

Annual Report

Year Ended 30 September 2003

Corporate Superannuation

Personal Superannuation

Allocated Pension



Issuer and Trustee:
TOWER Superannuation Pty Limited
ABN 61 005 079 970

Level 12, 80 Alfred Street
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AFSL No. 237849
Issued: March 2004

arc[®] (MT) MASTER TRUST

Directory

Fund Name

TOWER Master Fund
ABN 20 891 605 180
SFN 1491/569/41

Product Names

ARC Corporate Superannuation
SPIN TOW0430AU

ARC Personal Superannuation
SPIN TOW0429AU

ARC Allocated Pension
SPIN TOW0431AU

Issuer & Trustee

TOWER Superannuation Pty Limited
ABN 61 005 079 970
AFS Licence No. 237849

Administrator & Insurer

TOWER Australia Limited
ABN 70 050 109 450
AFS Licence No. 237848

Customer Service

☎ 1800 101 014

✉ arcmt@au.towerlimited.com

✉ ARC Master Trust
PO Box 142
Milsons Point NSW 1565

🌐 www.arcmt.com.au

Contents

page 1

Director's Message

page 2

Fund Information

The Fund

ARC's Growth

The Trustee

Indemnity Insurance

Trust Deed

page 3

Fund Review Date

Policy Committees

Superannuation Surcharge

Enquiries & Complaints

page 4

Approved Eligible Rollover Fund

page 5

Lost Members

Unclaimed Benefits

Financial Information

page 6

Fee Increases Or Alterations

page 7

Investment Information

Trustee's Investment Aim

Trustee's Investment Objectives

Trustee's Investment Strategy

page 8

Changes To Investment Options

Investment In Derivatives

Investment Performance

page 9

Asset Allocations

page 14

Important Changes To Superannuation

Quarterly Superannuation Guarantee

Contributions By Employers

Government Co-Contributions For Low
Income Earners

page 15

Reduction To The Maximum Superannuation
Surcharge Rate

Reduction To The Tax Rate On Excessive ETPs

Proposed Superannuation Choice Of Fund

page 17

Indexation Of Superannuation Thresholds

Maximum Deductible Contribution (MDC) Limit

Superannuation Guarantee

Superannuation Contributions Tax Surcharge

Reasonable Benefit Limit (RBL)

page 18

Tax On Post-June 1983 Component Of Lump
Sum Withdrawals

Bona Fide Redundancy Or Early Retirement
Scheme Payment

Director's Message

Dear Member

On behalf of the Trustee of the TOWER Master Fund (Fund), TOWER Superannuation Pty Limited, I am pleased to provide the ARC Annual Report for the year ended 30 September 2003. This Report should be read in conjunction with your annual Member Statement, which details your benefit entitlements under the Fund as at 30 September 2003.

This Report brings you up to date with relevant details relating to the Fund, including the investment options available to ARC members, and also provides information on important changes in the superannuation environment.

Thank you for your support of ARC, it is greatly appreciated and we look forward to helping you continue to achieve your investment objectives in the years ahead.

Yours faithfully

TOWER Superannuation Pty Limited

A handwritten signature in black ink, appearing to read 'Jim Minto', written in a cursive style.

Jim Minto
Director

Fund Information

The Fund

ARC Corporate Superannuation (ARC Corporate), ARC Personal Superannuation (ARC Personal) and ARC Allocated Pension are part of the TOWER Master Fund (Fund).

The Fund is a regulated superannuation fund under the Superannuation Industry (Supervision) legislation (SIS). The Trustee operates, and intends to continue to operate, the Fund as a complying superannuation fund.

The annual return regarding the compliance of the Fund with the SIS regulations, has been submitted to the Australian Prudential Regulation Authority (APRA). The Trustee expects that the Fund will continue to be classified as a complying fund.

ARC's Growth

ARC commenced on 1 March 2003. By 30 September 2003, ARC had grown as follows:

Product	No. Plans	No. Members	Fund Size
ARC Corporate	197	1,035	\$2.31 m
ARC Personal	n/a	1,073	\$19.36 m
ARC Allocated Pension	n/a	17	\$1.68 m
TOTAL	197	2,125	\$23.35 m

The Trustee

The Trustee of the Fund is TOWER Superannuation Pty Limited, a wholly owned subsidiary of TOWER Australia Limited and part of the TOWER Group.

The Directors of TOWER Superannuation Pty Limited as at 30 September 2003 were James Minto, Mark Sheldon, David Callender, John De Zwart and John Stanbridge. During the year Andrew Moon, Craig Jameson, Mark Worthington, Stephen Tully, Darren Stevens, Andrew Boldeman and Madeleine MacMahon ceased to be Directors.

Indemnity Insurance

Indemnity insurance has been effected for the Trustee in order to maintain sufficient and adequate cover to protect the interests of members of the Fund.

Trust Deed

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

Members may inspect the Trust Deed at any time by arrangement with us (see Directory for contact details).

Fund Review Date

The annual Fund Review date for ARC is 30 September. This is the date each year when your ARC member account is specifically valued for the purpose of:

- determining and reporting your benefits each year to you (i.e. as at the end of the reporting period), as required by superannuation law; and
- preparing the Fund's financial accounts (see 'Financial Information' on page 5 for further information) and annual return to APRA.

For ARC Corporate and ARC Personal members who have taken out insurance protection benefits through the Fund, 30 September is also the date from which any insurance cover is updated each year as a result of:

- changes to salary (i.e. where salary is a factor in calculating your insured benefits); and
- changes to your age, including:
 - termination of any Death insurance if you have turned age 69 during the previous year; and
 - termination of any Total and Permanent Disablement or Income Protection insurance if you have turned age 64 during the previous year.

Please note, however, that for ARC Allocated Pension members, it is your member account balance as at 1 July each year that is used to determine your minimum and maximum pension levels for that financial year.

Policy Committees

Certain employer superannuation plans within ARC Corporate (i.e. generally plans with 50 or more members) must have equal member and employer representation on a body known as a 'policy committee'. The policy committee acts largely in an advisory capacity and does not take over the duties and responsibilities of the Trustee.

The policy committee provides an opportunity for members to enquire about the operation of the Fund and can also act as a communication channel between the members, employer and Trustee. The establishment of a policy committee depends, in the main, on the number of members in your plan. The policy committee, when formed, must meet at least once every year.

Please refer to the ARC Corporate 'Policy Committee Guide', available from www.arcmt.com.au, for further information.

Superannuation Surcharge

Where applicable, payments to the Australian Taxation Office in connection with superannuation contributions surcharge are drawn from individual member's accounts. Details of any such deductions are shown on your Annual Statement.

Enquiries & Complaints

We have established a procedure for dealing with queries and complaints about the operation or management of the Fund.

From time to time you may have questions about your investment. Your adviser or our customer service consultants are familiar with the product and are happy to answer any of your questions. A customer service consultant is available by calling 1800 101 014.

If you are not satisfied with the response you receive from your queries you can lodge a complaint in writing to:

Complaints Resolution Officer
ARC Master Trust
PO Box 142
Milsons Point NSW 1565

Any complaint about the operation or management of the Fund will be properly considered and dealt with within 90 days of receipt of the complaint, except in special circumstances and with the agreement of the complainant. You will then be notified of the decision on your complaint within 30 days of that decision being made.

If your complaint has not been resolved to your satisfaction within 90 days of lodging your complaint, you may contact the Superannuation Complaints Tribunal (SCT) on 1300 884 114, or write to them at Locked Bag 3060, GPO Melbourne VIC 3001.

The SCT is an independent body set up by the Government to assist in the resolution of certain superannuation complaints. The SCT may only do so after the complaint is dealt with under the Trustee's complaint handling procedure.

Approved Eligible Rollover Fund

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

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

Small accounts of \$1,500 or less may also be periodically transferred to the ERF to protect members against the dilution of their benefits by fees.

If we pay your benefits to the ERF, you cease to be a member of the Fund and become a member of the ERF. On transfer to the ERF, any benefit entitlement (including any insurance protection benefit) that you have in the Fund ceases. You are able to transfer or withdraw benefits from the ERF as the governing legislation permits.

We have nominated The Australian Eligible Rollover Fund as the Fund's ERF. Its contact details are:

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

Lost Members

The Australian Taxation Office maintains a register of 'lost members'. Members may search this register to help trace any superannuation entitlements that may have been transferred to an ERF. It is important to ensure that the Trustee of the Fund is always advised of any change of address.

Unclaimed Benefits

In some circumstances your benefits in the Fund may become subject to the unclaimed moneys laws.

An example is if you reach the prescribed age (i.e. 65 years of age) and a benefit from the Fund is to be paid to you but we have not received any contributions or rollovers in respect of you in the last two years and, after making reasonable efforts and waiting a reasonable period of time, we are unable to contact you about the benefit payable.

We must pay unclaimed benefits to the New South Wales Office of State Revenue.

To claim any benefits transferred to the NSW Office of State Revenue, you or your dependants will need to contact it directly.

On transfer to the NSW Office of State Revenue, any benefit entitlement (including any insurance protection benefit, if applicable) that you have in the Fund ceases.

Financial Information

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

Members' benefits in the Fund are wholly determined by reference to life insurance policies. Such funds are exempt from providing the following information in their Annual Report to members:

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

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

Fee Increases Or Alterations

Each of ARC's fees, charges and thresholds (including maximum amounts) may be indexed in line with any increase in the 12 month Consumer Price Index (CPI) on 1 January each year.

There have been no increases or alterations to ARC's standard fees and charges since commencement.

Members will be provided with at least 30 days' notice before introducing any additional fee(s) or before any increases (other than CPI increases) to the fees and charges previously disclosed.

ARC's standard fees and charges are detailed in the ARC Master Trust Product Disclosure Statement: Part 1 of 2 – General Information dated 11 March 2004 for each product.

Investment management fees and any buy / sell margins for each investment option are detailed in the ARC Master Trust Product Disclosure Statement: Part 2 of 2 – Investment Choices dated 11 March 2004.

Copies of these Product Disclosure Statements may be obtained at any time from your financial adviser or by calling TOWER, or may be downloaded from www.arcmt.com.au.

Investment Information

Trustee's Investment Aim

The Trustee's investment aim is to provide all members of ARC with the opportunity to select from a number of leading investment funds, which are commensurate with their individual financial needs.

Trustee's Investment Objectives

The Trustee's investment objectives are to provide a suitable range of investment options from which all members can select investments.

Trustee's Investment Strategy

The Trustee's investment strategy for ARC is to invest in an investment insurance policy issued by TOWER Australia Limited, offering a range of investment options consistent with the design of the product.

ARC offers two major types of investment options:

- **Multi-Manager Options** – which use a number of investment managers to provide diversity of investment style, performance and risk within the one option; and
- **Specialist Manager Options** – which use only one specialist investment manager per option.

Within each of the multi-manager and specialist manager menus of options there are:

- **Multi-Sector Options** – where each invests in a range of both growth and defensive asset classes to produce a diversified investment mix; and

- **Single Sector Options** – where each invests primarily in only one asset class.

The multi-manager and the specialist manager menus are further divided into **Portfolios**, as follows:

- Capital Guaranteed Portfolio;
- Cash Portfolio;
- Capital Stable Portfolio;
- Fixed Interest Portfolio;
- Absolute Return Portfolio;
- Balanced Portfolio;
- Property Portfolio;
- Growth Portfolio;
- Australian Shares Portfolio; and
- International Shares Portfolio.

The Portfolios offer a range of individual investment options, which members may mix and match to meet their needs.

Full details for each of the investment options available to ARC members (including investment objectives; investment strategy; labour standards or environmental, social or ethical considerations taken into account when selecting, retaining or realising investments; asset allocation benchmarks and ranges; and investment management fees) are contained in the ARC Master Trust Product Disclosure Statement: Part 2 of 2 – Investment Choices dated 11 March 2004, which is available from your adviser, or by calling our customer service consultants on 1800 101 014 or visiting www.arcmt.com.au.

Changes To Investment Options

- **IOOF Wholesale Perennial Value Shares Trust**

The correct name of this investment option is IOOF/Perennial Wholesale Value Shares Trust.

- **Perpetual's Conservative Growth Fund**

Perpetual Investments has advised that the above fund is to be terminated in March 2004. Existing and future investments by ARC will be directed to Perpetual's Wholesale Conservative Growth Fund, which has an identical investment objective and investment strategy and similar (i.e. wholesale) investment management fee of 0.85% pa.

- **Sagitta Rothschild Property Wholesale Trust**

In October 2003, Sagitta Rothschild changed its name to BT Funds Management No. 2 Limited and changed the Sagitta Rothschild Property Wholesale Trust to the BT Wholesale Property Investment Fund.

- **TOWER Australia Australian Shares Fund**

The TOWER Australia Australian Shares Fund now uses a multi-manager approach, which combines a selection of leading active specialist managers, in the management of a single Australian shares portfolio.

- **TOWER Australia Ethical Growth Fund**

TOWER has selected AMP Capital Investors to manage the Ethical Growth Fund. AMP Capital Investors takes labour standards and environmental, social and ethical considerations into account when deciding whether to buy, hold or sell shares in the portfolio.

Please refer to the ARC Master Trust Product Disclosure Statement: Part 2 of 2 – Investment Choices dated 11 March 2004 for further details.

Investment In Derivatives

The Trustee presently invests all Fund assets in policies of life insurance issued by TOWER Australia Limited and, therefore, does not acquire or use derivative instruments directly.

Derivatives such as futures, options and swaps (as applicable) may be used, within approved limits, by the investment managers of the underlying investment options in managing the various funds' portfolios of assets. However, deliberate gearing of the funds is generally not permitted.

Investment Performance

Because ARC only commenced on 1 March 2003, no actual annual investment performance information as at 30 September 2003 is available for reporting. Current performance figures (updated at the end of each month) may be obtained from your adviser, or by calling our customer service consultants on 1800 101 014 or visiting www.arcmt.com.au.

The investment earnings on your member account in ARC are shown in your annual Member Statement.

Care should be exercised in relying on past performance, as this is not a suitable basis for assessing long term future performance.

The Trustee stresses the importance of seeking professional advice in selecting particular investment options, which best suit your circumstances.

Asset Allocations

Asset allocations as at 30 September 2003 for each of the investment options are shown below.

Current asset allocation benchmarks and ranges and actual asset allocations (updated at the end of each month) may be obtained from your adviser, or by calling our customer service consultants on 1800 101 014 or visiting www.arcmt.com.au.

Capital Guaranteed Portfolio

TOWER Australia Capital Assured Portfolio	
Australian Shares	9%
International Shares	4%
Property	9%
Australian Fixed Interest	42%
International Fixed Interest	20%
Cash	16%

Cash Portfolio

The Portfolio Service – Cash Management fund	
Cash	100%

Capital Stable Portfolio

The Portfolio Service – Conservative Outcomes fund	
Australian Shares	10%
Property	5%
Australian Fixed Interest	49%
International Fixed Interest	5%
Cash	31%

The Portfolio Service – Moderate Outcomes fund	
Australian Shares	15%
International Shares	5%
Property	10%
Australian Fixed Interest	40%
International Fixed Interest	10%
Cash	20%

Perpetual's Conservative Growth Fund	
Australian Shares	20%
International Shares	5%
Property	5%
Australian Fixed Interest	33%
Cash	37%

TOWER Australia Security Focus Fund	
Australian Shares	15%
International Shares	8%
Property	6%
Australian Fixed Interest	36%
International Fixed Interest	9%
Cash	26%

Fixed Interest Portfolio

Citigroup Bond Trust	
Australian Fixed Interest	96%
International Fixed Interest	1%
Cash	3%

Macquarie Master Fixed Interest Fund	
Australian Fixed Interest	100%

TOWER Australia Fixed Interest Fund	
Australian Fixed Interest	100%

Absolute Return Portfolio

Deutsche Strategic Value Fund	
International Shares	38%
International Fixed Interest	55%
Cash	7%

Balanced Portfolio

The Portfolio Service – Balanced Outcomes fund	
Australian Shares	25%
International Shares	10%
Property	9%
Australian Fixed Interest	31%
International Fixed Interest	10%
Cash	15%

Colonial First State Wholesale Balanced Fund	
Australian Shares	25%
International Shares	19%
Property	5%
Australian Fixed Interest	46%
Cash	5%

Merrill Lynch Wholesale Balanced Fund	
Australian Shares	36%
International Shares	26%
Property	11%
Australian Fixed Interest	10%
International Fixed Interest	9%
Cash	8%

Perpetual's Wholesale Diversified Growth Fund	
Australian Shares	23%
International Shares	19%
Property	5%
Australian Fixed Interest	25%
Cash	28%

TOWER Australia Balanced Growth Fund	
Australian Shares	37%
International Shares	21%
Property	9%
Australian Fixed Interest	19%
International Fixed Interest	5%
Cash	9%

Property Portfolio

The Portfolio Service – Traded Properties fund	
Property	97%
Cash	3%

BT Wholesale Property Investment Fund	
Property	97%
Cash	3%

Deutsche Paladin Property Securities Fund	
Property	98%
Cash	2%

Growth Portfolio

The Portfolio Service – Enhanced Outcomes fund	
Australian Shares	37%
International Shares	15%
Property	10%
Australian Fixed Interest	17%
International Fixed Interest	9%
Cash	12%

The Portfolio Service – Hi-Growth Outcomes fund	
Australian Shares	45%
International Shares	35%
Property	11%
Cash	9%

Colonial First State Wholesale Diversified Fund	
Australian Shares	31%
International Shares	31%
Property	5%
Australian Fixed Interest	19%
International Fixed Interest	5%
Cash	9%

ING Wholesale Managed Growth Trust	
Australian Shares	43%
International Shares	28%
Property	8%
Australian Fixed Interest	12%
International Fixed Interest	3%
Cash	6%

Perpetual's Wholesale Balanced Growth Fund	
Australian Shares	50%
International Shares	24%
Property	7%
Australian Fixed Interest	14%
Cash	5%

Schroder Balanced Fund Standard Class	
Australian Shares	35%
International Shares	19%
Property	9%
Australian Fixed Interest	18%
International Fixed Interest	7%
Cash & Other	12%

TOWER Australia Growth Maximiser Fund	
Australian Shares	37%
International Shares	31%
Property	12%
Australian Fixed Interest	9%
International Fixed Interest	5%
Cash	6%

Australian Shares Portfolio

The Portfolio Service – Australian Emerging Managers fund	
Australian Shares	99%
Cash	1%

The Portfolio Service – Australian Majors fund	
Australian Shares	97%
Cash	3%

Advance Sharemarket Fund – Wholesale Units	
Australian Shares	96%
Cash	4%

Colonial First State Wholesale Imputation Fund	
Australian Shares	99%
Cash	1%

Investors Mutual Future Leaders Fund

Australian Shares	80%
Cash	20%

IOOF/Perennial Wholesale Value Shares Trust

Australian Shares	98%
Cash	2%

Macquarie Master Australian Enhanced Equities Fund

Australian Shares	100%
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Merrill Lynch Wholesale Imputation Fund

Australian Shares	99%
Cash	1%

Perpetual's Wholesale Industrial Fund

Australian Shares	94%
Property	4%
Cash	2%

Schroder Wholesale Australian Equity Fund

Australian Shares	98%
Cash	2%

TOWER Australia Australian Shares Fund

Australian Shares	97%
Cash	3%

TOWER Australia Ethical Growth Fund

Australian Shares	89%
Cash	11%

International Shares Portfolio**The Portfolio Service – Global Foundations fund**

International Shares	90%
Cash	10%

Citigroup Emerging Market Trust

International Shares	98%
Cash	2%

Fidelity Perpetual Wholesale International Fund

International Shares	97%
Cash	3%

Platinum International Fund

International Shares	83%
Cash	17%

TOWER Australia Global Responsibility Fund

International Shares	100%
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Important Changes To Superannuation

Details of recent changes and proposals that may affect retirement measures and your superannuation entitlements are set out below.

This information does not take account of your individual circumstances and you should seek tax and/or financial advice from a professional adviser before acting on this information.

Quarterly Superannuation Guarantee Contributions By Employers

From 1 July 2003, employers are required to make at least quarterly superannuation guarantee contributions on behalf of their employees, within 28 days after the end of each quarter.

Employers are also required to report to employees the amount of contributions made, and the fund(s) they were made to, within 30 days after the final contribution for the quarter.

Government Co-Contributions For Low Income Earners

The Federal Government's co-contribution scheme applies to certain personal contributions made on or after 1 July 2003. Low-income earners who make personal superannuation contributions will receive a co-contribution from the Government into their superannuation account. The co-contribution will be made after a person has lodged their tax return for a financial year.

A person is entitled to a Government co-contribution for a financial year if the person:

- has made a personal contribution to a complying superannuation fund in the financial year (the scheme only applies for contributions made on or after 1 July 2003) and it was not a salary sacrifice contribution and was not a contribution they could claim a tax deduction for;
- has lodged their tax return for the financial year;
- is a low income earner (i.e. earned less than \$40,000 for the year);
- is not a temporary resident;
- is less than 71 years old at the end of the financial year the contribution was made;
- has received employer superannuation support for the financial year (or was entitled to such support); and
- is not wholly or substantially self-employed.

The Government will match a person's personal contributions, dollar for dollar, up to the maximum amount for that person's income.

The amount of co-contribution that a person will get depends on their income and the personal contributions that they made during the financial year. The maximum amount of co-contribution for a financial year is \$1,000, which is available to people on incomes of \$27,500 or less. The maximum amount phases out by \$0.08 per dollar of income up to an income of \$40,000, when it phases out completely.

To work out the maximum co-contribution amount, the following formula applies:

Maximum co-contribution =
 $\$1,000 - 0.08 \times (\text{person's assessable income} - \$27,500)$

The co-contribution amount will be the lesser of this amount and the actual personal contributions made.

For example:

- If a person earns \$27,500 or less and makes a personal contribution of any amount, the co-contribution amount will be the lesser of \$1,000 and the contribution amount.
- If a person earns \$30,000 and makes a personal contribution of \$1,000 or more, the co-contribution amount will be \$800. For a \$500 contribution, the co-contribution amount will be \$500.
- If a person earns \$35,000 and makes a personal contribution of \$400 or more, the co-contribution amount will be \$400 (i.e. the maximum co-contribution for that person's income level).
- If a person earns \$40,000 and makes a personal contribution of any amount, no co-contribution applies.

The Government co-contribution replaces the previous maximum tax offset of \$100 for undeducted personal contributions made to superannuation by low income earners.

For more information contact your financial adviser or the Australian Tax Office Super Hotline on 13 10 20.

Reduction To The Maximum Superannuation Surcharge Rate

The Government has reduced the maximum superannuation surcharge rate from 15%, as follows:

- 14.5% in 2003/2004;
- 13.5% in 2004/2005; and
- 12.5% in 2005/2006 and beyond.

Reduction To The Tax Rate On Excessive ETPs

The post-June 1983 taxed component of an Eligible Termination Payment (ETP) amount in excess of your Reasonable Benefit Limit (RBL) will now be taxed at 38% (plus Medicare levy). Previously, the entire excessive amount was taxed at the highest marginal tax rate (plus Medicare levy).

This reduction also applies to excessive death benefits paid to dependants.

Proposed Superannuation Choice Of Fund

'Choice of Fund' aims to provide employees with the right to choose the superannuation fund which will receive their superannuation guarantee contributions. It will require employers to provide their employees with a choice of superannuation fund for the payment of these contributions.

This proposal was first announced in the 1997-1998 Federal Budget. Previous legislation to implement the proposal was defeated in the Senate on 8 August 2001.

The choice of fund legislation has since been amended and submitted to the senate committee for review.

The legislation, if enacted, is expected to take effect from 1 July 2005.

Indexation Of Superannuation Thresholds

Maximum Deductible Contribution (MDC) Limit

The age-based limits applying to the amount of tax deductible contributions which may be made to superannuation by, or on behalf of, a member for the 2003/2004 financial year are:

Age of Member	MDC Limit
Under 35	\$13,233*
35 – 49	\$36,754*
50 and over	\$91,149*

* indexed as at 1 July each year

Superannuation Guarantee

For the 2003/2004 financial year, the Superannuation Guarantee (SG) is 9% of each employee's earnings base (maximum base \$30,560* per quarter / \$122,240* annually), payable by the dates shown below.

Quarterly Period	Due Date for SG Contributions
1 July – 30 September	28 October
1 October – 31 December	28 January
1 January – 31 March	28 April
1 April – 30 June	28 July

* indexed as at 1 July each year

Superannuation Contributions Tax Surcharge

For the 2003/2004 financial year, the following thresholds apply:

Lower Adjusted Taxable Income amount	\$94,691*
Upper Adjusted Taxable Income amount	\$114,981*
Maximum surcharge rate	14.5%#

* indexed as at 1 July each year

#See page 15 for details of the reduction to the maximum surcharge rate in future years.

Reasonable Benefit Limit (RBL)

RBLs for the 2003/2004 financial year are as follows:

Lump Sum RBL	\$588,056*
Pension RBL#	\$1,176,106*

*indexed as at 1 July each year

#The Pension RBL applies where at least half of the benefit (or the amount of the Pension RBL, if lower) is taken as a complying pension or annuity.

Tax On Post-June 1983 Component Of Lump Sum Withdrawals

For the 2003/2004 financial year, the tax rates applying to the post-June 1983 component of lump sum benefit payments are as follows:

Age	Rate (taxed component)	Rate (untaxed component)
Under 55	20% [#]	30% [#]
55 and over:		
Up to \$117,576*	Nil	15% [#]
Excess over \$117,576*	15% [#]	30% [#]

[#]plus Medicare levy

* indexed as at 1 July each year

Bona Fide Redundancy Or Early Retirement Scheme Payments

For amounts paid on or after 1 July 1994 as a bona fide redundancy payment or in accordance with an approved early retirement scheme, the following amounts apply for the 2003/2004 financial year:

Amount	Tax Rate
First \$5,882* plus \$2,941* for each completed year of service	Nil
Balance of payment	Taxed as an ETP

* indexed as at 1 July each year

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TOWER in Australia

The TOWER Group is a leading provider of financial services in Australasia. The parent company, TOWER Limited (ARBN 088 481 234), is listed on the stock exchanges of both Australia and New Zealand.

Founded over 130 years ago in New Zealand, TOWER Limited established itself in Australia in 1990 with the purchase of Adriatic Life Limited. TOWER Limited has since continued to grow strongly in Australia through both natural growth and the acquisition of other businesses.

Other acquisitions in Australia have included Friends Provident Life Assurance Company Limited, Austrust, Advance Life Limited's deferred annuity and bond business, FAI Life Insurance Society Limited, Bridges Financial Services Pty Limited and IOOF Trustees.

TOWER Australia Limited

TOWER Australia Limited, a wholly owned subsidiary of TOWER Limited, is an innovative and competitive provider of risk, superannuation and retirement solutions. It is presently the largest operating company within the TOWER Group.

TOWER Australia Limited's objective is to deliver the right products, services and information to its customers to help them make informed decisions about their risk, superannuation and retirement income needs. It delivers these services efficiently to customers primarily through a network of independent advisers.

TOWER Superannuation Pty Limited is a subsidiary of TOWER Australia Limited.

TOWER For You

TOWER Australia Limited is focussed on being a provider of specialist risk and related superannuation products. To achieve this, it regularly reviews and enhances its product and service offerings to ensure they are competitive in benefits, flexibility, choice and customer value. TOWER Australia Limited is strongly committed to ensuring that its areas of business are strongly customer focussed.

