrangement on or after age 60
- die
- suffer a terminal illness condition, as defined in superannuation law at the relevant time
- become permanently incapacitated, as defined in superannuation law at the relevant time
- reach your preservation age and elect to access some or all of your superannuation in the form of a non-commutable income stream and remain employed in either a full-time or part-time basis.
- suffer financial hardship (subject to meeting eligibility criteria – see below for more information)
- qualify on compassionate grounds (see below for more information)
- cease employment with a balance of less than \$200.

Table 1: Preservation Age

Date of Birth	Preservation Age
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
After 1 July 1964	60

Note: different conditions of release apply to temporary residents. Temporary residents cannot access their super in all of the circumstances outlined above. (For further details contact the Fund Administrator). On expiry of their visa and departure from Australia, a former temporary resident can access their super benefits as a Departing Australia Superannuation Payment (DASP). See the Taxation and Superannuation section of this report for further details.

Access to your super in special circumstances

The criteria set by the Government for early access to your preserved superannuation benefits is quite strict - basically, there are only three grounds under which you can apply - Compassionate Grounds, Severe Financial Hardship, or Terminal Illness.

Compassionate Grounds

You may qualify to access your benefits on compassionate grounds if you need to cover expenses that you or your dependants incur for:

1. treatment and transport for you or a dependant concerning life threatening illness or injury, acute or chronic pain, or acute or chronic mental disturbance; OR
2. modifying your home or motor vehicle if you or a dependant has a severe disability; OR
3. palliative care for you or a dependant, or the death, funeral, or burial of a dependant; OR
4. mortgage payments to prevent your lender selling your principal place of residence.

Decisions on release of benefits on compassionate grounds are made by the Australian Prudential Regulation Authority (APRA) who can be contacted by phoning 1300 13 10 60.

Severe Financial Hardship

To be considered eligible for early release of your benefit on severe financial hardship grounds, you must first satisfy eligibility criteria summarised below.

You need to be:

- In receipt of Commonwealth income support and have been so for a continuous period of at least 26 weeks and unable to meet reasonable and immediate family living expenses.

If you are over age 55 plus 39 weeks you need to meet the above criteria or be:

- In receipt of Commonwealth income support for a cumulative period of at least 39 weeks after reaching your preservation age and
- Not gainfully employed either full-time or part-time at the time of application.

Decisions on the release of benefits on severe financial hardship are made by the Trustee.

You may be required to provide proof for Compassionate Grounds and Severe Financial Hardship claims to be accepted. Limits on the

amount able to be released at any one time (or in a 12 month period) apply (depending on the grounds of release). For more information contact the Fund Administrator.

Please note that APRA or the Trustee must assess each case on its own merits - approval of your claim is not automatic.

Terminal Illness

The account balance (and any applicable insurance amount) may be released to a member where two medical practitioners (at least one of whom is a specialist) have certified that the member is suffering from an illness that would normally result in death within 12 months.

Compulsory Portability

Although you may not be able to access preserved or restricted non-preserved benefits, compulsory portability arrangements enable you to rollover or transfer superannuation accounts into a fund of your choice. Please note due to continuing liquidity issues, access to monies invested in the Challenger Howard Wholesale Mortgage Trust is restricted. Affected members have previously been notified of these restrictions.

You may ask us for information you reasonably require for the purpose of understanding any benefit entitlements that you may have, including any fees or charges that may apply to a proposed rollover or transfer and information about the effect of the proposed rollover or transfer on any entitlements. However we cannot provide you with financial advice that takes into account your personal situation. You should seek such advice from a licensed or authorised financial adviser.

Contributing to the Millennium Master Trust

How much does your employer have to contribute

Generally, the Superannuation Guarantee (SG) legislation requires most employers to make contributions of 9% of an eligible employee's ordinary time earnings as defined in the SG legislation and Australian Taxation Office guidance issued from time to time (Please note: some employees are exempted from the SG legislation). This ensures all eligible employees are treated the same for super guarantee purposes.

Employers do not need to pay SG contributions in certain circumstances including for any month when you have earned less than \$450, if you are aged 70 years or over, or are under 18 years of age and work less than 30 hours per week, or if you are working less than 30 hours per week in either domestic or private employment (eg. nanny, housekeeper). Nor do they need to pay SG contributions on that component of salary greater than \$42,220 (2010/11 Financial Year) or \$43,820 (2011/12 Financial Year) for the quarter.

Other than contribution rules stipulated in the superannuation legislation (summarised on the next page), the Fund has no additional rules regarding the amount or frequency of contributions.

Employers may, at their discretion, contribute more than the amount required under the SG legislation.

Employers must pay eligible employee's SG contributions at least every quarter, subject to penalty provisions and any late contribution arrangements that may apply from time to time. The due dates for quarterly SG contributions, are shown below:

SG Quarter	Due date for SG payment
1 July – 30 September	28 October
1 October - 31 December	28 January
1 January - 31 March	28 April
1 April - 30 June	28 July

For further information about the SG requirements, contact the Australian Taxation Office on 131 020, or visit their web site at www.ato.gov.au/super.

How much do members have to contribute

There is no statutory requirement for members to make personal contributions. However, to maximise your retirement savings, members may contribute.

This Fund has no rules regarding the amount or frequency of personal contributions.

Where an employer agrees to deduct personal contributions from an employee's net pay, these must be forwarded to the Fund within 28 days from the end of the month in which they were deducted.

Contribution rules

Superannuation laws dictate when the Trustee can accept contributions from you. If you are aged between 65 and 74, the Trustee may accept all mandated employer contributions (that is a contribution that is compulsory because it is required by law or an employment arrangement). The Trustee can also accept voluntary employer contributions (such as salary sacrifice arrangements) from your employer if you are aged under 75 provided that you have worked at least 40 hours in not more than 30 consecutive days in the financial year in which the payments are made. Below is a table to assist you to work out the eligible contributions that may be made to the Fund.

Age group	Employer Contributions			Member Contributions
	Superannuation Guarantee	Award or other mandated employer arrangement	Voluntary	
Under age 65	Yes	Yes	Yes	Yes
Age 65 - 69	Yes	Yes	Only if you have worked at least 40 hours in not more than 30 consecutive days in the financial year	Only if you have worked at least 40 hours in not more than 30 consecutive days in the financial year (whether made by you or on your behalf, eg. a spouse)
Age 70 - 74	No	Yes	Only if you have worked at least 40 hours in not more than 30 consecutive days in the financial year	Only if made by you personally and you have worked at least 40 hours in not more than 30 consecutive days in the financial year
Age 75 and over	No	Yes	No	No

Superannuation funds are not able to accept a non-concessional contribution in excess of a member's non-concessional contributions cap (described later in this report) or member contributions for a member whose tax file number (TFN) is not held by the fund. Please note that the Trustee does not monitor whether a member will exceed their non-concessional cap (See the Taxation and Superannuation section of this report for more information). Contributions made to a fund in contravention of the contribution rules must be refunded by the Trustee in certain circumstances. A refund may be adjusted for any permissible investment fluctuations, reasonable costs and insurance premiums for cover provided prior to the refund.

Note: there are other amounts that may be paid into a superannuation fund such as employer termination payments (payable directly by an employer), certain disablement amounts on settlement of a disability claim (outside of superannuation), proceeds from the sale of a small business and superannuation sourced from a foreign superannuation fund. Special rules apply to these amounts. If you are going to receive any of these amounts or are considering payment of them into superannuation, we recommend you obtain appropriately qualified advice.

From 1 July 2007, the payment of employer termination payments to superannuation funds can only be made in limited circumstances. This will apply to people with entitlements on termination of employment specified in existing employment contracts as at 9 May 2006, provided that payments are made prior to 1 July 2012.

Contributions Splitting with your spouse

Not all superannuation funds offer contributions splitting, but as a member of the Fund, you can take advantage of this facility.

Concessional contributions such as superannuation guarantee, salary sacrifice contributions and personal deductible contributions can be split in favour of a spouse (which may include a qualifying defacto spouse of the same or opposite sex, subject to the Fund's Trust Deed). It is not possible to split personal non-deductible contributions.

Only 85% of concessional contributions may be split because 15% of these contributions are lost in tax when they are paid into the Fund. The amount of concessional contributions that can be split is also subject to a maximum of your concessional contributions limit in the relevant year.

You should also note that certain amounts in your account may not be split such as benefits subject to a family law payment split or payment flag, rollovers from other funds or employer termination payments.

Generally, only contributions made in the financial year prior to the financial year when the contributions splitting application is lodged can be split. You can also apply to split contributions made in the financial year in which you transfer or rollover to another fund (provided the application is made before the transfer or rollover occurs).

The Trustee reserves the right to make any adjustments it considers appropriate to a splittable amount, for example, to cater for tax.

How does contributions splitting work?

The Trustee will keep records of the amount of contributions which you are eligible to split with your spouse for a given financial year and should you wish to make a contributions split we will provide details of those contributions with an application form which must be completed and sent back to us so that the contributions split can be effected.

Please note that your spouse must be either:

- aged less than their preservation age; or
- between their preservation age and 65 and not permanently retired.

Your spouse will be required to provide a statement to this effect as part of the application.

You can only make one application per financial year and the Trustee may reject any application without providing reasons.

If your application is accepted, the Trustee will pay the split contributions to the superannuation account of your spouse within 90 days of receiving the application.

Fees and Trustee Policy for Contributions Splitting

The usual withdrawal fee will apply to any amounts split. See the Fund's current PDS, available from the website or on request, for more information.

The Trustee may also require a minimum amount to be split or a minimum balance in a member's account or may establish other policies in relation to the acceptance of a contributions splitting application. To find out more information on the Trustee's policy in relation to contributions splitting or if you have any other queries please contact the Fund on telephone number (07) 3902 9888.

Government Co-contributions

The Government Co contribution is a contribution, made by the Government, to the superannuation account of eligible low and middle income earners who pay personal (after-tax) contributions to superannuation. The maximum co contribution payable by the Government for the 2010/2011 and 2011/2012 Financial Year is \$1,000 where a person's income is below \$31,920. The Government has passed legislation which means that the maximum contribution will permanently remain at \$1,000.

The maximum co contribution payable is reduced as income increases, at the rate of 3.333 cents in a dollar, phasing out at \$61,920 for the 2010/2011 and 2011/2012 Financial Year.

The Government has passed legislation which means that the income thresholds will remain unchanged for the 2011/2012 Financial Year.

Reportable employer superannuation contributions (eg. salary sacrifice contributions) and fringe benefits are included in the assessment of your income for co-contribution purposes. If you are eligible, the co-contribution is paid automatically by the Australian Taxation Office based on your tax return and information received from the Fund.

The Government co-contribution scheme extends to the self-employed, provided they satisfy eligibility criteria for the co-contribution. To be eligible, a self-employed person must be under age 71 at the end of the income year and:

- earn 10% or more of their total income (assessable income plus reportable fringe benefits and reportable employer superannuation contributions) for that year from running a business, eligible employment, or a combination of both - note that for this definition, income is not reduced by deductions that result from running a business; and
- earn below the phasing out threshold noted above - this includes assessable income plus reportable fringe benefits and reportable employer superannuation contributions less tax deductions for running a business (not including employee deductions).

For further or updated information about the Government co-contribution (including full eligibility criteria) refer to www.ato.gov.au.

The Fund reports to the ATO on all personal

contributions, which information forms the basis for ensuring that eligible members will receive their Co-Contribution when paid by the Government, and we separately identify these on a member's Annual Benefit statement.

You should be aware that trustees may be required to pay back monies which have been attributed to persons who are or who become disentitled to those amounts.

Family Law and your Super

Couples divorcing or separating (including qualifying defacto spouses of the same or opposite sex) may be able to divide their superannuation benefits by agreement or by court order.

This may impact on members of the Fund who, in the event of a relationship breakdown, make a financial arrangement or have an order made by the Family Court.

The Trustee may be required to provide certain information about your account to certain 'eligible persons' (including a member's spouse) in certain instances without notifying you of the enquiry.

A payment flag may be placed on your benefit in the Fund through an agreement between you and your spouse or through a court order. The presence of this flag requires us to prevent certain types of withdrawals from being made from the Fund. While provisions of the family law legislation permit the charging of a reasonable fee for the administration of the family law transactions, the Fund does not charge you a fee.

For more information about splitting super under family law legislation, consult your legal adviser.

Proof of identity

As a result of Government reforms designed to counteract money laundering and terrorism financing (AML/CTF legislation), the Trustee must adhere to a range of obligations including customer identification and verification, ongoing customer due diligence and reporting suspicious matters to AUSTRAC (the government body responsible for administering the AML/CTF legislation). The Trustee has established an AML/CTF Program under which you may be required by the Fund Administrator to provide proof of identity in situations such as:

- Notifying us of a name change;
- Requesting to cash in some or all of your super;
- Requesting to transfer some or all of your super to another superannuation fund;
- Requesting information about your account or authorising release of information regarding your account to a third party.

Acceptable Proof of Identity documents include either:

- An original or certified copy of a current primary photographic identification document such as a passport or driver's license;

OR

- Both of an original or certified copy of a primary non-photographic identification document such as a birth certificate, citizenship certificate or Centrelink pension or health card AND an original or certified copy of a secondary identification document such as an assessment issued by the Australian Taxation Office within the preceding 12 months that contains your name and residential address or a rates notice issued within the preceding 3 months that contains your name and residential address or a Centrelink letter addressed to you within the preceding 12 months regarding a Government assistance payment.

If you have changed your name or are signing on behalf of the member, you will need to provide a certified linking document. A linking document is a document that proves a relationship exists between two (or more) names.

There are specific requirements regarding how documents are to be certified, and what type of document is to be supplied. Please contact the Fund Administrator on 1800 336 911 for more information.

TAXATION AND SUPERANNUATION

This section is designed to give you an overview of the taxation of superannuation as at September 2011. Further information, including updates to government thresholds, is available from www.ato.gov.au. The Government has proposed some changes to some of the taxation and superannuation information summarised below. If you would like to find out more contact the Fund Administrator or go to www.ato.gov.au.

Contributions

The tax treatment of contributions depends on whether they are concessional contributions or non-concessional contributions. There are Age Based annual contribution limits, as shown below for the 2010/2011 and 2011/2012 years.

Contribution Classification	2009/2010	2010/2011
Concessional Contributions - under age 50	\$25,000 pa	\$25,000 pa
Concessional Contributions - age 50 or over	\$50,000 pa	\$50,000 pa
Non-concessional Contributions	\$150,000 pa	\$150,000 pa

Concessional contributions include deductible employer (including salary sacrifice contributions) and self employed contributions. Non-concessional contributions include member (after tax) contributions. See below for some additional important information about salary sacrifice contributions.

Concessional contributions in excess of these limits will incur additional tax of 31.5% payable directly by the individual member. This amount may be released from a superannuation fund upon presentation of a release authority issued by the Australian Taxation Office (Australian Taxation Office Release Authority). Any excess concessional contributions will also count towards the amount of a member's non-concessional contributions (see below).

If the Fund does not hold your TFN by the end of the year in which contributions are received, your concessional contributions (called no-TFN contributions) will be taxed at the rate of an additional 31.5%. A superannuation fund may (but is not obliged to) recover any additional tax paid by it in respect of your no-TFN contributions if subsequently provided with your TFN (within 3 years after the year in which the contributions were received). The Trustee will make reasonable endeavours to recover such tax but does not guarantee it will do so in the event that a member has left the Fund prior to receiving the member's TFN.

People under age 65 can bring forward 2 years of future non-concessional contributions averaged over a three year period, giving them a cap of \$450,000 over a three year period. Once a person turns age 65 they will be able to make non-concessional contributions of up to \$150,000 in each financial year provided they satisfy the work test in each relevant year. The \$150,000 cap will be indexed in future years so it is always six times the under age 50 cap on concessional contributions. Non-concessional contributions in excess of these limits will incur tax at the rate of 46.5% payable directly by the individual. This amount must be released from a superannuation fund upon presentation of an Australian Taxation Office Release Authority.

Monitoring contribution caps

Superannuation contributions are subject to contribution caps with strict penalties in place if these limits are exceeded. We do not monitor the contribution cap for concessional contributions (eg. employer contributions / salary sacrifice). For non-concessional contributions (eg. personal after tax contributions we) do not monitor the aggregate amount contributed to the Fund. It is your responsibility to ensure that you do not exceed these caps through multiple contributions to the Fund or (if applicable) other superannuation funds you may participate in. However, we are required to refund the excess amount of a single

non-concessional contribution if it exceeds the cap. A refund may be adjusted for any permissible investment fluctuations, reasonable costs and insurance premiums for cover provided prior to the refund.

If you exceed the contribution caps, you will be personally liable for the excess contribution tax for amounts above the caps.

You should contact your licensed financial planner for more information on how the contribution caps may affect your superannuation.

Note: Spouse contributions will be included in the receiving spouse's cap. Government co-contributions, personal contributions made from certain proceeds from the disposal of qualifying small business assets up to a lifetime limit of \$1.155 million (for the 2010/2011 year (\$1.205 million for the 2011/2012 year, subject to indexation in future years) and personal contributions from proceeds from certain payments for personal injury resulting in permanent disablement made within 90 days of receiving the payment will not count towards the non-concessional contributions cap. Go to www.ato.gov.au for more information.

Superannuation Surcharge Tax

The superannuation surcharge has been abolished for superannuation contributions made from 1 July 2005 but may still apply to amounts prior to 1 July 2005 under late assessments issued by the Australian Taxation Office.

If a member is subject to the Superannuation Surcharge Tax in respect of amounts prior to 1 July 2005, any amounts owing to the Australian Taxation Office will be deducted from the Member's account and shown separately on their Annual Benefit Statement.

Tax Deductibility of Contributions

An employer is generally entitled to a full deduction for all contributions to superannuation on behalf of employees under age 75. Certain criteria must be met including that the employee is engaged in producing the employer's assessable income. Contributions made within 28 days of the end of the month in which an employee turns 75 or required to be made under an industrial award or other prescribed arrangements (after age 75) may also be deductible.

Self-employed people or other eligible persons (with less than 10% of their assessable income, reportable fringe benefits, reportable employer superannuation contributions or other amounts included as income for assessment of a person's eligibility for a tax deduction) are generally entitled to a full deduction for superannuation contributions under age 75, provided certain conditions are met. Persons aged under 18 are subject to special rules. To obtain the deduction, a notice of intention to claim a tax deduction (Deduction Notice) must be submitted to the Fund by the earlier of:

- the time of lodgement of the person's tax return, or
- the end of the financial year following the year the contribution was made.

The Deduction Notice must be acknowledged by the Trustee. The Trustee can refuse to acknowledge a Deduction Notice in certain circumstances (for example, the person's account balance does not contain sufficient monies to meet the tax applicable to deductible contributions or you have left the Fund).

Tax Rebate for Spouse Contributions

A tax rebate may apply for superannuation contributions made by a taxpayer on behalf of a spouse (including a qualifying defacto spouse of the same or opposite sex), subject to meeting eligibility criteria including:

- Contributions can be made for the receiving spouse under contribution rules in superannuation legislation
- The contributions are not deductible to the contributing taxpayer;
- The taxpayer and spouse are residents of Australia at the time contributions have been made;
- The spouse's income is less than \$13,800.

The rebate is 18% of contributions up to \$3,000 to a maximum rebate of \$540. The rebate will reduce \$1 for every \$1 the eligible spouse's income is above \$10,800. The eligible spouse's income includes assessable income, reportable fringe benefits and reportable employer superannuation contributions.

Salary Sacrifice Contributions (Expanded definition of income for various tax programs)

An expanded definition of income applies when assessing a person's entitlement to various government programs including tax benefits relating to superannuation such as tax deductions for personal contributions, the Government co-contribution and spouse contributions rebate. Under this definition, reportable employer superannuation contributions are treated as income. Reportable employer superannuation contributions are generally amounts salary sacrificed by an employee. Members who currently make salary sacrifice contributions to the Fund may wish to review their circumstances before making (or continuing to make) the necessary contribution to superannuation.

Tax on Investment Earnings

The Fund's earnings are taxed at a lower rate than most other forms of savings. The maximum rate is 15%. The rate may be lower depending on deductible expenses and other tax credits available to the Fund.

You pay no personal income tax on the investment earnings applicable to your account while your superannuation savings remain in the Fund.

Rollovers and Transfers

Superannuation rollovers and transfers are not generally taxed when invested in the Fund. An exception to this is where your rollover or transfer is from an untaxed source, which may include your former employer or an unfunded superannuation scheme (for example, some public sector superannuation schemes).

Special rules also apply to the treatment of employer eligible termination payments (payable directly by an employer), certain disablement amounts on settlement of a disability claim (outside of superannuation), proceeds from the sale of a small business and superannuation sourced from a foreign superannuation fund. If you are going to receive any of these amounts or are considering payment of them into superannuation, we recommend you obtain appropriately qualified advice.

Taxation of Benefits (other than death benefits)

Benefits paid to you from your superannuation fund may be subject to taxation depending on your age.

In general, lump sum benefits paid to persons age 60 or over are tax free (if paid from a taxed source). Tax is payable on lump sum benefits paid to persons under age 60, as outlined in the following table:

Age / status	Component and tax treatment
Age 60 or over	Tax free
Preservation age (generally age 55) to age 59	Tax free component* is tax free. Taxable component** The first \$160,000 (2010/2011 Financial Year) is tax free The amount above \$160,000 (2010/2011 Financial Year) is taxed at 15% (plus Medicare levy).
Less than preservation age	Tax free component* is tax free. Taxable component** taxed at 20% (plus Medicare levy)

* In the 2011/2012 Financial Year the flood levy may apply where an individual's taxable income exceeds \$50,000.

** The tax free component consists of amounts such as the accumulation of non-concessional contributions, pre-July 1983 components and invalidity components. If you would like more information about these components contact the Fund by email to info@m3.com.au or by telephone to 1800 336 911.

*** The taxable component is the amount of a benefit less the tax free component and consists of amounts such as the accumulation of concessional contributions. If you would like more information about these components contact the Fund by email to info@m3.com.au or by telephone to 1800 336 911.

If your benefit includes an untaxed element, tax may be applicable. In addition, when any benefit is paid from the Fund, it must comprise both tax-free and taxable components, in the same proportions as your total benefit. You cannot nominate to withdraw specific components of your benefit. If the Fund does not have your TFN at the time a benefit is paid, additional tax may apply.

Tax is not generally payable when transferring benefits to another superannuation fund or product (eg. pension).

Tax on death benefits

Where a death benefit is paid to a dependant (regardless of age) the benefit will usually be tax free.

A death benefit paid to a non-dependant can only be paid as a lump sum. In this instance the tax free component (as outlined above) is tax free, whilst the taxable component is taxed at 15%, plus Medicare Levy. Where a non-dependant receives an insurance payout as part of the death benefit, a portion of this amount may be an element untaxed (relating to the future service period of the insurance amount). Any element untaxed of the death benefit will be taxable at the maximum rate of 30%, plus Medicare Levy. Tax on any taxable component may be higher if the fund does not hold your TFN.

Where a death benefit is received by the legal personal representative of a deceased estate, tax is determined according to who is intended to benefit from the estate.

A dependant for taxation purposes is a spouse, a former spouse, a child under 18 and any other person who was dependent or inter-dependent on the deceased member. It does not include an adult child aged 18 or more (unless financially dependent or inter-dependent). Note that this definition of dependant differs from that applicable to a trustee's determination about the distribution of death benefits. The concessional tax treatment of death benefits extends to qualifying same sex partners and their children through changes to the concept of "dependants" under income tax laws.

Tax on terminal illness benefits

Superannuation lump sum benefits paid to a person who has a terminal medical condition are tax free, provided criteria in taxation laws is met.

Tax on Income Protection Benefits

Income protection insurance benefits are paid as taxable income and, like salary and wages, attract pay-as-you-go tax at your marginal tax rate. The tax is deducted and remitted to the Australian Taxation Office before the benefit is paid. Higher tax applies if the Fund does not hold your TFN.

Departing Australia Superannuation Payments (DASPs) & Treatment of Temporary Residents

If you enter Australia on a temporary visa you are entitled to receive your superannuation benefit once you leave Australia permanently and your visa has expired (except for certain visa sub-classes). This type of payment is known as a Departing Australia Superannuation Payment (DASP). The tax rates payable in respect of a DASP are:

- Tax free component - Nil
- Taxable component - 35%

Under Federal Government (Unclaimed Money) legislation, a former temporary resident's superannuation benefit must be paid to the Australian Taxation Office as unclaimed money where it has been at least six months since they have departed Australia and their visa has lapsed AND the Australian Taxation Office issues a notice to the Fund requesting the benefit be paid to the Australian Taxation Office. If this happens, you have a right, under the Government's legislation, to claim your super money directly from the Australian Taxation Office (subject to the applicable tax rates).

If you are a former temporary resident whose superannuation benefits are transferred to the ATO as unclaimed money, you may not be notified of this or receive an exit statement after the transfers occurs. The Trustee will rely on relief provided by the Australian Securities & Investments Commission (ASIC) Class Order [CO 09/437] which says, in effect, that the trustee of a superannuation fund is not obliged to meet certain disclosure requirements in relation to non-residents that have ceased to hold an interest in the fund as a result of the payment of unclaimed superannuation to the Commissioner of Taxation. If you require any further information, contact the Fund Administrator on 1800 336 911.

Further information can be obtained from the Australian Taxation Office website (www.ato.gov.au) or by contacting the Fund Administrator on 1800 336 911.

Goods and Services Tax

All fees and charges applicable to the Fund are subject to GST. GST is payable to the Australian Taxation Office and is not revenue passing to the Trustee or the Administrator.

All tax credits received by the Fund will be allocated to members through a combination of fee credits and investment income.

No-TFN Tax

Tax File Numbers ("TFN's") may be quoted to a superannuation fund by a member or the member's employer.

Under the Superannuation Industry (Supervision) Regulations (SIS Regulations), contribution rules prevent a fund accepting certain contributions (or require refunding certain contributions within a specified timeframe) where a TFN is not held by a fund.

This Trustee's policy in relation to these requirements can be summarised as follows:

1. Member contributions can only be accepted, for or on behalf of a member, if the member's TFN has been quoted to the Fund.
2. Where a TFN is not held for a member who was a member as at 30 June 2007, tax (No-TFN Tax) must be withheld on all concessional contributions at an additional rate of 31.5% if the member's concessional contributions exceed \$1,000 during the financial year.
3. Where a TFN is not held for a member who joins the Fund on or after 1 July 2007, tax must be withheld on all concessional contributions at the additional rate of 31.5%.
4. The higher tax (No-TFN Tax) must be withheld and remitted to the Australian Taxation Office if the TFN has not been quoted by 30 June each year.
5. If the TFN is quoted to the Fund within the 3 year period following the year in which the No-TFN Tax is assessed, the Fund can claim a refund from the Australian Taxation Office. While there is no obligation for a refund to be claimed, any refunds received from the Australian Taxation Office will be credited to a member's account as soon as practicable following receipt of the refund from the Australian Taxation Office. If at the time of receiving the refund, the member has left the Fund and the Administrator has the details of the member's new fund, the refund will be forwarded to the new fund (after taking into account any relevant earnings, fees, costs and taxes) as soon as practicable. While the Trustee

will make reasonable endeavours to recover such tax, it does not guarantee it will do so in the event that a member has left the Fund prior to receiving the member's TFN.

Where No-TFN Tax is payable, the amount of tax due for the financial year will be deducted from your account at the end of the financial year, or upon full withdrawal from the Fund, if earlier, and then paid to the Australian Taxation Office. This means that your account balance at 30 June, or when you leave the Fund, may be less than the balance during the year – for example, the No-TFN tax due for the 2010/2011 financial year will not have been deducted from your account until 30 June 2011. This allows time for you to quote your Tax File Number to your Fund in order to avoid having the No-TFN tax deducted from your account.

Note: While employers are under stricter obligations to quote TFNs of their employees to their superannuation funds, this does not always occur so you should ensure we have your TFN.

If you have not provided your TFN to your Fund (or you are not sure whether we hold it), you can:

- Call the Fund Administrator on 1800 336 911 to advise your TFN or request a TFN Collection Form;
- Download a TFN Collection Form from the Forms page at www.m3.com.au,

AND

- Fax it to: 07 3902 9899
- Post it to: Millennium Master Trust
Reply Paid 3528
PO Box 3528
Tingalpa DC Qld 4173
(no postage stamp required)

There is a note in the top right hand corner of the first page of your Annual Benefit Statement to tell you whether or not the Fund has your TFN. If we do not have your TFN, we strongly recommend that you let us know as soon as possible.

The laws relating to the taxation of superannuation are complex. This summary does not take into account your personal situation. We recommend that you seek professional advice about the impact of the tax rules on you before making any decisions in relation to the Fund including before you actually receive your benefit.

Keeping up to date with your super on the internet

You can obtain forms, investment updates, updates to Investment Fund PDS for Single Manager options, and other general information via the Administrator's web site - www.m3.com.au.

Members and employers can also keep up-to-date with the Fund by using the Administrator's internet facility called MySuperSolution. MySuperSolution provides a way for you to monitor your superannuation account, including transactions, account statements, and investment performance – you can even update your investment allocations online.

To use MySuperSolution, you need to apply for a Userid and PIN. This ensures the protection of your privacy. For more details, call the Administrator on 1800 336 911, or visit their web site - www.m3.com.au.

The website and MySuperSolution are facilities provided by the Fund Administrator. The Trustee is not the provider of, or responsible for, these facilities.

Keeping your super together

If you have worked for more than one employer, then it is likely that you will have been in more than one superannuation fund. If you don't roll over your super when you change jobs, it is likely that you will still have more than one superannuation account, and this can lead to duplication of costs – or you might even lose track of your older accounts.

If you do have other accounts that you would like to transfer into the Fund, simply complete a Transfer Authorisation form for each account and forward it to the Administrator. The Transfer Authorisation Form can be downloaded from the Forms page at www.m3.com.au, or copies can be ordered from the Administrator by calling 1800 336 911. Before requesting a transfer check what fees may be charged by your other fund or whether you lose any benefits (eg. insurance benefits).

Sometimes people lose track of their old superannuation accounts – there are millions of accounts held on behalf of members who are classified as lost. So, if you have lost track of an old super account, you are not alone.

There are two ways that you can track down your accounts. You can use the Australian Taxation Office's SuperMatch facility, accessed through your super fund. Just contact us on 1800 336 911, or info@m3.com.au, for a form and we will be able to conduct a search of the Lost Members Register for you.

Alternatively, if you are an internet user, you can go straight to the Australian Taxation Office's online search engine, SuperSeeker. When you use SuperSeeker, you get instant results. Go to www.ato.gov.au/super and follow the links to SuperSeeker. All you need is internet access and your Tax File Number.

Changing jobs?

Under the Government's Choice of Fund legislation, it is now easier for you to retain a single super account when you move from job to job. If you would like to request your employer pay their contributions to your Millennium Master Trust account, simply complete a Fund Nomination Form, available from the website www.m3.com.au or by contacting the Administrator on 1800 336 911, and provide this to your employer.

Keeping your dependants up-to-date

A person's situation can change during a year – you might get married, have children, become divorced, or there may be some other change to your domestic situation. When these types of changes do occur, it is important to take the time to review how these changes might be relevant to the dependants you have nominated for your superannuation fund.

Your Fund provides two options for nominating how your benefit should be paid upon your death – a non-binding nomination and a binding nomination.

Non-binding nomination

Your death benefit will be paid to one or more of your dependants and/or legal personal representative in a manner decided by the Trustee. You can tell the Trustee who you would prefer the benefit to go to by completing the Nomination of Beneficiaries form. You can change your nomination at any time by informing the Trustee in writing. Please note that your nomination is

not binding on the Trustee - the Trustee must determine how the benefit should be paid by considering the circumstances of each potential claimant.

Binding nomination

You also have the option to make a Binding Nomination of Beneficiary.

When you make a valid Binding Nomination of Beneficiary, you override the Trustee's discretion in determining who should receive your superannuation benefits in the event of your death. What this means is that the Trustee must pay the benefits to the beneficiaries specified by you and in the proportions that you specify provided your nomination is valid.

A Binding Nomination of Beneficiary expires three years after the date on which you sign and date the Binding Nomination of Beneficiaries form. If you do not make another nomination at that time, your binding nomination will no longer be valid and the Trustee will have discretion to decide to whom the benefit is paid.

It is also important to be aware that if you nominate a person who is not a dependant, your nomination will be invalid and the Trustee will be required to decide to whom the benefit is paid.

Nominated beneficiaries may include eligible dependants or a legal personal representative.

In all cases, a dependant is usually your spouse or any child, or any other person who is financially dependent on you or interdependent at the time of your death.

Subject to a superannuation fund's trust deed, a couple will be regarded as "spouses" to each other where they are legally married, living with each other on a genuine domestic basis in a relationship as a couple or, in certain circumstances, have registered their relationship under State or Territory laws. This means that same sex spouses may qualify as dependants for superannuation and tax purposes.

Also subject to a superannuation fund's trust deed, a "child" includes a child of the member or of spouse of the member (including an adopted child, step-child or ex-nuptial child or someone who is a child within the meaning of the Family Law Act 1975).

A financial dependant is not necessarily someone who depended on a member totally for financial support. A person might claim to be a financial dependant even if they were only partially

financially dependent on a member. Financial dependency may include a dependency on the member for payments of bills, rent, maintenance payments and shared financial commitments such as a mortgage.

Two people have an interdependency relationship if:

- they have a close personal relationship;
- they live together;
- one or each of them provides the other with financial support; and
- one or each of them provides the other with domestic support and personal care.

In addition, if a close personal relationship exists but the other requirements above are not satisfied because of a physical, intellectual or psychiatric disability (eg. one person lives in a psychiatric institution suffering from a psychiatric disability), then an interdependency relationship may still exist.

The taxation of death benefits will depend on who receives the benefits. See information about tax earlier in this report or the Fund's current PDS, available from the website or on request, for a general summary of relevant taxation rules. For more information about the tax implications for your personal circumstances, we suggest you obtain appropriately qualified advice from a professional adviser.

You may revoke or change your nomination at any time by completing a new Nomination form available from the Administrator. Forms are also available from the website – www.m3.com.au.

ENQUIRIES AND COMPLAINTS

One of the key features of legislation governing the operation of superannuation funds is that funds must establish a procedure to deal with enquiries and complaints. All efforts will be made to produce a satisfactory resolution to all parties.

What is an Enquiry?

An enquiry is a request to answer any question or provide further information in relation to the Fund. The Trustee is obliged to provide you with any information you may require to understand your benefits. Most enquiries are reasonably straightforward and these can be dealt with by the Fund contact:

Mr David Barclay
Millennium Master Trust
PO Box 3528
Tingalpa DC Qld 4173
Phone: 1800 336 911
Fax: (07) 3902 9899
Email: info@m3.com.au

If you do not receive a satisfactory response within 28 days, you should immediately contact the Trustee contact (see below).

What is a Complaint?

A complaint is where you express dissatisfaction with some aspect of the Fund's service to you or other decision relating to the Fund that may impact you.

The Trustee has established a procedure to deal with member enquiries and complaints. Enquiries and complaints will be dealt with within 90 days. You will receive a written reply explaining the Trustee's decision in relation to your enquiry or complaint. Please direct complaints to:

Complaints Officer
Millennium Master Trust
PO Box 3528
Tingalpa DC Qld 4173
Phone: 1800 336 911
Fax: (07) 3902 9899
Email: info@m3.com.au

What if I am still not satisfied?

If you are not satisfied with the Fund's handling of your complaint or the Trustee's decision, or you do not receive a response to your complaint within 90 days, you may be able to refer the complaint to the Superannuation Complaints Tribunal. The Tribunal is an independent body set up by the Federal Government to assist members or beneficiaries to resolve certain superannuation complaints.

The Tribunal may be able to assist you to resolve your complaint, but only after you have made use of the Fund's own complaint-handling process. Once the Tribunal accepts your complaint, it will attempt to resolve the matter through conciliation, which involves assisting the parties to come to a mutual agreement. If conciliation is unsuccessful, the complaint is formally referred to the Tribunal for a determination.

You should first telephone to find out the type of information you need to provide. You can contact the Superannuation Complaints Tribunal at:

Locked Bag 3060
Melbourne VIC 3001
Phone: 1300 884 114

If you have any questions in relation to your benefit, please do not hesitate to contact us (Enquiries contact above).

FINANCIAL ACCOUNTS

Following is an abridged version of the Fund's un-audited accounts for the year to 30 June 2011. The audited accounts and auditor's report will be available upon request from the Administrator from 30 October 2011.

Statement of Financial Position as at 30 June	2010-11	2009-10
Investments:		
Pooled Superannuation Funds	50,126,424	49,307,950
Other Assets	474,829	1,059,675
Total Assets	50,601,253	50,367,625
Less Liabilities:		
Other Liabilities	341,624	401,693
Provision for Income Tax	(52,322)	(41,336)
Deferred Tax Liabilities	(26,960)	(26,500)
Total Liabilities	262,342	333,857
Net Assets Available to Pay Benefits at 30 June	50,338,911	50,033,768

Operating Statement for year ended 30 June		
Net Assets Available to Pay Benefits at 1 July	50,033,768	47,610,410
Plus:		
Changes in Net Market Value of Assets	3,784,014	3,575,035
Investment Income	11,840	13,700
Employer Contributions	5,097,883	5,914,315
Member Contributions	277,119	318,765
Transfers In	208,786	809,160
Other Income	287,977	284,665
Total Gross Income for the Year	9,667,619	10,915,640
Less:		
Benefit Payments	7,015,169	5,987,199
Administration Charges	1,341,663	1,366,382
Group Life Premiums	514,218	528,381
Tax Expense	492,321	610,320
Super Contributions Surcharge	(895)	-
Total Outgoings for the Year	9,362,476	8,492,282
Net Assets Available to Pay Benefits at 30 June	50,338,911	50,033,768

DIRECTORY

Administrator

Millennium3 Financial Services Pty Ltd

ABN 61 094 529 987

AFS Licence No 244252

PO Box 3528, Tingalpa DC, Queensland 4173

Phone: (07) 3902 9888 or 1800 336 911 Freecall

Facsimile: (07) 3902 9899

Internet: www.m3.com.au

Email: info@m3.com.au

Auditor

WHK Horwath

Level 32 Nauru House, 80 Collins Street, Melbourne, Victoria 3000

Phone: (03) 9258 6700

Facsimile: (03) 9258 6722

Eligible Rollover Fund

Super Safeguard

GPO Box 3426, Melbourne Victoria, 3001

Phone: 1300 135 181

Fax: 1300 135 191

Internet: www.supersafeguard.com.au

Email: supersafeguard@primary.com.au

Insurer

One Path Life Limited

ABN 33 009 657 176, AFSL No 238341

GPO Box 75 Sydney NSW 2001

Phone: (02) 9234 7855

Facsimile: (02) 9290 3440

Internet: www.onepath.com.au

Trustee

The Trust Company (Superannuation) Limited

ABN 49 006 421 638

AFS Licence No 235153

RSE Licence No L0000635

PO Box 361, Collins St West, Victoria 8007

Phone: 1800 650 358 Freecall

Facsimile: (03) 9620 5821

Internet: www.thetrustcompany.com.au

