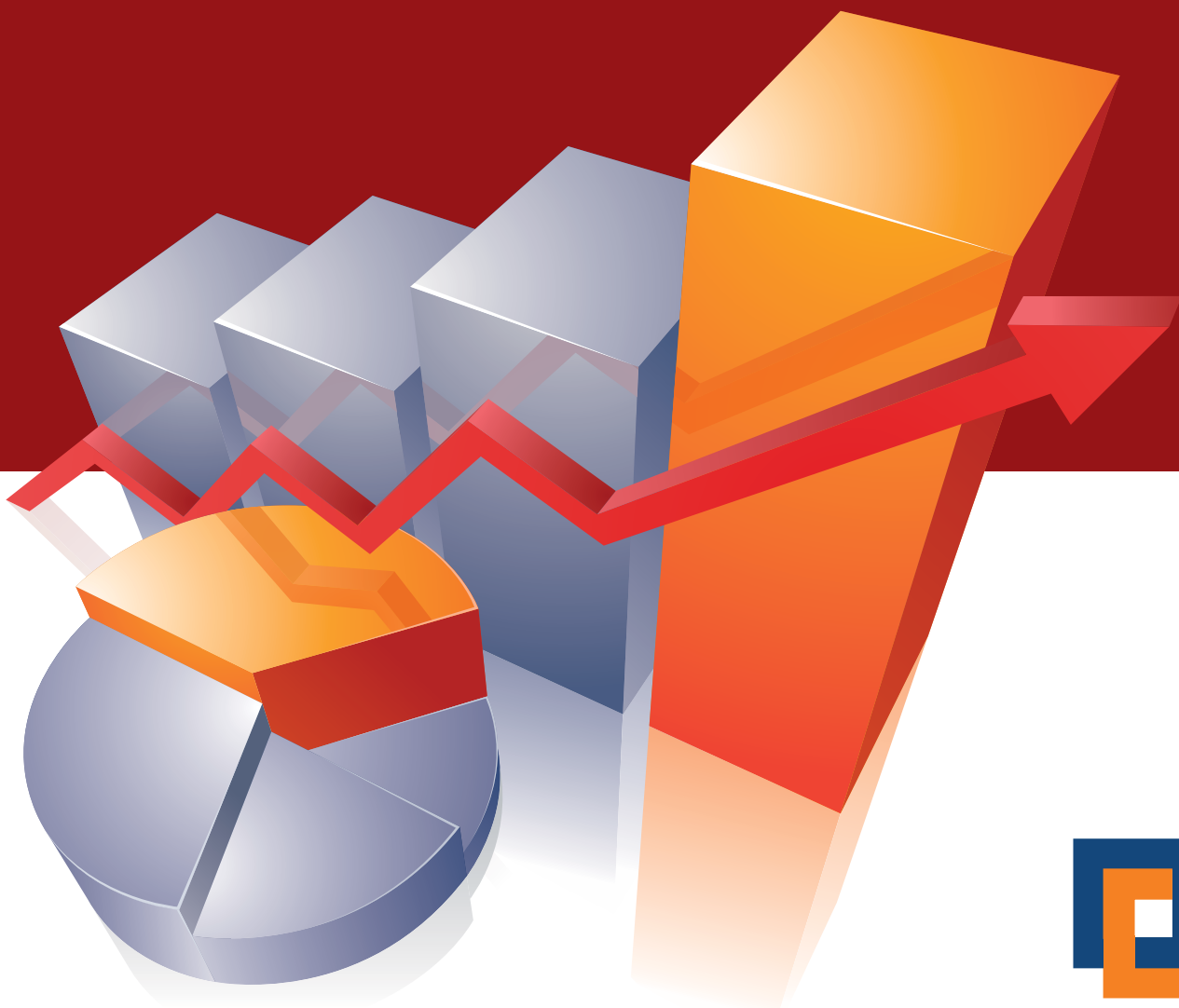


# ANNUAL REPORT TO 31 DECEMBER 2010 and **MEMBER BOOKLET**

The Product Disclosure Statement (PDS) for Combined Fund consists of the following documents:

- PDS Part 1: Annual Report to 31 December 2010 and Member Booklet
- PDS Part 2: Benefit Summary for each Employer or Fund Division



**Issued April 2011**

This PDS Part 1 is issued by Combined Fund Pty Ltd as Trustee of Combined Fund (see back page for contact details). RSE ABN 32 064 976 138 Fund ABN 46 921 400 504



Combined Fund (formerly Combined Schools Superannuation Fund) is a major provider of superannuation services to the Private Education Sector, Charities, Religious Organisations, Non-profit Groups and Associations and other selected employers.

Established in 1959, Combined Fund has more than 10,000 Member Accounts spread over more than 150 Employers and assets of over \$500 million as at 31 December 2010.

## MISSION STATEMENT

The Trustee's mission is to provide benefits to members and their beneficiaries which will enhance their long term financial position, well-being and security and which are industry best practice or better.

We aim to do this by providing a general superannuation advisory service and a range of other financial and finance-related services through the Fund which are:

- innovative;
- member oriented;
- quality driven;
- well managed and controlled;
- low cost;
- market competitive;
- ethical and equitable; and
- conforming to all legal and regulatory requirements of the superannuation industry.

The vision of the Trustee is that the Fund will:

- continue to provide efficient and cost effective superannuation to members, beneficiaries and employers;
- maintain its position as a fund of choice for the private education sector, charities, religious organisations, non-profit groups and associations linked to education and training and for other selected employers;
- achieve excellence in investment performance, the provision of insurance benefits and the administration of member and employer services; and
- continue to maintain compliance with applicable licence conditions, legislation and regulations, regulatory guides and guidance notes.

## CONTENTS

SUMMARY OF THE YEAR	1
CHAIRMAN'S REPORT	2
HOW COMBINED FUND WORKS	4
FUND INVESTMENTS	9
GENERAL INFORMATION	21
SUPERANNUATION NEWS	23
FINANCIAL INFORMATION	24
FEES AND OTHER COSTS	25
TAXES	28
WHO LOOKS AFTER YOUR BENEFITS?	30
OUTSOURCED SERVICES	32
CONTACT US	back cover

## IMPORTANT NOTICE

Whilst every effort has been made to ensure that the information in this PDS is accurate, errors do sometimes occur and the Trustee reserves the right to correct them.

The Trustee does not hold an Australian Financial Services Licence and, therefore, cannot provide you with financial product advice. In any case, this PDS contains information of a general nature only and you should consult your financial adviser if you intend to make any financial or investment decisions based on this information.

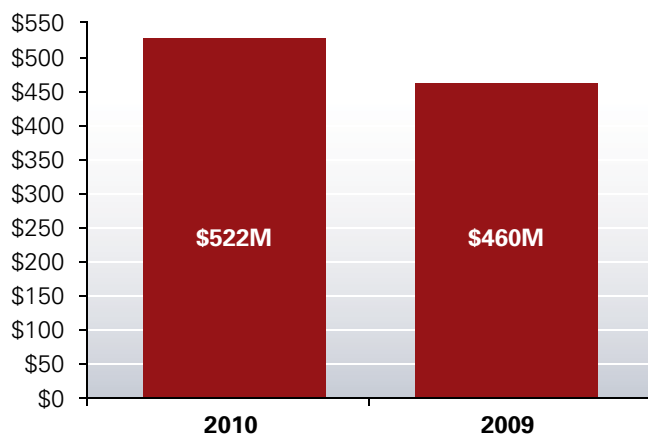
Information contained in this PDS may change from time to time. Unless the changed information is materially adverse to members, we may not always update or replace this PDS immediately to reflect the changed information.

Copies of any updated material will be posted on the Fund's website ([www.combinedfund.com.au](http://www.combinedfund.com.au)) and will be available at no cost by telephoning the Fund on (03) 9691 2900 or Toll Free 1800 200 801.

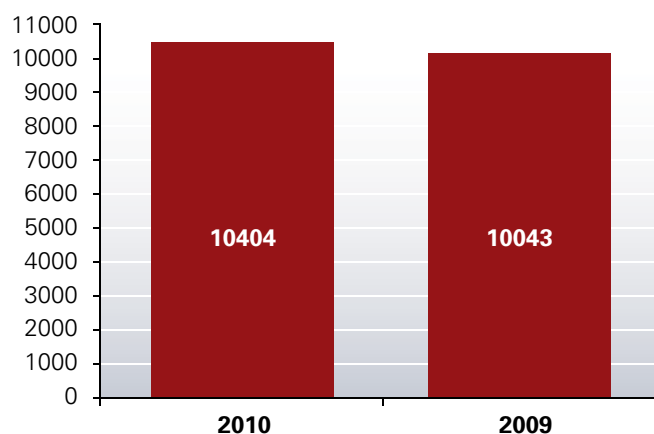
# SUMMARY OF THE YEAR

(Figures as at 31 December 2010)

## Fund Assets



## Member Accounts



## 2010 Earning Rates – see page 10 onwards for more details.

NB: These are the actual rates of return for 2010 ie. after tax and all fees have been deducted.

Investment Option	Super Members % Return	Pension Members* % Return
Australian Shares	1.7	1.7
International Shares	1.9	2.0
Property	4.5	4.9
Growth	3.8	4.1
Balanced	3.4	3.8
SRI Balanced	2.0	2.2
Conservative	5.6	6.3
Interest	4.6	5.4

Note: Past performance is not an indication of future performance.

\*Investment earnings on Pension assets are exempt from tax. This means that the investment returns for our Pensioners are usually higher than the returns for our other members (but may not be during periods of negative returns).

# CHAIRMAN'S REPORT

## What a difference 12 months can make!

Financial markets around the world continued the volatility that has persisted for some 4 years now and, unfortunately, it is likely to continue through 2011. The credit crisis in Greece and Ireland and the political crises in Egypt and the Middle East will continue to affect our financial market.

The calendar year 2010 was the second year in recovery phase for the developed world financial markets. History will show that, while the first year in a recovery from a "bear market" will predominately be a very strong year in investment performance terms, the second year in the recovery cycle will sometimes plateau.

The following table highlights the returns of each of the Investment Options in Combined Fund and their returns for the last 3 calendar years:

Investment Option	Year ended 31 December 2010	Year ended 31 December 2009	Year ended 31 December 2008
Australian Shares	1.7%	29.0%	-31.3%
International Shares	1.9%	14.8%	-34.6%
Property	4.5%	-3.0%	-4.8%
Growth	3.8%	13.3%	-18.3%
Balanced	3.4%	9.5%	-18.6%
SRI Balanced	2.0%	13.9%	-19.7%
Conservative	5.6%	8.2%	-3.5%
Interest	4.6%	3.4%	6.1%

As can be seen from the above table we have experienced a "roller coaster" ride of investment performance – all starting from the Global Financial Crisis.

From an Australian perspective, we have weathered the storm of the Global Financial Crisis and the subsequent recovery phase very well – our economy only experienced one quarter of negative growth while other developed nations experienced multiple quarters (two consecutive quarters represent a technical recession).

Interestingly, the Australian economy through 2010 was classified as a "two speed economy" where most of our growth was driven by our mining and resource sectors. The table below shows the break-up of the total return for the Australian market for 2010:

	Return for the year ended 31 December 2010
Total Market*	1.6%
Industrials**	-2.5%
Resources***	11.2%

\*S&P/ASX 200 index

\*\*S&P/ASX 200 Industrials

\*\*\*S&P/ASX 200 Resources

As was well publicised in 2010, resource and commodity hungry China, and to a lesser degree India, were the main drivers of growth in our resources sector and this is expected to continue (but probably to a lesser extent) throughout 2011.

As mentioned above, the financial world continues to be affected by the geo-political and financial events most of which really do not have, and should not have, an effect on financial markets. However, as we all have just been through a most dramatic financial event, in the form of the Global Financial Crisis, any negative news around the world is likely to have a negative effect on financial markets.

## Don't forget to ask the question

Unfortunately, most people consider their superannuation as a set and forget strategy – they join a fund tick a few boxes and then forget about it until a certain event occurs such as leaving the service of an employer or retirement.

There is no doubt that superannuation is a long-term investment. However, we believe that it is prudent that people review their superannuation at least annually to make sure they are heading on the right path. Things to consider in this regard are:

- Am I in the right investment option?
- Should I be contributing more into super and, if so, how much?
- Are there more tax efficient ways to contribute to super?
- What other options does my fund have (ie Transition to Retirement Pensions or full Pensions, for example)?

Combined Fund has a service that allows members to ask these questions at any time they need. We would therefore encourage you to contact the Fund on 1800 200 801 and a representative will be able to assist you with any of your enquiries.

## The Fund's Investment Consultant

During the second half of 2010 our Board was advised of the change of ownership of our investment consultant, CPG Advisory & Research. This was followed quite quickly by the departure of the key advisers whose skills and reputation had caused the Board to appoint CPG towards the end of 2007.

CPG's 3 year term of appointment was scheduled to expire at 31 December 2010.

In the circumstances, the Board, through its Investment Committee, embarked upon an exhaustive tender process the result of which is that Mercer (Australia) Pty Ltd have been appointed as our investment consultant for a 3 year term with effect from 1 January 2011.

## Our Administrator

As you may be aware, the long serving Chief Executive Officer of Group Benefits, Mr Greg Taylor, retired in October 2010.

Greg's position has been filled by Mr Michael Houlihan who has had a long career in superannuation and superannuation administration in particular. I am sure I speak for all members of our Board when I say that this has been a seamless transition and I am very confident that the outstanding service provided by Group Benefits (name changed to SuperBPO effective 1 April 2011) to our Board, its Committees, the Fund and all members will continue throughout 2011 and beyond.

The Fund's Agreement with the Administrator has been renewed for a further three years from 1 September 2010.

## What's in store for 2011?

Unfortunately, the 2011 year has started with a number of natural disasters both here and overseas. These disasters, together with the continued unrest in the Middle East, have resulted in some significant volatility in investment markets both here and around the world.

However, there is an air of anticipation that we might see a slowing of the volatility in investment markets throughout the remainder of 2011. This will probably result from a shift to more positive economic growth in the developed world such as through Europe and the US. This is a reversal from what occurred in 2010 where the developing economies such as China, Brazil and India came out of the Global Financial Crisis in far better shape than the developed economies. There is an expectation that the US has now seen the worst from an economic point of view and that they should start to see an increase in their growth prospects for 2011. This will be a positive for the world financial markets as this is likely to result in less volatile markets.

Australia will be a natural beneficiary of the improvement in the more developed economies in 2011 which should flow on to our investment markets. We should also benefit from the continuing demand for materials and commodities which forms a major part of our market,

During 2011 we are likely to see the finalisation of a number of Government proposals on changes to the financial services industry. These include:

- Future of Financial Advice – the review of the role of financial planners and how they are remunerated.
- The Cooper review - which examined the structure of the superannuation industry and how superannuation should be offered as a default arrangement for employers and employees.
- Changes to the minimum superannuation contribution requirements where consideration is being given to increasing the minimum contribution from 9% up to 12% over a period of years.

We will keep you up to date with these developments as they occur.

Best wishes for 2011.

**J.R.EVANS**  
Chairman

# HOW COMBINED FUND WORKS

## CONTRIBUTIONS

Anyone between the ages of 18 and 65 may contribute to a superannuation fund – whether working or not.

Under age 18, you generally have to be in the workforce to make superannuation contributions.

After age 65, work tests apply to determine whether contributions can continue to be made. We contact all members who are over age 65 (and their employers) to obtain updated employment details.

### Contributions for You

Your employer will contribute a minimum of 9% of your Salary to the Fund as stipulated by Government Regulations (Superannuation Guarantee Legislation) or such other amounts as arranged between you and your employer.

You may make additional contributions to the Fund from your **pre-tax salary** (ie by reducing your taxable salary by the amount of contribution which you select). This is known as Salary Sacrifice and it enables you to obtain the equivalent of a tax deduction for the selected contribution.

Alternatively, you may make additional contributions from your **after-tax salary** if you prefer or if Award restrictions or your employer do not permit Salary Sacrifice.

You may also make **after-tax** contributions directly to the Fund by cheque or by periodical deduction from a bank account.

A Government Co-contribution may be available in respect of your **after-tax** contributions (see Superannuation News for more details).

### Contributions for your Spouse

Whether in the paid workforce or not, your spouse may join Combined Fund and contribute to the Fund. If your spouse works for an employer, that employer may contribute to the Fund too.

You may also make after-tax contributions to the Fund on behalf of your spouse. (Refer to page 28 for Tax Information).

Members wishing to make spouse contributions should ring the Fund Administrator on 1800 200 801 (toll free) and ask for a Spouse Membership Product Disclosure Statement.

Under Contribution Splitting arrangements, you may also arrange for employer and salary sacrifice contributions which have been paid to your Account to be split with your spouse.

*NB: From 1 July 2008, your spouse can be a person of the same sex as you.*

## MEMBER INVESTMENT OPTIONS

This Product Disclosure Statement describes the eight investment options available to you including:

- a history of returns;
- the investment strategy and objectives of each option; and
- how investment switches can be made.

### Investment Units

All money credited to your Combined Fund Account purchases units in your chosen investment option(s).

At any time, your Account Balance in the Fund is determined by multiplying the number of units you hold in each investment option by the current unit price(s) for your chosen investment option(s).

Unit prices for each month are calculated on 15<sup>th</sup> of the next month and are updated monthly on the Fund website. They are also advised in each newsletter and are available from the Fund Administrator upon request.

Accordingly, benefits shown on the website prior to 16<sup>th</sup> of each month are based upon the unit prices for two months prior. Benefits shown on and after 16<sup>th</sup> of the month are based on the unit prices for the month prior. For example, unit prices for February 2011 are calculated by 15<sup>th</sup> March 2011 so, prior to 16<sup>th</sup> March 2011, benefits shown on the website are as at 31<sup>st</sup> January 2011. On and after 16<sup>th</sup> March 2011, benefits shown are to 28<sup>th</sup> February 2011. The calculation of unit prices at the Fund's year end (31 December) may take a little longer to be calculated.

The unit prices are shown net of investment fees and other fees and investment taxes, ie they reflect the actual return for each investment option.

All contributions paid by you and on your behalf are credited to your Account within 1-3 days of receipt by the Fund (well within the 28-day limit set by the Government) subject to the Fund receiving supporting documentation.

Contributions received during a particular month are used to purchase units at the unit price declared for the previous month.

See page 17 for more information on unit prices and the impact of movements in investment markets.

## BENEFITS PAYABLE UPON LEAVING SERVICE OR RETIREMENT

For most members of the Fund, the benefit payable upon leaving service or retirement is your total Account Balance. Your Account Balance will comprise some or all of the following:

- your contributions; plus
- contributions made by your spouse to your Account; plus
- employer contributions; plus
- Government Co-contributions; plus (or minus)
- any amount transferred to (or from) your Account under contribution splitting arrangements; plus (or minus)
- transfers or roll-overs from (or to) other superannuation funds; plus (or minus)
- any amount transferred to (or from) your Account under a Family Law benefit split, together with investment earnings; less
- administration and insurance costs and Government taxes; plus (or minus)
- investment earnings.

However, the Government restricts the payment of benefits to you **as a lump sum** as follows:

**(1) Unrestricted Non-Preserved Benefits – can be taken as a cash lump sum at any time.**

**(2) Restricted Non-Preserved Benefits – cannot be taken as a cash lump sum until you leave the service of an employer which has contributed to the Fund on your behalf.**

**(3) Preserved Benefits – cannot be paid to you as a lump sum until:**

- you attain age 65 (whether still working or not);
- you leave the service of a contributing employer at or after age 60 (whether or not you take up other employment);
- you retire from the workforce and have reached your **Preservation Age (see below)**;
- your Account Balance is less than \$200;
- you die;
- you suffer total and permanent disablement;
- you successfully apply to the Australian Prudential Regulation Authority (APRA) for the release of benefits on specific grounds or to the Trustee in respect of financial hardship;
- you entered Australia under a temporary entry visa and are now leaving Australia permanently.

Your Fund benefit may also become payable if you are diagnosed as having a terminal medical condition and the necessary certification is provided.

Your preserved and non-preserved benefits are shown on your benefit statement.

## Preservation Ages

The Preservation Ages set by the Government are:

For Persons born:	Preservation Age:
After June 1964	60
After June 1963 and before July 1964	59
After June 1962 and before July 1963	58
After June 1961 and before July 1962	57
After June 1960 and before July 1961	56
Before July 1960	55

## SPECIAL FACILITIES FOR MEMBERS WHO LEAVE SERVICE OR RETIRE OR ATTAIN AGE 55

To enable members to use Combined Fund as their “lifetime” fund, we provide the following facilities:

### (1) Accumulation Phase – Retained Member Account

Members who leave the service of an employer are automatically transferred to a Retained Member Account in their own name within Combined Fund which can be used to:

- receive ongoing contributions (made personally and/or by a new employer);
- provide ongoing insurance cover;
- maintain or change your investment options;
- draw down non-preserved monies, if needed.

*Note: Unless you advise us otherwise, your investment choice and your insurance cover at the date of leaving service will be maintained (subject to a work test for Salary Continuance Insurance cover). Further details will be provided when you leave service.*

### (2) Transition to Retirement Phase – Part Pension Account

Members who have attained age 55 but who are still working now have access to their superannuation benefits – as long as they are paid as a pension under the Government’s superannuation pension rules. By transferring most of your superannuation savings to a separate pension account:

- any investment income earned on that account is free from tax;
- the minimum amount of total pension payments which you must draw from the account each year is set by the Government and is based on your age and Pension Account Balance. A maximum of 10% of your Pension Account Balance may be withdrawn in any financial year;
- you **cannot** make lump sum withdrawals in addition to your pension payments;
- there may be some tax payable on these pension payments prior to age 60 (see the Taxation Section of this report).

# HOW COMBINED FUND WORKS cont.

Ongoing employer and personal contributions can continue to be paid to your separate accumulation account in Combined Fund.

### (3) Retirement Phase – Full Pension Account

Members who retire after age 55 or leave service after age 60 or attain age 65 can transfer to a Retired Person's Pension Account in their own name within Combined Fund. In this Account:

- any investment income earned on that account is free from tax;
- the minimum amount of total pension payments which you must draw from the account each financial year is set by the Government and is based on your age and Pension Account Balance but the 10% maximum does not apply;
- you may make lump sum withdrawals in addition to your pension payments;
- there may be some tax payable on these pension payments prior to age 60.

**See the separate Pension Benefit Summary for more details. The Summary is available by calling 1800 200 801 (toll free) or it can be downloaded from the Fund website at: [www.combinedfund.com.au](http://www.combinedfund.com.au)**

## DEATH BENEFITS

In the event of your death, your Account Balance is payable as a lump sum. However, an insurance benefit may also be payable (refer to your Benefit Summary and your Benefit Statement for details of any insurance cover).

Upon advice of your death, the benefit payable from the Fund will be automatically switched to the Fund's Interest Option in order to ensure that its value is maintained until settlement of the claim regardless of fluctuations in investment markets.

This procedure does not apply to Reversionary Pension accounts. Instead, your surviving spouse takes ownership of your pension account. If you are not survived by your spouse, the pension benefit will be commuted to a lump sum and the switching procedure outlined above for lump sum payments will be followed.

The lump sum death benefit is payable to one or more of your dependants or to your legal personal representative, as decided by the Trustee. You can nominate dependants on a Death Benefit Distribution form which is provided when you join the Fund.

For legal and practical reasons, the Trustee has the discretion to decide which of your dependants receives the death benefit. The Trustee will take note of your wishes but will not be bound by them. The Trustee is bound by the Trust Deed and trust law to undertake a careful examination of your personal situation in the event of your death.

An up to date Will may help the Trustee to ascertain your wishes. However, the Trustee is not bound by the provisions of your Will.

If you do not have any dependants, the Trustee will pay the death benefit to your legal personal representative. However, if the Trustee considers that no legal personal representative has been or will be appointed, it will pay the death benefit to any other person or persons permitted under Superannuation Law.

Dependants include your spouse (including a de facto spouse who can be of the same sex as you), your children (including any adult children, adopted children, ex-nuptial children, foster children, a ward of you or your spouse, a child for whom you or your spouse are standing in loco parentis and a person who is a child of you or your spouse within the meaning of the Family Law Act 1975) and any person who was wholly or partially dependent on you at the time of your death.

A dependant can also be a person with whom you live and have a close personal relationship. One of you must rely on the other for financial support and one of you must provide the other with domestic support and personal care. This person is known as an Interdependant.

Your nomination may be changed at any time and should be updated if your circumstances change - especially if your nominated dependant dies. A Death Benefit Distribution Form may be obtained from the Fund Administrator or downloaded from the Fund website.

### Terminal Illness

A benefit may be payable from the Fund if a medical condition is determined by the Trustee as likely to lead to your death within 12 months of diagnosis.

## TOTAL DISABLEMENT BENEFITS

The Fund offers two separate insurance benefits on disablement:

### (1) Monthly Income Benefit (Salary Continuance Insurance)

This insurance benefit is payable on total disablement (whether temporary or permanent) if you:

- have been absent from work for a continuous period of 90 days due to an accident or sickness; and
- are unable to perform at least one of the duties of your occupation necessary to produce income; and
- are not working in any occupation; and
- are under the care of a Medical Practitioner.

Payment of the Salary Continuance Insurance benefit is subject to acceptance of your claim by the Fund insurer.

The benefit payable is 85% of your salary at the 1 January preceding your disability and is payable by monthly instalments in arrears (75% will be paid to you and the remaining 10% will be contributed to your account in the Fund as a concessional contribution). The payments will be increased (indexed) each year by the Consumer Price Index (CPI). The benefit payments cease at the end of either 2 years or at age 65, depending on the insurance option selected, or earlier if you:

- get better; or
- go back to work; or
- reach age 65; or
- die.

The Salary Continuance Insurance benefit may be reduced if you receive other sickness or accident benefits, including Workcover but excluding sick leave.

The benefit will not be payable if disability is caused directly or indirectly by:

- any self-inflicted injury or attempted suicide; or
- pregnancy, unless the disability continues for more than 3 months after the end of the pregnancy in which case the end of pregnancy will be deemed to be the commencement of the period of disability.

The Salary Continuance Insurance benefit is not available at the time of joining the Fund if you are working less than 15 hours per week for an employer or if you are a casual employee.

## Partial Disability Benefit

If, following the payment of a total disability benefit, you return to work and you are under the care of a Medical Practitioner but, as a result of the disability, your salary is less than 80% of your pre-disability salary, a partial disability benefit may be payable.

## Recurrent Disability

The 90-day waiting period may be waived in the event of recurrent total disability that the insurance company considers has arisen from the same or related cause(s).

## Effect of Salary Continuance Insurance Benefit on Other Benefits

While you are receiving the Salary Continuance Insurance benefit, you remain eligible to receive all other benefits from the Fund. You may also continue to pay contributions while you are receiving this benefit. In most cases, there would be no employer contributions while you are receiving the Salary Continuance Insurance benefit.

If you are assessed to be Totally and Permanently Disabled while receiving the Salary Continuance Insurance benefit, you may also receive the Lump Sum Benefit as described below and continue to receive your Salary Continuance Insurance benefit as well.

## (2) Lump Sum Total and Permanent Disablement Benefit

For members who were working an average of at least 15 hours per week in the 13 weeks before the date of disablement, the total and permanent disablement benefit is payable if:

- you have been absent from work due to injury or illness for six consecutive months; and
- in the opinion of the Trustee, after consideration of medical evidence, you are unable to follow your usual occupation by reason of accident or disease and you are unlikely ever to be able to follow your usual occupation or any other occupation for which you could be reasonably considered qualified by education, training or experience.

However, if you were working less than 15 hours a week in the 13 weeks prior to becoming disabled, total and permanent disablement insurance is payable once:

- you have been absent from work due to illness or injury for six consecutive months; and
- you are totally and permanently unable to perform at least two of the following “**Activities of Daily Living**” without the assistance of another person:
  - shower and bathe;
  - put on and take off clothing;
  - get food from a plate into the mouth;
  - get on and off and use the toilet;
  - get in and out of bed and a chair.

A further definition of total and permanent disablement which is specifically related to home duties may apply to those engaged full time in unpaid domestic duties at the time of the disablement.

Payment of any **insured** benefit for total and permanent disablement is subject to acceptance of your claim by the Fund insurer.

The total and permanent disablement benefit will be payable immediately if you lose the sight of both eyes, lose (or lose the use of) both hands or both feet or one hand and one foot or lose the sight of one eye as well as losing (or losing the use of) one hand or foot.

*Note: These definitions should be used as a guide only. The full definitions are contained in the Fund’s Trust Deed.*

*Note: You should refer to your Benefit Summary and your Benefit Statement as you may not be provided with both benefits.*

## EVIDENCE OF GOOD HEALTH

If it is necessary for you to be medically examined or provide other evidence of good health before new or increased insurance cover is granted, the Trustee reserves the right to impose special provisions or limits on your Death and/or Total and Permanent Disablement benefits and/or Salary Continuance Insurance if the insurance company does not subsequently offer insurance on standard terms.

# HOW COMBINED FUND WORKS cont.

Insurance cover may not be provided until you have submitted an application to join the Fund.

## INSURANCE AFTER YOU LEAVE SERVICE

If you leave the service of your employer, you will automatically be transferred to a Retained Member Account and the insurance cover already secured for you at the date of leaving service will be maintained. Premiums will continue to be deducted from your Account.

If, after leaving service of your employer, you are working less than 15 hours per week or are employed on a casual basis:

- Salary Continuance Insurance cover will cease after 12 months. If you become totally disabled during those 12 months, any claim will be based upon your actual average basic annual pay for the 12 months prior to becoming disabled;
- the definition of Total and Permanent Disablement will be the "Activities of Daily Living" definition as shown above. A separate definition of disablement which is specifically related to home duties may apply if you are engaged full time in unpaid domestic duties at the time of disablement.

If you leave Australia to reside overseas, your insurance cover may not be maintained unless you notify us in writing prior to leaving.

You may terminate the insurance cover at any time by notifying the Fund Administrator in writing (see back page for Contact details).

## INSURANCE IF YOU TRANSFER TO ANOTHER FUND

If you transfer **all** of your total accumulated benefits out of Combined Fund to another superannuation fund, all insurance cover provided by Combined Fund will cease.

If you transfer **some** of your accumulated benefits to another fund, all insurance cover provided by Combined Fund will cease unless you request otherwise in writing. The insurance cover may only be maintained subject to maintaining a minimum Account Balance of \$5000.

## INSURANCE IF YOU ARE ON EXTENDED LEAVE OR WORKING OVERSEAS

The Fund generally provides twenty-four hour, worldwide cover for insured members and insurance premiums are deducted from your Fund account.

However, there are some restrictions on cover for those on extended leave without pay and those who travel or work overseas for extended periods.

The restrictions applying to members of Combined Fund **who are Australian residents** are summarised below:

### ■ Leave Without Pay

For Fund members on leave without pay (including periods of unpaid maternity or paternity leave), your existing cover will be maintained for up to fourteen months.

Thereafter, Salary Continuance Insurance cover will cease. In addition, the Activities of Daily Living or Home Duties definitions will apply to any Total and Permanent Disablement insurance you may have.

All cover will cease after three months if you have travelled to a country which had already attracted a "Do not travel" warning from the Australian Government. The cover will not be reinstated whilst that warning continues to apply and you are still located in that country.

### ■ Paid Leave

For Fund members on paid leave, existing cover will be maintained whilst in Australia and overseas.

However, all cover will cease after three months if you have travelled to a country which had already attracted a "Do not travel" warning from the Australian Government. The cover will not be reinstated whilst that warning continues to apply and you are still located in that country.

### ■ Working Overseas

For Fund members who are working overseas, your existing cover can generally be maintained for up to three years.

However, all cover will cease after three months if you have travelled to a country which had already attracted a "Do not travel" warning from the Australian Government. The cover will not be reinstated whilst that warning continues to apply and you are still located in that country.

*Note: If you leave the service of your employer whilst on extended leave, your insured benefits can still be maintained in the Fund. However, all insurance cover ceases immediately if you transfer your total Account Balance out of Combined Fund.*

*Cover whilst on extended leave or overseas may also be maintained for **non-residents of Australia** subject to prior written approval from the insurer.*

**IMPORTANT NOTE: Before any benefit payment will be made from the Fund (including roll-overs or transfers to other funds), we will require certified proof of your identity (generally a certified copy of your driver's licence or passport). Details of our requirements will be provided at the time of a request for payment.**

# FUND INVESTMENTS

You can select one or any combination of four sector and four diversified options for the investment of your Account Balance. You can even arrange for a different investment mix to apply for future contributions from the investment mix which applies to your current Account Balance.

## Sector Options

- Australian Shares
  - International Shares
  - Property
- } commonly known as Growth Assets
- Interest
- } commonly known as a Defensive Asset

## Diversified Options

- Growth (85/15)
- Balanced (75/25) - the Default Option if you do not make an investment choice
- Sustainable Responsible Investment (SRI) Balanced (74/26)
- Conservative (30/70)

The figures shown in brackets above represent the benchmark allocations of these diversified options to Growth and Defensive assets. Details of the benchmark allocations are contained on the following pages.

You can alter your investment mix at any time and at no cost. It may be in your best interests to seek professional advice before making or changing your investment decision.

The Trustee has determined that the assets of Combined Fund will be invested in collective investment funds managed by professional, external investment managers.

The selection of investment managers for the Fund is made by an extensive search process based upon independent professional advice provided by CPG Research and Advisory Pty Ltd (CPG). With effect from 1 January 2011, CPG have been replaced by Mercer (Australia) Pty Ltd.

The performance of the investment managers is continuously monitored and the Trustee may make changes, as deemed necessary, from time to time.

The following pages show details of each investment option, benchmark asset allocations and a five-year history of returns (including compound average returns). **These are the net rates of return to members ie after tax and all fees have been deducted.** Bear in mind that higher returns generally mean higher risk and volatility (variations between returns each year) and that past returns should not be seen as indicative of what may be achieved in the future.

For Pensioner Members, returns are shown separately. The Fund is exempt from tax on investments made for Pensioner Members so higher returns usually apply (but may not in years of negative returns).

## CONSUMER PRICE INDEX (CPI)

	CPI %
2010	2.7
2009	2.1
2008	3.7
2007	3.0
2006	3.3
5-Year Compound Average	3.0
3-Year Compound Average	2.8

# FUND INVESTMENTS sector options

## AUSTRALIAN SHARES OPTION

The Australian Shares Option seeks to provide an investment return which exceeds the changes in the Consumer Price Index (CPI) by 4.5% per annum over rolling 7-year periods.

### Strategy

Assets held in this Option are invested in a range of Australian share investment trusts.

The performance history of this Australian Shares Option for the last five calendar years has been:

	Return %
2010	1.7
2009	29.0
2008	-31.3
2007	16.8
2006	20.9
5-Year Compound Average	4.9
3-Year Compound Average	-3.4

## PROPERTY OPTION

The Property Option seeks to provide an investment return which exceeds CPI changes by 3% per annum over rolling 5-year periods.

### Strategy

Assets held in this Option are mainly invested in Unlisted Property Trusts with some Listed Property investment added in 2007.

The performance history of this Property Option for the last five calendar years has been:

	Return %
2010	4.5
2009	-3.0
2008	-4.8
2007	20.4
2006	14.5
5-Year Compound Average	5.9
3-Year Compound Average	-1.2

*Note: Past performance is not an indication of future performance.*

## INTERNATIONAL SHARES OPTION

The International Shares Option seeks to provide an investment return which exceeds CPI changes by 4.5% per annum over rolling 7-year periods.

### Strategy

Assets held in this Option are invested in a range of International share investment trusts.

The performance history of this International Shares Option for the last five calendar years has been:

	Return %
2010	1.9
2009	14.8
2008	-34.6
2007	-0.6
2006	11.5
5-Year Compound Average	-3.3
3-Year Compound Average	-8.5

## INTEREST OPTION (commenced 1 December 2007)

The Interest Option seeks to provide an investment return which exceeds CPI changes over rolling 3-year periods.

### Strategy

Assets held in this Option are predominantly (90% or more) invested in Fixed Term Deposits with the four major Australian banks. Up to 10% may be invested in cash deposits with those banks.

The performance history of this Interest Option has been:

	Return %
2010	4.6
2009	3.4
2008	6.1
3-year Compound Average	4.7

Investments will be made only with Australia's four major banks and term deposits are currently held with ANZ and Westpac banks.

# FUND INVESTMENTS diversified options

## GROWTH OPTION

The Growth Option seeks to provide an investment return which exceeds CPI changes by 4% over rolling 7-year periods.

### Strategy

This Option is invested in a cross section of diversified assets with an emphasis on growth over the medium term.

The Benchmark Asset Allocation for the Growth Option and the ranges within which this Option would normally be invested are:

Benchmark	Investment Ranges
40% Australian Shares	25-50%
25% International Shares	15-35%
15% Property	0-20%
5% Infrastructure	0-15%
85% Growth assets	
12% Diversified Interest Securities	0-20%
3% Cash	0-20%
15% Defensive assets	

These benchmarks changed from an 80/20 allocation in November 2009.

The actual asset allocations at 31 December 2010 and 2009 were:

	2010 %	2009 %
Australian Shares	40	40
International Shares	25	25
Property	15	15
Infrastructure	5	5
Alternatives	0	0
Diversified Interest Securities and Cash	15	15

The performance history of this Growth Option for the last 5 calendar years has been:

	Return %
2010	3.8
2009	13.3
2008	-18.3
2007	6.5
2006	15.1
5-Year Compound Average	3.3
3-Year Compound Average	-1.3

*Note: Past performance is not an indication of future performance.*

## BALANCED OPTION

(The Default Option if you do not make an investment choice)

The Balanced Option seeks to provide an investment return which exceeds CPI changes by 3% per annum over rolling 5-year periods.

### Strategy

This Option is invested in a cross-section of diversified assets with an emphasis on growth over the medium term and reduced risk.

The Benchmark Asset Allocation for the Balanced Option and the ranges within which this Option would normally be invested are:

Benchmark	Investment Ranges
32.5% Australian Shares	20-45%
22.5% International Shares	15-35%
15% Property	10-20%
5% Infrastructure	0-10%
75% Growth assets	
20% Diversified Interest Securities	15-25%
5% Cash	0-10%
25% Defensive assets	

These benchmarks changed from a 70/30 allocation in November 2009.

The actual asset allocations at 31 December 2010 and 2009 were:

	2010 %	2009 %
Australian Shares	33	34
International Shares	22	18
Property	14	14
Infrastructure	5	4
Alternatives	0	0
Diversified Fixed Interest and Cash	26	30

The performance history of this Balanced Option for the last five calendar years has been:

	Return %
2010	3.4
2009	9.5
2008	-18.6
2007	4.9
2006	13.2
5-Year Compound Average	1.8
3-Year Compound Average	-2.7

# FUND INVESTMENTS diversified options

## CONSERVATIVE OPTION (COMMENCED 1 DECEMBER 2007)

The Conservative Option seeks to provide an investment return which exceeds CPI changes by 2% per annum over rolling 3-year periods.

### Strategy

This Option is invested in a cross-section of diversified assets with an emphasis on security of capital.

The Benchmark Asset Allocation for the Conservative Option and the ranges within which this Option can be invested are:

Benchmark	Investment Ranges
15% Australian Shares	5-25%
8% International Shares	0-20%
7% Property	0-10%
30% Growth assets	
35% Diversified Interest Securities	20-60%
35% Cash	20-60%
70% Defensive assets	

The actual asset allocation has been maintained in line with the benchmark for this Option since its commencement.

The performance history of this Conservative Option has been:

	Return %
2010	5.6
2009	8.2
2008	-3.5
3-Year Compound Average	3.3

*Note: Past performance is not an indication of future performance.*

## SUSTAINABLE RESPONSIBLE INVESTMENT (SRI) BALANCED OPTION (FORMERLY THE ETHICAL SHARES OPTION)

The SRI Balanced Option seeks to provide an investment return which exceeds CPI changes by 3% per annum over rolling 3-year periods.

### Strategy

This Option invests in a cross-section of diversified assets with an emphasis on growth from sustainable responsible investments over the medium term and reduced risk.

The Benchmark Asset Allocation for the SRI Balanced Option and the ranges within which this Option would normally be invested will be as follows with effect from 1 July 2010:

Benchmark	Investment Ranges
36% Australian Shares	31-41%
24% International Shares	15-34%
5% Aust. Listed Property	0-10%
3% Int'l. Listed Property	0-8%
5% Direct Property	0-10%
1% Alternatives	0-6%
74% Growth assets	
11.5% Aust. Fixed Int.	5-18%
11.5% Int'l Fixed Int.	5-18%
3% Cash	0-8%
26% Defensive assets	

The overall 74/26 allocation is unchanged.

The actual asset allocations for 2010 and 2009 were:

	2010 %	2009 %
Australian Shares	36.5	37.8
International Shares	23.8	24.1
Aust. Listed Property	5.0	5.3
Int'l Listed Property	4.2	3.7
Direct Property	4.7	3.4
Aust. Fixed Interest	12.0	13.5
Int'l Fixed Interest	10.7	8.6
Cash	3.0	3.6

The performance history of this SRI Option for the last five calendar years has been:

	Return %
2010	2.0
2009	13.9
2008	-19.7
2007	5.9
2006	14.7
5-Year Compound Average	2.5
3-Year Compound Average	-2.3

*Note: Prior to 1 April 2006, the SRI Balanced Option was known as the Ethical Shares Option and was invested 100% in Australian and International Shares.*

### Infrastructure Investments

Since January 2008, the Balanced and Growth Options have included an investment in an unlisted Infrastructure Fund managed by an external specialist investment manager as a means of further enhancing returns at reduced volatility over the long term.

# FUND INVESTMENTS cont.

## Pension Investment Returns

Investment earnings for the Pension division of Combined Fund are exempt from tax. This means that the investment returns for our Pensioner Members are usually higher than the returns for our other members (but may not be in periods of negative returns).

*Note: The Conservative and Interest Options commenced on 1 December 2007 so the returns are shown for three years only.*

Australian Shares	Return %
2010	1.7
2009	32.7
2008	-35.2
2007	18.6
2006	23.3
5-Year Compound Average	5.0
3-Year Compound Average	-4.4

International Shares	Return %
2010	2.0
2009	16.8
2008	-38.6
2007	-0.8
2006	13.0
5-Year Compound Average	-3.9
3-Year Compound Average	-9.9

Property	Return %
2010	4.9
2009	-3.3
2008	-5.4
2007	22.9
2006	16.4
5-Year Compound Average	6.5
3-Year Compound Average	-1.4

Interest	Return %
2010	5.4
2009	4.0
2008	7.2
3-Year Compound Average	5.5

Growth	Return %
2010	4.1
2009	15.0
2008	-20.5
2007	7.0
2006	17.0
5-Year Compound Average	3.6
3-Year Compound Average	-1.6

Balanced	Return %
2010	3.8
2009	11.2
2008	-20.8
2007	5.3
2006	15.0
5-Year Compound Average	2.0
3-Year Compound Average	-3.0

Conservative	Return %
2010	6.3
2009	9.3
2008	-3.7
3-Year Compound Average	3.8

SRI Balanced	Return %
2010	2.2
2009	15.7
2008	-22.4
2007	6.4
2006	16.4
5-Year Compound Average	2.6
3-Year Compound Average	-2.8

*Note: Past performance is not an indication of future performance.*

## Investment Management

At least once a year but, generally more frequently, the Trustee carries out a review of the Fund's investment strategy. The Trustee has in place a process to actively manage the investment strategy and may allow the allocation to a specific investment sector to fall below the minimum of the stated range should it become concerned at extreme asset valuations. The Trustee can also increase the Fund's exposure to sectors that are undervalued and can protect the capital base by reducing exposure to over-valued sectors.

## Investments Exceeding 5% of Fund Assets

The Trustee of the Fund is required to disclose any individual investments or the total investments with any one organisation which represent 5% or more of the Fund's total assets based on the net market value as recorded in the Fund's financial statements for the year ended 31 December 2010:

Investment Fund	% of Total Assets
ANZ Bank Term Deposits	6.9
AVIVA Long Short Australian Equities Fund	9.0
Bellwether Partners Australian Shares Fund	8.0
Cooper Investors Australian Equities Funds	9.0
Integrity Australian Shares Fund	8.0
Pengana Global Bond Fund	6.9
Pimco Global Credit Fund	6.9
Lend Lease	5.1

The Trustee has determined that, wherever possible, no less than 5% of total Fund assets should be invested with any one manager. However, from time to time, smaller amounts may be invested.

## Unit Prices

Every contribution or rollover which is credited to your Account is used to purchase units in the investment option(s) you have chosen.

Your Account Balance in the Fund at any time is simply the number of units you have in each option multiplied by the unit prices for those options at that time.

Unit prices move up and down as a result of changes in the market value of investments and investment income (interest, dividends, rents etc). Tax and Fund expenses are also taken into account in determining unit prices.

The movement in unit prices from 1 January to 31 December each year determines the annual return for each investment option.

Accordingly, the amount held in your Account at the start of each year will be credited (or debited) at the end of that year with the return for the full year.

Subsequent contributions and rollovers will each have different returns based upon the applicable unit price at the time that they were received by the Fund.

## Timing of Unit Price and Transactions

Contributions and transfers from other funds which are received during a month will purchase units in your chosen investment option(s) at the unit price for the previous month. For example, a contribution received in March will purchase units based on the February unit prices.

Benefit payments are calculated using the latest unit price at the date of payment.

Investment switching requests received before the 16th of a month are processed using the unit price for the month prior.

**From 1 July 2011** investment switching requests are processed using the unit price for that month. For example, a switching request received in July will be processed using the unit price for July (the July unit price will not be calculated until 16 August).

See page 4 of this report for more information on the calculation of unit prices.

## Sustainable Responsible Investments (SRI) Policy

In keeping with its policy of appointing investment managers to invest Fund assets but not interfering with the investment processes of those managers, the Fund Trustee does not take into account labour standards or environmental, ethical or social considerations and does not have a predetermined view of such considerations or how far they should be taken into account when investing on behalf of members.

At present, only one investment manager has been appointed for Combined Fund's SRI Balanced Option but other managers may be appointed in the future.

The current manager of the SRI Balanced Option, AMP Capital, invests the Responsible Investment Leaders Balanced Fund using its own multi-manager strategy.

In selecting these managers, consideration and assessment is made from a financial, governance, social and environmental perspective. From a social and environmental perspective,

*Note: Past performance is not an indication of future performance.*

# FUND INVESTMENTS cont.

AMP Capital seeks out managers that are identifying leaders across industries, in their responsible approach to the following SRI issues:

- Environmental considerations – including energy and resource use and product stewardship (for example, where a company takes into account the life cycle of the product, from manufacture to the extent to which the product can be recycled);
- Social considerations – including indigenous relations and community involvement;
- Ethical considerations – including meeting fundamental human rights and articulating and implementing a Code of Conduct;
- Labour standards – including Occupational Health and Safety, International Labour Organisation standards, working conditions and the exclusion of child labour;
- Governance considerations – including meeting corporate governance guidelines on board structures and remuneration. Additionally, investment managers and funds will also be well regarded if they actively participate in corporate engagement and governance initiatives.

Managers are also required to avoid companies operating within sectors with recognised high negative social impact. This means that investments will avoid exposure, either directly or indirectly through underlying managers and funds, to companies with material exposure to the production or manufacture of alcohol, armaments, gambling, pornography, tobacco and uranium. Material exposure is considered to be where a company derives more than 10% of its total revenue from these industries.

If a company falls below the nominated SRI standards, it is policy that the relevant manager sells its investment in the company within six months. This policy is monitored and, if a Fund breaches the policy, AMP Capital may terminate the services of the relevant underlying manager. Policy also requires that the managers review individual companies if there are major changes to the companies, such as takeovers or major environmental incidents.



CERTIFIED BY RIAA

Combined Fund is one of only eight superannuation funds in Australia which are certified by the Responsible Investment Association Australasia (RIAA) under their Certification Program in the category of Superannuation Fund and is one of only two funds which has been certified since the program commenced in 2006.

The Certification Symbol signifies that a product or service offers an investment style that takes into account environmental, social, governance or ethical considerations. The Symbol also signifies that Combined Fund has adopted strict disclosure and education practices required under the Responsible Investment Certification Program for the category of Superannuation Fund. The Certification Symbol is a Registered Trade Mark of the Responsible Investment Association Australasia (RIAA). Detailed information about the RIAA, the Symbol and Combined Fund's methodology and performance can be found at [www.responsibleinvestment.org.au](http://www.responsibleinvestment.org.au), together with details about other responsible investment products certified by the RIAA.<sup>1</sup>

<sup>1</sup> The Responsible Investment Certification Program does not constitute financial product advice. Neither the Certification Symbol nor the RIAA recommends to any person that this financial product is a suitable investment or that returns are guaranteed. RIAA is not a financial services business and does not hold an Australian Financial Services Licence.

## Derivatives Policy

Derivatives are financial contracts whose values depend on or are derived from assets, liabilities or indices. They include options, warrants, futures, swaps and forwards.

The Trustee has determined that it will not invest in derivatives directly in its own right.

The Trustee agrees to use investment managers, appointed under an individual mandate or via collective investments, investing in derivatives under the terms of appointment set out in a mandate or collective investment offer document.

The Trustee requires each of its investment managers to provide a statement of compliance with its own derivatives policy each quarter.

The Trustee has received the appropriate Risk Management Statements from each Investment Manager. These statements summarise the Managers' principles, policies and procedures relating to the use of derivatives. The Trustee is satisfied that these are in keeping with the Fund's Investment Policies.

## Trustee Policy on Reserves

The Fund does not consider it is necessary to maintain an operational risk or contingency reserve or an investment fluctuation reserve. However, a general reserve is maintained in order to assist in limiting, where possible, fluctuations in insurance premium rates for death and disability cover.

The reserve is generally sourced from commissions received by the Trustee from the Fund insurer and from any profit share payment made by the Insurer to the Fund.

However, should other amounts of credit arise from the Fund's operations which are difficult to immediately allocate to member accounts, they may be added to the reserve.

The reserve is not expected to exceed 0.15% of total Fund assets and will be invested in Cash either in the Fund's Interest Option or in the Fund bank account, depending upon liquidity requirements.

## Trustee Policy on Hedge Funds

The use of the term 'hedge fund' is not considered particularly useful because it is indefinable in specific terms to cover all needs. The following list of attributes is to be considered when assessing potential investment in a new Fund Manager. The existence of one or several of these will not necessarily result in automatic exclusion of that investment.

**High levels of net leverage** (defined as leverage where there is only limited capital backing, as opposed to leverage that is completely or largely offset by a matching asset). Net leverage exposure needs to be viewed in the light of the mismatch in assets and duration. Where the mismatch is zero or very small, then it is acceptable to have the net leverage at more than 100%. However, in most cases, it is desirable to have the net leverage at no more than 100% of capital invested.

**Mismatch of assets sold short with long positions**, where the hedges are not natural. i.e. long equities and short bonds.

**Concentration of positions in limited number of stock or sectors**, often compounded by leverage so effective position is much larger than normal. In a normal 20 stock concentrated portfolio, it is unlikely that any one position will be larger than 7%.

**Mismatch of duration** – loans to cover positions are of a different duration to held positions. e.g. short duration loans (quarterly) cover long loan position, (ten year bond) or short term loans covering long duration assets like private equity, direct property or distressed debt.

**Large directional bets**, including currency, duration, credit and equity markets which, if proved to be incorrect, can give rise to significant losses. This is defined as single position, which if it goes bad, would result in a loss greater than 20% of Combined Fund's initial investment.

**Contamination risk**, as defined by managers investing in related products within the fund. Hedge funds are often, but not always, characterized by concentration on one idea, theme or individual investment idea or 'edge'. This can lead to a concentration of investments in that one area, (actually what you want from some hedge funds) but this also leads to a concentration in the portfolio and therefore higher risk than is traditionally measured.

**Lack of transparency**, where it is either difficult to understand the manager's strategy and/or difficult to determine the underlying investments in the portfolio.

**Significant exposure to illiquid assets** which risk the Fund being locked up for more than 12 months (this may be an attribute which, of itself, does not automatically ban an investment in the product as it may cause problems in areas like direct property and infrastructure in which it is desired to invest).

**Lack of effective governance**

**Lack of effective regulation in the place of domicile.**

# FUND INVESTMENTS cont.

## SIGNIFICANT RISKS

Investors in any superannuation fund are exposed to a certain level of risk. Such risks can include:

■ Investment Risk – the possibility that your chosen investment option may produce a negative or lower than expected return for a period of time (ie Market Risk). The risk of negative returns is higher for “Growth” assets such as Australian and International shares and property than it is for “Defensive” assets such as Diversified Interest Securities and cash. Other investment risks are as follows:

Risk Type	What it means
Mismatch Risk	The investment you choose may not suit your needs or circumstances.
Inflation Risk	The purchasing power of your money could be eroded by inflation.
Interest Rate Risk	The risk that changing interest rates may reduce your returns or cause you to lose money.
Market Timing Risk	The timing of your investment decision may expose you to lower returns or capital loss.
Diversification Risk	The poor performance of a small number of assets significantly affects your total portfolio.
Currency Risk	The risk that currency movements will affect your investment.
Liquidity Risk	The risk that you may not be able to access your money quickly or cheaply when you need to. This is particularly relevant for the Property Option as some of the assets are invested in direct property funds which can have restrictions on the access to the funds.
Credit Risk	The risk that the investment managers you invest with may not meet their obligations (ie default on interest payments).
Sovereign Risk	The uncertainty of return on a foreign investment due to the possibility that the foreign government might take actions which are detrimental to the investors' interests.

■ Legislative Risk – the risk that the Government will change rules relating to superannuation (eg rules dealing with tax on benefits or access to benefits). It should be noted that no changes made to superannuation rules so far have been retrospective.

Legislative risk could also apply to certain investments resulting in loss of capital or reduced returns.

■ Termination Risk – Trustees of superannuation funds reserve the right to modify or terminate a superannuation fund at any time. If this should happen, any benefits which have been secured for you by contributions made up to the date of change will be maintained and transferred to a fund of your choice. Combined Fund has been operating since 1959 and is not expected to close in the foreseeable future.

# GENERAL INFORMATION

## Annual Report and Member Benefit Statement

The Fund's financial year end is 31 December. During March/April each year, you will receive a benefit statement covering transactions for the previous year to 31 December. The Annual Report is available on the website or upon request to the Fund Administrator.

You will also receive a Benefit Statement if you leave the Fund.

## Fund Documents

Any document which the Trustee is required to make available to members will be provided to you within one month of your request, including the Annual Report, Trust Deed, Fund Financial Statements and the Auditor's Report. We will also provide, on request, any information that you may reasonably require to understand the operations of the Fund.

## Website

Our website, at [www.combinedfund.com.au](http://www.combinedfund.com.au), contains a range of information in respect of the Fund, including the latest Unit Prices for each investment option.

By use of a password of your choice, you can access full information related to your Account 24 hours a day, including current Account Balance, contribution history, nominated dependants, personal details, check/change address, check/change investment choice, check/change level of insurance cover, etc.

To register for internet access to your Account, go to the Fund website at [www.combinedfund.com.au](http://www.combinedfund.com.au), click on Website Access and then Superlink Member Access Registration and download the form for completion and sending to us. We will register your access and send you confirmation of your username and password.

## Additional Services

Membership of Combined Fund confers other privileges including:

- a general superannuation advisory service which is provided free of charge; and
- an enhanced range of hospital and ancillary benefits if you join the MBF health fund;
- a free health fund advisory service which determines not only which health fund provides the best benefits for your personal and family circumstances but also which benefit table in that health fund is the most appropriate;
- a free home/investment loan advisory service which will review your present loan arrangements and advise on and implement alternatives;

Further details of these services can be obtained from the Fund Administrator or via our website at [www.combinedfund.com.au](http://www.combinedfund.com.au).

## Personal Communication

Staff from the Fund Administrator are available to address staff meetings as required. After these meetings, time is always set aside for personal, face to face discussion for those members who have specific queries.

Members are also invited to telephone or visit the office of the Fund Administrator for a free personal discussion on any matter related to superannuation.

## Enquiries and Complaints

Feedback is very helpful to us so, if you have a question or a comment, feel free to contact us (see back page for details).

The Fund also has in place procedures to deal with any complaint you may have. Complaints about the Fund are rare and can usually be resolved promptly. However, if you are unhappy with our initial response, you may write to the Fund's Complaints Officer who will attempt to respond within 28 days.

Superannuation regulations stipulate that the Trustee then follows a formal complaints consideration procedure and responds to you within 90 days.

## Superannuation Complaints Tribunal

If you are not satisfied with the Trustee's handling of your complaint or its decision, you may contact the Superannuation Complaints Tribunal. The Tribunal is an independent body set up by the Federal Government to assist members or beneficiaries to resolve certain types of complaints with fund trustees.

If the Tribunal accepts your complaint, it will attempt to resolve the matter through conciliation, which involves assisting you and the Fund to come to a mutual agreement. If conciliation is unsuccessful, the complaint is referred to the Tribunal for review and it may make a determination which is binding.

If you wish to find out whether the Tribunal can handle your complaint and the type of information you would need to provide, phone the Superannuation Complaints Tribunal, for the cost of a local call anywhere in Australia, on 1300 884 114.

# GENERAL INFORMATION

## Eligible Rollover Fund

If you leave employment and your Account Balance is less than \$1000, your Fund benefit may be transferred to an Eligible Rollover Fund (ERF).

If your benefit is transferred to an ERF, your membership of Combined Fund and your insurance cover from the Fund will cease.

In the ERF, your benefits are generally protected from administration costs that are charged to your Account. This protection does not extend to taxation, insurance premiums (if any) and administration costs which are applied before the earnings of the ERF are allocated to members.

You can withdraw your benefit from the ERF at any time, subject to the Government's Preservation requirements. The contact details of the ERF used by Combined Fund since 1 September 2007 are:

The Manager  
AUSfund  
P O Box 2468  
Kent Town SA 5071  
Telephone 1300 361 798

Prior to 1 September 2007, the ERF used by the Fund was SuperTrace. The contact details for that ERF are:

The Manager  
Supertrace  
Locked Bag 5429  
Parramatta NSW 2124  
Telephone 1300 788 750

## Privacy Policy

The Trustee is bound by the National Privacy Principles set out in the Federal Privacy Act. The Act regulates the way the Trustee and the Fund Administrator collect, hold and use members' personal information.

This personal information is collected to enable the Trustee and the Fund Administrator to administer members' entitlements under the Fund. The Trustee will not collect any personal information that it does not require to administer such entitlements.

Members' personal information is stored in secure facilities and data bases and is only accessible to authorised personnel. Members are entitled to access their personal information (subject to some exceptions set out in the Trustee's Privacy Policy Document) and to request changes to any details that are incorrect or out of date. Other organisations may also have access to members' personal information. They are:

- Insurance companies – to assist in the administration of any death and disablement insurance;
- Actuaries – to review benefit arrangements for defined benefit members;
- Auditors and Government Regulators;
- Mailing company – to do mailings for the Fund;
- Archiving company – to ensure that old documents are stored in a secure environment;
- Promotion company – to assist in promoting the benefits of the Fund to members.

Members can obtain a copy of the Trustee's Privacy Policy Document (see back cover for contact details).

## Family Law

The Family Law Legislation Act (Superannuation) 2001:

- allows a Member's spouse to have access to details of the Member's superannuation benefits; and
- provides for superannuation benefits to be treated as property which can be divided on the breakdown of a marriage.
- On the breakdown of a marriage, spouses can make an agreement for (or a Family Court can order):
  - a payment split, which sets out how the superannuation benefit or interest is to be split between the spouses; or
  - a payment flag, which requires the Trustee to notify each spouse within 14 days after a benefit becomes payable.

All requests for information must be made in writing to the Trustee and accompanied by a fee of \$80 payable to the Fund Administrator.

Neither the Trustee nor the Fund Administrator is permitted by law to advise members if information regarding their benefits has been requested by another party in accordance with the Family Law Act.

*Note: From 21 November 2008, your spouse can be a person of the same sex as yourself for benefit splitting or flagging purposes.*

# SUPERANNUATION NEWS

## Co-contributions

For **eligible persons** who contribute to Combined Fund **from after-tax salary**, the Government will match that contribution up to a maximum of \$1000. Your contribution and the Government's Co-contribution are not subject to contributions tax and are returned to you tax-free at retirement.

An eligible person is a person:

- Whose **assessable** (gross) income including any reportable fringe benefits and any Salary Sacrifice contributions is less than \$61,920 for the year ending 30 June.
- Who is less than 71 years old;
- Who does not hold a temporary entry visa; and
- Who earns 10% or more of their income from employment.

The following table shows the amount of personal contribution you need to make to receive the **maximum** co-contribution from the Government based on your Assessable Income.

Your Assessable Income \$	Your Personal Contribution \$	Maximum Government Co-Contribution \$
Up to 31,920	1,000	1,000
32,000	997	997
33,000	964	964
34,000	931	931
35,000	897	897
36,000	864	864
37,000	831	831
38,000	797	797
39,000	764	764
40,000	731	731
41,000	697	697
42,000	664	664
43,000	631	631
44,000	597	597
45,000	564	564
46,000	531	531
47,000	497	497
48,000	464	464
49,000	431	431
50,000	397	397
51,000	364	364
52,000	331	331
53,000	297	297
54,000	264	264
55,000	231	231
56,000	197	197
57,000	164	164
58,000	131	131
59,000	97	97
60,000	64	64
61,000	31	31
61,920	Nil	Nil

Example: If your assessable income for the financial year is \$44,000 pa, you must contribute at least \$597 by 30 June to obtain the **maximum** co-contribution of \$597 for that level of income. If you contribute a lesser amount, the Government will match that lesser contribution. If you contribute a greater amount, the Government will still contribute \$597.

The maximum co-contribution reduces by 3.333 cents for each dollar of your assessable income which exceeds \$31,920.

## Employer and Self-Employed Contributions (including Salary Sacrifice contributions)

There is no limit on the amount an employer may contribute on your behalf.

However, any amount received from an employer for you (including salary sacrifice contributions) in excess of \$25,000 for the year ending 30 June 2010 will be taxable to you at a rate of 46.5% (including Medicare Levy). Alternatively, you will be able to elect for such tax to be deducted from your Fund Account.

The \$25,000 limit is indexed annually but will only increase in \$5,000 increments.

Under transitional arrangements, an annual limit of \$50,000 applies until to 30 June 2012 for those age 50 and over. This transitional limit will not be indexed.

Contributions up to these limits are taxed at the standard rate of 15%. Contributions received in excess of these limits must be taxed at 46.5%.

The above limits will also apply to individuals who are eligible for personal tax deductions in respect of their contributions.

## Other Contributions

A limit of \$150,000 per annum applies to personal non-deductible contributions (indexed in line with the \$25,000 deductible contribution limit above). However, members under age 65 may bring forward two more years of contributions to contribute up to \$450,000 in one year (but no further personal contributions may be made for the next two years).

After age 65 and up to age 74, members are limited to an annual contribution of \$150,000 (indexed).

No personal contributions may be made after age 75.

# FINANCIAL INFORMATION

The Financial Statements of Combined Fund for the year ended 31 December 2010 are summarised below. This information is an abridged version of the full financial report. At the time this report was prepared, Deloitte Touche Tohmatsu Chartered Accountants were completing their audit. If there is any material change, a separate advice will be forwarded to all Combined Fund members. The audit of the Fund is expected to be completed and the accounts signed before 30 April 2011. The accounts will then be available for inspection by the members on request.

	<b>2010</b> \$	<b>2009</b> \$
<b>STATEMENT OF CHANGES IN NET ASSETS</b>		
<b>Net market value of assets available to pay benefits at start of year</b>	<b>460,081,697</b>	<b>395,141,090</b>
<b>PLUS</b>		
Contributions from employers	46,459,158	44,767,843
Contributions from members	4,683,879	4,022,601
Rollovers received	30,476,561	5,211,292
Insurance proceeds	2,368,240	1,028,299
Investment earnings	21,132,086	53,398,912
Other income	1,306	225,784
<b>LESS</b>		
Benefits paid	30,670,054	27,111,704
Insurance premiums	2,353,726	2,312,275
Administration and management expenses	2,896,345	2,883,881
Taxation expenses	7,231,096	11,406,264
<b>Net market value of assets available to pay benefits at end of year</b>	<b>522,051,706</b>	<b>460,081,697</b>
<b>STATEMENT OF NET ASSETS</b>		
Investments	455,189,754	379,753,325
Cash	62,122,354	76,285,377
Other assets	3,033,356	2,663,400
Future Income Tax Benefits	4,069,135	4,052,913
<b>LESS</b>		
Creditors and accruals	151,381	178,639
Liability for taxation	2,211,512	2,494,679
<b>Net market value of assets available to pay benefits</b>	<b>522,051,706</b>	<b>460,081,697</b>

# FEES AND OTHER COSTS

## FEES AND OTHER COSTS

The Australian Securities and Investment Commission (ASIC) changed the reporting requirements for superannuation funds with effect from 1 July 2005.

These changes include the Consumer Advisory Warning below and example calculations of fees based upon an assumed account balance and ongoing contributions.

## Consumer Advisory Warning

### DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your fund balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

### TO FIND OUT MORE

If you would like to find out more or see the impact of the fees based on your own circumstances, the ASIC website ([www.fido.asic.gov.au](http://www.fido.asic.gov.au)) has a superannuation calculator to help you check out different fee options.

This Product Disclosure Statement shows fees and other costs that you may be charged. These fees and costs may be deducted from your Account, from the returns on your investment or from the Fund assets as a whole.

Taxes and insurance costs are set out in other parts of the Product Disclosure Statement and Benefit Summary. You should read all of the information about fees and costs because it is important to understand their impact on your investment.

**NB: IT IS IMPORTANT TO NOTE THAT THE INVESTMENT RETURNS SHOWN IN THIS PRODUCT DISCLOSURE STATEMENT ARE THE NET RETURNS ON YOUR ACCOUNT i.e. THESE ARE THE RETURNS AFTER ALL TAXES, ADMINISTRATION AND INVESTMENT FEES AND OTHER FUND EXPENSES HAVE BEEN DEDUCTED.**

Any tax benefits accruing to the Fund are passed on to members through reductions in amounts charged to your Account or through the earning rates credited to your Account in the Fund.

There are no fees or commissions paid by Combined Fund to advisers who may recommend the Fund for your superannuation investment.

# FEES AND OTHER COSTS cont.

TYPE OF FEE OR COST	AMOUNT
<b>FEES WHEN YOUR MONEY MOVES IN OR OUT OF THE FUND</b>	<b>HOW AND WHEN PAID</b>
<b>Establishment Fee</b> The fee to open your Account.	Nil
<b>Contribution Fee</b> The fee on each amount contributed to your Account – either by you or your employer.	Nil
<b>Withdrawal Fee</b> The fee on each amount you take out of your investment as a lump sum (including amounts you split with your spouse under Contribution Splitting or Family Law arrangements).	\$67 Deducted from your Account when a lump sum payment is made.  This fee does not apply to regular pension payments.
<b>Termination Fee</b> The fee to close your Account.	Nil

## MANAGEMENT COSTS – THE FEES AND COSTS FOR MANAGING YOUR INVESTMENT

<b>Administration Fee</b> The Administration fee (Member Fee) for managing your Account.	\$52 annually (\$13 per quarter)  Deducted from your Account quarterly.
<b>Investment Management Fees</b> The Fund's investment managers deduct fees from the investments that they manage. Those fees are deducted before the investment return is credited to the Fund by each manager.  These fees will vary slightly depending on the proportion of assets invested with each investment manager.  The example shown on the following page includes the investment manager fees for the Balanced Option ie 0.70% pa.	<ul style="list-style-type: none"> <li>■ Australian Shares 0.64% pa</li> <li>■ International Shares 1.20% pa</li> <li>■ Property 0.81% pa</li> <li>■ Interest Nil</li> <li>■ Growth 0.78% pa</li> <li>■ Balanced 0.72% pa</li> <li>■ Conservative 0.43% pa</li> <li>■ SRI Balanced 0.82% pa</li> </ul>
<b>Expense Recovery Fee</b> Other expenses of operating the Fund which are not deducted from your Account. For 2011, these expenses are estimated to be 0.446% pa (0.0372% per month) of the total net assets of the Fund after allowing for the expenses which are deducted from your Account.	0.0372% Per month  This fee is taken into Account when unit prices are calculated.

## ADDITIONAL SERVICE FEES

<b>Investment switching Fee</b> The fee for changing investment options.	Nil
---	-----

## ADDITIONAL EXPLANATION OF FEES AND COSTS

### Example of annual fees and costs for a Balanced investment option for 2011

The following table gives an example of how the fees and costs in the Balanced Option for this product can affect your superannuation investment over a one year period. What it actually costs you will depend on the investment option(s) you choose. You should use this table to compare the fees for your Account in the Fund with other superannuation products.

In addition to the fees shown in these examples, a withdrawal fee of \$67 will be deducted from your Account if you withdraw money from the Fund **as a lump sum** (including amounts split with your spouse under Contribution Splitting or Family Law arrangements). This fee does not apply to regular pension payments but does apply to lump sum withdrawals from a Pension Account.

Example – the Balanced Option All Members of the Fund		Balance of \$50,000 with Total Contributions of \$5,000 during the Fund Year
Contribution Fees	Nil	For every \$5,000 you put in, there will be no charge.
<b>PLUS</b> Management Costs (including estimated Expense Recovery Fee and Investment Management Fees)	\$52 (\$1 per week) plus 0.446% plus 0.72%	And, for every \$50,000 you have in the Fund, you will be charged \$583 each year plus, regardless of your balance, \$52 in administration fees.
<b>EQUALS</b> Cost of fund		If you put in \$5,000 during a year and your balance was \$50,000, then, for that year, you will be charged fees of \$635.

The Trustee will not increase the Administration Fees without telling you at least one month before any increase becomes effective.

The Expense Recovery and Investment Management Fees reflect the actual costs paid by the Fund and may change from time to time. If this happens, we will tell you in the next Annual Report.

The Expense Recovery Fee for 2010 was 0.465% pa of total net assets of the Fund.

We estimate that the Expense Recovery Fee for 2011 will be 0.446% pa of total net assets (based on a total net asset amount of \$522 million).

If the total balance in your Account in the Fund at any time is less than \$1000 and includes mandatory employer contributions, Government Member Protection regulations limit the fees which can be deducted from your Account to the amount of the investment return credited to your Account.

This protection does not apply to any tax and insurance premiums which are deducted from your Account nor does it apply to the Expense Recovery or Investment Management Fees. See page 6 of this document for insurance details and the next page for tax information.

# TAXES

Taxation rules relating to superannuation are complex and change from time to time. The Trustee recommends that you seek professional advice in relation to taxation and superannuation. **The following summarises superannuation taxes as they relate to this Fund.** Different tax arrangements apply to funds such as public sector superannuation funds for government employees.

## Tax File Number

Under current legislation, the Trustee is required to invite you to provide your Tax File Number (TFN). Your TFN may only be used by the Trustee for certain purposes and penalties apply should the Trustee misuse the information.

Choosing not to provide your TFN is not an offence, but it may mean that you pay higher tax on your contributions. From 1 July 2007, unless the Fund has your TFN on record, employer contributions on your behalf will be taxed at the highest personal tax rate including Medicare Levy (46.5%) and personal contributions will not be accepted.

## Tax on contributions to a superannuation fund

**Tax of 15%** is payable on **“concessional”** contributions. These are:

- contributions paid by an employer on your behalf; and
- contributions paid from income on which tax has not been paid. This is usually contributions paid through a salary sacrifice arrangement with an employer; and
- contributions paid from after-tax income which you claim as a personal tax deduction (usually self-employed people and those earning less than 10% of their assessable income from employment).

**No tax** is payable on **“non-concessional”** contributions ie those you make to the Fund personally or any contributions paid to your Account by your spouse. These are contributions from income on which tax has already been paid (ie from after-tax income).

**No tax** is payable on any Government Co-contribution made on your behalf.

This 15% tax is deducted from your Account in the Fund **and** is remitted to the Tax Office on your behalf. Tax deductions which the Fund claims for administration fees and insurance premiums are used to reduce this tax rate and those savings are passed on to members.

## Tax on investment earnings

Tax relating to investment earnings is paid by the Fund. The rate of tax payable by superannuation funds is usually no more than 15% but may be less due to the effect of taxation credits and rebates.

There is no tax on the investment earnings for Pension Accounts.

## Tax on benefit payments to you

Before any benefit is paid to you from the Fund, the Trustee will arrange for the appropriate tax (if any) to be deducted as required by law.

The amount of tax payable on your benefit depends on the following matters:

- your age at the time the benefit is paid; and
- the split-up of your benefit between tax-free and taxable components. As at 1 July 2007, superannuation funds were obliged to convert previous tax components into these two components. **The table on the following page shows the previous tax components which now make up these two components.**

*NB: From 1 July 2007, there is no tax payable on superannuation benefit payments (lump sum or pension) made to those aged 60 or over.*

## Tax on lump sum benefits after 30 June 2007

Benefit Component	Age at date of lump sum payment		
	Under Age 55	55 to 59	60 and Over
<b>Tax Free</b> Undeducted contributions and Government Co-contributions	Tax free if available for cash payment before 55	Tax free	Tax free
Concessional component	Tax free	Tax free	Tax free
CGT exempt component	Tax free	Tax free	Tax free
Post 30 June 1994 invalidity component	Tax free	Tax free	Tax free
Pre 1 July 1983 component	Tax free	Tax free	Tax free
<b>Taxable</b> Post 30 June 1983 taxed element	20% tax	Up to \$160,000 – tax free. Balance – 15% tax	Tax free

### Notes:

- The Medicare levy will be added to whichever rate is applicable but not where the benefit is tax free.
- The concessional component represents bona fide redundancy, approved early retirement scheme and invalidity payments made prior to 1 July 1994.
- The \$160,000 threshold for the Post 30 June 1983 component (now known as the Low Rate Cap Amount) is applicable for the 2010/2011 tax year. The threshold is indexed at 1 July each year but will only be increased in increments of \$5,000.
- The Post 30 June 1994 invalidity component represents invalidity payments which meet certain criteria and were made on or after 1 July 1994.
- The taxation may differ for temporary residents permanently departing Australia.

No tax is payable by you if you elect to rollover your benefit to another superannuation fund, an approved deposit fund, retirement savings account or other approved superannuation institution. Payment of tax by you is then deferred until such time as the benefit is paid to you in cash.

If you elect to take your benefit as a pension, the regular payments are taxed as income but the tax-free proportion of your benefit is not subject to tax and a 15% tax offset (rebate) will also generally apply. However, no tax is payable on any pension payments made to you after age 60 and such payments do not account towards assessable income.

## Tax on death benefit payments

### Lump sums

There is no tax on the taxable component of lump sum death benefits paid to tax dependants, i.e. your:

- Spouse (including a person of the same sex);
- financial dependant;
- interdependent; or

- a child (including a child of a same sex couple) who is:
  - a) under age 18;
  - b) aged between 18 and 25 and financially dependent; or
  - c) disabled under Section 8 of the Disability Services Act

However, if the death benefit is paid as a lump sum to anyone who is not a tax dependant, the tax on the taxable component will be 16.5% including Medicare Levy.

### Pensions

The tax on the taxable component of a pension payable to a dependant will be nil where the deceased member was aged 60 or more or the recipient of the new income stream is age 60 or more.

If the deceased member or the pension recipient were/are under age 60, the new pension will be taxed at marginal rates less a 15% tax offset (rebate).

If the deceased member had no tax dependants, the benefit will be paid as a lump sum.

### Spouse rebate

If your spouse's total income is less than \$10,800, an 18% tax offset is available to you on contributions up to \$3,000, with a maximum offset of \$540. The rebatable contribution limit reduces by \$1 for every \$1 by which your spouse's total income is above \$10,800, so that the offset cuts out completely when total income reaches \$13,800. Reportable Fringe Benefits are included in the calculation of total income.

### Superannuation Surcharge

The surcharge was an additional tax on contributions for high income earners. Whilst the surcharge was abolished from 30 June 2005, the Tax Office is still issuing assessments for employer and salary sacrifice contributions made prior to that date. Any payments which are still required to be paid will be deducted from your account in the Fund.

# WHO LOOKS AFTER YOUR BENEFITS?

The Trustee of the Fund is responsible for all aspects of the Fund's operations. The Trustee Company, Combined Fund Pty Ltd (ABN 32 064 976 138), has equal numbers of member-representative and employer-representative directors and can also appoint an independent trustee director.

The Trustee is licensed to act as Trustee of Combined Fund under APRA Registrable Superannuation Entity Licence No. L0000376.

## Election of Trustee Directors

To be a Trustee Director, you must first be nominated to the Member Representative Electoral College by your fellow members of the Fund or to the Employer Representative College by a Participating Employer in the Fund. You must also satisfy certain eligibility requirements.

Directors are elected by the members of their Member Representative and Employer Representative Colleges and serve a term of 3 years.

At the end of their 3-year term, the positions are declared vacant and a further election is held. Outgoing Directors may be considered for re-election. A further election is also held if a casual vacancy arises.

Full details of election procedures may be obtained from the Fund's Compliance Officer, Virginia Parry-Jones (see back page).

As at 31 December 2010, the three-year terms for Doug Watson and Frank Reid expired. Elections were held and the following directors were elected for a three-year term ending 31 December 2013.

Member Representative	Employer Representative
Gavin Watson	Doug Watson

Trustee Directors (*Member Representatives)	Meetings Attended In 2010	Representing
John Evans (Chairman)	6/6	Caulfield Grammar School
Rob Daniel*	6/6	Caulfield Grammar School
Clovis Bonner	6/6	Overnewton Anglican Community College
George Kogios*	6/6	Heathdale Christian College
Brett Lazarides	6/6	Independent
Andrew Moore	6/6	Geelong Grammar School
Frank Reid*	6/6	The Knox School
Ray Russell*	6/6	The Geelong College
Richard Sait*	5/6	Taylor's College
Doug Watson	4/6	Yarra Valley Grammar
Alan Williamson	6/6	The Geelong College

In addition to their duties as Trustee Directors of the Fund, each Director serves on at least one of four Committees. The Fund Chairman, John Evans, serves on each Committee. For 2010, the Committees were made up as follows:

Executive Committee	Meetings attended in 2010	Finance & Audit Committee	Meetings attended in 2010
Clovis Bonner	8/8	George Kogios (Chairman)	6/6
John Evans (Chairman)	8/8	Clovis Bonner	6/6
Richard Sait	8/8	Rob Daniel	6/6
George Kogios	6/6	John Evans	6/6
Brett Lazarides	7/7	Ray Russell	5/5
Investment Committee	Meetings attended in 2010	Governance & Compliance Committee	Meetings attended in 2010
Brett Lazarides (Chairman)	8/8	Richard Sait (Chairman)	4/4
John Evans	8/8	John Evans	4/4
Frank Reid	8/8	Alan Williamson	4/4
Doug Watson	8/8	Andrew Moore	4/4

## Trustee Indemnity Insurance

As an added protection to members, the Trustee has insurance to cover the Fund, the Trustee and the Directors of the Trustee against liability arising in the operation of the Fund.



**Top row left to right:**

Gavin Watson, Brett Lazarides, Rob Daniel, Richard Sait, Andrew Moore, Ray Russell, Alan Williamson.

**Bottom row left to right:**

Clovis Bonner, John Evans, George Kogios, Doug Watson.

## The Fund Rules

The Trust Deed is the governing document which sets out the Trustee's duties, powers and responsibilities and the rules of the Fund. No amendments or alterations were made to the Trust Deed during the year.

**Fund Secretary**

Doug Watson

**Under Secretary/Compliance/Complaints Officer**

Virginia Parry-Jones

**Manager Client Services**

Jane Hargreaves

**Fund Accountant**

Peter Braun

# OUTSOURCED SERVICES

Whilst the Trustee retains responsibility and liability for all aspects of the Fund's operations, it outsources some aspects of the Fund to certain specialist groups. At 31 December 2010, they were:

## Administration

SuperBPO Pty Ltd  
(previously known as Group Benefits Pty Ltd)

## Financial Audit

Deloitte Touche Tohmatsu

## Risk Management Audit

Deloitte Touche Tohmatsu

## Investment Advice

Mercer (Australia) Pty Ltd

## Group Life and Disability Insurance

Tower Life

## Legal Advice

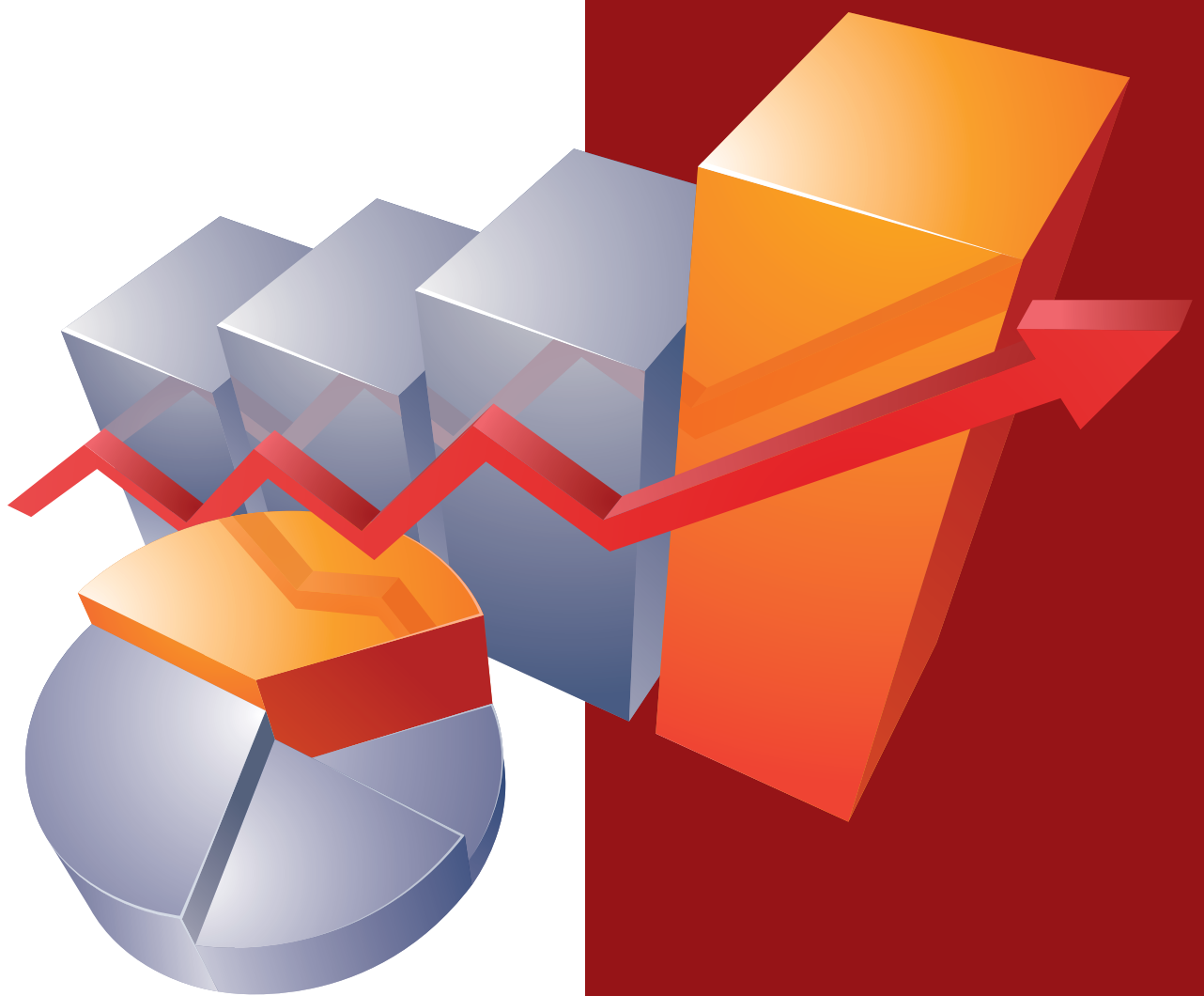
Allens Arthur Robinson

## Tax Agents

Deloitte Private Pty Ltd

## Investment Management

- Aberdeen Asset Management Limited
- AMP Capital Investors Limited
- Australian and New Zealand Banking Group Limited
- Aviva Investors Australia Limited
- Basis Capital Funds Management Limited
- Bellwether Partners Limited
- Cooper Investors Pty Limited
- Infrastructure Capital Group Ltd (ICG)
- Integrity Investment Management Australia Limited
- INVESCO Australia Ltd
- Investa Funds Management Limited
- K2 Asset Management Ltd
- Lend Lease Real Estate Investments Limited
- Macquarie Investment Management Limited
- MFS Investment Management
- NZAM Management Limited
- Pengana Capital Limited
- Pimco Australia Pty Limited
- S G Hiscock and Company Limited
- Westpac Banking Corporation





## CONTACT US

The Fund Administrator  
Combined Fund  
Level 9, 155 Queen Street  
Melbourne Victoria 3000

GPO Box 4559  
Melbourne Victoria 3001

Toll Free 1800 200 801  
Telephone 03 9691 2900  
Facsimile 03 9640 0787

Email: [super@combinedfund.com.au](mailto:super@combinedfund.com.au)

Website: [www.combinedfund.com.au](http://www.combinedfund.com.au)