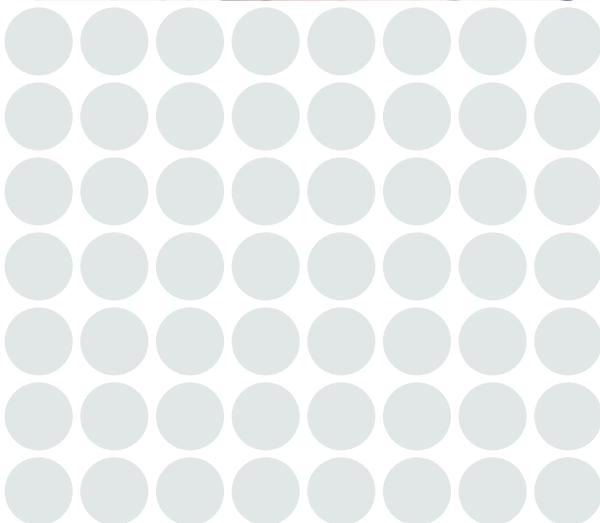


Significant Events Notice

Product and investment changes



This Notice provides members of the Zurich Master Superannuation Fund ('Fund') with a summary of the changes that may affect your investment in the Fund.

In this Notice, **ZSP** stands for Zurich Superannuation Plan, **ZABP** stands for Zurich Account-Based Pension, **ZAP** stands for Zurich Allocated Pension and **ZTAP** stands for Zurich Term Allocated Pension.

The Trustee of the Zurich Master Superannuation Fund (ABN 33 632 838 393 SFN 2540/969/42 Registration No. R1067651) is **Zurich Australian Superannuation Pty Limited** ABN 78 000 880 553 AFSL 232500 RSE Licence No. L0003216
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Telephone: 131 551
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This notice is to be read in conjunction with the 2011 Zurich Master Superannuation Fund Annual Fund Report (available at www.zurich.com.au/annualreports) which further explains the changes. A copy is available free of charge by contacting Zurich's Client Service Centre.

If you have any questions, please contact either your financial adviser or Zurich's Client Service Centre on 131 551.

Update: Product and Investment

Please note that the information in the following section applies to all plans (unless as indicated).

Increase to the minimum Monthly Portfolio Management Charge

(ZSP, ZABP, ZAP and ZTAP clients only)

Effective 1 April 2011 the minimum monthly Portfolio Management Charge for the Zurich Superannuation Plan (ZSP), the Zurich Account-Based Pension (ZABP), the Zurich Allocated Pension (ZAP) and the Zurich Term Allocated Pension (ZTAP) increased from \$18.76 to \$19.26 and the Cheque Fee (for ZABP, ZAP and ZTAP only) increased from \$6.53 to \$6.71.

As disclosed in the PDS, the increase has been calculated on the Consumer Price Index increase.

Closure of three investment option

(ZSP, ZABP and ZAP clients only)

Effective 30 April, 2011 the following three investment options were closed:

- One Path (ING) Wholesale Capital Stable
- Investors Mutual Australian Share
- RREEF Global (ex Aust) Property

Members in these options were asked to nominate an alternative option(s) for their investments or their investment was moved into the relevant default option(s).

Changes to Zurich Investments' diversified investment options

The following changes took place over June and July and were finalised by 25 July 2011.

1. Introduction of an alternative investments asset class (Managed Growth, Balanced, Priority Growth)

Alternative investments include investments in infrastructure, soft commodities (agribusiness) and derivatives based equity strategies. Alternative investments may also include investments in any other non traditional asset class.

Zurich believes that blending this asset class with the existing asset classes will result in more consistent performance over time. Investment strategies within this asset class will have a low correlation to existing asset classes and their underlying investments strategies, which will provide members with broader diversification than they had previously.

To implement the changes above Zurich has had to re-weight the allocations to the existing asset classes. The addition of the alternative investments asset class has meant a lesser allocation to the Australian and international shares. The changes to the asset allocations are provided in the following tables.

Previous Asset Allocation (Benchmark Ranges)

Asset Class	Capital Stable	Balanced	Managed Growth	Priority Growth
Australian Shares	15 (0-24)	26 (10-38)	36 (20-46)	46 (31-60)
International Shares	12 (0-22)	20 (7-30)	27 (10-38)	36 (21-50)
Aust. Property Securities	1 (0-13)*	2 (0-17)*	3 (0-12)*	2 (0-17)*
Global Property Securities	2 (0-13)*	4 (0-17)*	6 (0-12)*	5 (0-17)*
Total growth	30 (0-59)	52 (17-85)	72 (30-96)	89 (55-100)
Fixed Interest	62 (41-92)	43 (15-63)	24 (4-55)	9 (0-30)
Cash	8 (0-30)	5 (0-20)	4 (0-15)	2 (0-15)
Total defensive	70 (41-100)	48 (15-83)	28 (4-70)	11 (0-45)
TOTAL	100	100	100	100

* The range shown for Australian and Global Property Securities is a combined range.

New Asset Allocation (Benchmark Ranges)

Asset Class	Capital Stable	Balanced	Managed Growth	Priority Growth
Australian Shares	15 (0–24)	23 (10–38)	32.5 (20–46)	42 (31–60)
International Shares	12 (0–22)	17 (7–30)	23.5 (10–38)	32 (21–50)
Aust. Property Securities	1 (0–13)*	2 (0–17)*	3 (0–12)*	2 (0–17)*
Global Property Securities	2 (0–13)*	4 (0–17)*	6 (0–12)*	5 (0–17)*
Alternative Investments	N/A	6 (0–8)	7 (0–10)	8 (0–10)
Total growth	30 (0–59)	52 (17–85)	72 (30–96)	89 (55–100)
Fixed Interest	62 (41–92)	43 (15–63)	24 (4–55)	9 (0–30)
Cash	8 (0–30)	5 (0–20)	4 (0–15)	2 (0–15)
Total defensive	70 (41–100)	48 (15–83)	28 (4–70)	11 (0–45)
TOTAL	100	100	100	100

* The range shown for Australian and Global Property Securities is a combined range.

2. Addition of a value style strategic investment partner to the international shares asset class (Managed Growth, Balanced, Priority Growth Capital Stable)

To complement the existing thematic and growth style managers within the international shares asset class Zurich has introduced a global value strategy managed by Real Index Investments Pty Ltd.

Investment description

Growth investing

A strategy that aims to invest primarily in those companies that offer the best prospect of capital growth over the medium to longer term.

Thematic investing

A strategy which uses a range of ideas or 'themes' based on the analysis of broad trends to guide investment strategy.

Value investing

A strategy that aims to invest primarily in those companies which they perceive to have an intrinsic value greater than their share price suggests. Value managers aim to invest in these companies until their true value is fully reflected in their share price.

Adviser remuneration – more options (ZSP, ZABP, ZAP and ZTAP only)

Effective 11 March 2011, you and your adviser have two options available in respect of how your adviser can receive remuneration within the plans mentioned above. From that date the remuneration options include the new Member Advice Fee payment option or the existing commission-based payment option.

Under the Member Advice fee option, an advice fee is paid directly from your account to the adviser instead of being included in your other fees. Changing can affect the amount of fees and charges you pay which is explained in the fees and charges section in the current ZSP/ZABP Product Disclosure Statement available online at www.zurich.com.au/ZSPandZABP.

ZSP Optional Protection Benefits: Income Replacement Name Change

(ZSP clients only)

If you are insured under a Zurich Income Replacement Insurance Plus (superannuation version) without the Basic cover option, your insurance cover has been re-named: Income Replacement (superannuation version) – comprehensive.

If you are insured under a Zurich Income Replacement Insurance Plus (superannuation version) with the Basic cover option, your insurance cover has been re-named: Income Replacement (superannuation version) – standard.

The name for Zurich Special Risk Income Replacement Insurance Plus (superannuation version) remains the same.

Upgrades to ZSP Optional Protection Benefits

(ZSP clients only)

Zurich has upgraded the ZSP Optional Protection Benefits effective 11 March 2011 summarised in the tables below.

These upgrades only apply if you have chosen ZSP Optional Protection Benefits and some upgrades only apply if you have selected certain options or if you work in certain occupations. You can find out whether your cover includes any of the upgraded features by checking your Policy schedule.

The upgrades are subject to the policy conditions. For further information please refer to the 2011 Zurich Master Superannuation Fund Annual Report and to the Zurich Superannuation Plan Optional Protection Benefits information Booklet that can be accessed at www.zurich.com.au/ZSPandZABP.

Zurich Superannuation Term Life Plus:

Upgraded feature	Summary of upgrade
Improved TPD over 64 cap	The maximum benefit payable from the policy anniversary following the 64th birthday has increased from \$1m to \$3m.
Future Insurability triggers	<p>The following additional triggers for increasing cover under this benefit have been included:</p> <ul style="list-style-type: none"> • if you have a significant increase in salary (15% or more) • on the death of your spouse • if you become a full-time carer • if you purchase an investment property.
Financial planning advice benefit	After a benefit is paid under the policy, up to \$1,000 is payable towards the cost of financial planning advice.
TPD cover – improvement to the ‘own’ occupation definition	The definition of Total and Permanent Disablement has been altered so that if you have ‘own’ occupation TPD, ‘unable to work’ during the 3 month qualification period is determined by reference to your ‘own’ occupation instead of ‘any’ occupation.
New built-in Buy-back death benefit	If your cover includes Death cover and TPD cover, it now automatically includes a new buy-back feature. If you make a claim for TPD, the Death cover is reduced by the amount of the TPD payment – but will be reinstated after 12 months.

Zurich Income Replacement (superannuation version) – standard and comprehensive:

Upgraded features	Summary of upgrade
Backdate Confined to bed benefit	After qualification period (2 days), this benefit will be paid for each day the Life Insured is disabled during the waiting period (previously benefit was paid only from day three).
Improved Super contributions option	Allow this optional benefit to be increased under the Future insurability option.
Income benefit – Qualifying for an income benefit	A new '10 hours' qualification has been added to the existing 'loss of income' and 'duties' qualification, giving you three ways in which to qualify for the Income benefit.
Income benefit – Approach to locums has been clarified	The definition of eligible business expenses has been amended to include the net cost of hiring a locum.
Income benefit – Improved offset position for under 10 hours work	If you are working for 10 hours or less per week the payment received for that work will not be included as <i>post-disability income</i> in the calculation of your Income benefit.
Income benefit – Improved offset position for certain occupations	If you are working in an A1, A1M or A2 occupation, then other payments received (via other Disability Income policies not disclosed to us at the time of underwriting, workers' compensation or other legislated benefits) will not be included as <i>post-disability income</i> , unless those other payments push total income above 75% of the life insured's <i>pre-disability income</i> .
Improved offset position for some occupations	If your occupation class is A1, A1M or A2 (as shown on your Policy schedule), your policy no longer contains an offset for workers' compensation or other legislated benefits unless the total amount of benefits received exceeds 100% of <i>pre-disability income</i> .

**Zurich Special Risk Income Replacement Plus
(superannuation version):**

Upgraded features	Summary of upgrade
Income benefit – Qualifying for an income benefit	A new '10 hours' qualification has been added to the existing 'loss of income' and 'duties' qualification, giving you three ways in which to qualify for the Income benefit.
Income benefit – Improved offset position for under 10 hours work	If you are working for 10 hours or less per week the payment received for that work will not be included as <i>post-disability income</i> in the calculation of your Income benefit.

Other significant notices

Federal Budget 2011 / 12

Following are announcements that may impact on your investment in the Fund. We recommend you speak to your financial adviser about how these changes affect your investment. Please note that unless otherwise stated, legislation may not yet have been passed. We strongly recommend that members check with their financial adviser before making any changes to their investment.

Excess contributions

Fund members will have a once-only opportunity to withdraw from the superannuation system excess concessional contributions of up to \$10,000 made in the 2011-12 and later years. This will mean the amount refunded will be assessed as income at the member's marginal tax rate, rather than incurring excess contribution tax.

Important: This measure is not available for members who exceed their concessional contribution caps for years prior to the 2011/12 financial year.

Government Co-contribution

Under the superannuation co-contribution scheme, the Government provides a matching contribution for contributions made into superannuation out of after-tax income. The matching contribution is up to \$1,000 for people with incomes of up to \$31,920 in 2010-11 (with the amount available phasing down for incomes up to \$61,920).

The Government announced they will continue the freeze, for an additional year to 2012-13, of the indexation applied on the income threshold above which the maximum superannuation co-contribution begins to phase down. This measure will continue to freeze the thresholds at \$31,920 and \$61,920 respectively.

For more information on the Government Co-contribution, please refer to the Annual Fund Report.

Pension drawdown relief

The Government previously provided pension drawdown relief in the 2008-09, 2009-10 and 2010-11 years by halving the minimum payment amounts (to 50% of the Standard minimum) as a response to the Global Financial Crisis (GFC).

The Government will phase out the pension drawdown relief that has been provided over the last three years. Minimum payment amounts for account-based, allocated and market linked (term allocated) pensions will be increased (from 50% to 75% of the Standard minimum) from 1 July 2011 and will return to the Standard minimum from 1 July 2012.

The reduced minimum income payment factors for the 2011/12 financial year and the Standard minimum are:

Age	Minimum for 2011/12	Standard minimum
Under 65	3%	4%
65 – 74	3.75%	5%
75 – 79	4.5%	6%
80 – 84	5.25%	7%
85 – 89	6.75%	9%
90 – 94	8.25%	11%
95+	10.5%	14%

Concessional contributions cap – higher cap for individuals 50 or over

The Budget clarified that from 1 July 2012, the Government will set a higher concessional contributions cap for individuals aged 50 and over with total superannuation balances of less than \$500,000. The higher concessional contributions cap will be \$25,000 above the concessional cap.

The concessional contributions cap is set at \$25,000. When it increases due to indexation, the higher cap will increase by the same dollar amount.

This measure was previously announced as part of the Government's response to the Henry Tax Report back in May 2010 and allows eligible persons 50 or over to continue to utilise the higher \$50,000 cap.

For more information on Contribution Caps, please refer to the Annual Fund Report.

Other announcements/changes to superannuation

Temporary Flood Levy – impact on members of the Fund

Following the devastating Queensland and Victorian floods and Cyclone Yasi, the Federal Government announced the introduction of a flood levy (also known as the Temporary Flood and Cyclone Reconstruction Levy) to assist communities to recover from these natural disasters and to re-build infrastructure. The levy applies to individual taxpayers that have a taxable income of more than \$50,000 in the 2011/12 financial year.

Superannuation lump sum payments as well as pension/income payments may also be subject to the Federal Government's flood levy, depending on the amount and the components of the benefit or income payment.

For members of the Zurich Master Superannuation Fund (ZMSF), this means that we will be withholding the flood

levy from the following payments that we make between the period of 1 July 2011 to 30 June 2012:

- the taxable component of a superannuation lump sum payment, where the member is aged less than 60 (unless the payment is tax free, as will be the case with part of a Total and Permanent Disability payment or terminal illness benefit);
- the taxable component of a death benefit paid to non-dependants for tax purposes; and
- the taxable component of any pension payments, where the member is aged less than 60.

Flood levy rates

Taxable income	Flood levy on this income
\$0 to \$50,000	Nil
\$50,001 to \$100,000	Half a cent for each \$1 over \$50,000
Over \$100,000	\$250 plus 1c for each \$1 over \$100,000

Please note:

- individual superannuation lump sum payments will be treated separately when calculating the flood levy, and
- where a flood levy is payable, it is calculated on the full amount of the taxable component.

Exempt payments

Not all superannuation lump sum payments are subject to the flood levy. In addition to rollovers to a complying superannuation fund, there are other payments and certain individuals that are excluded from the flood levy. Please refer to the 2011 Zurich Master Superannuation Fund Annual Report for further information.

The information in this notice, dated 29 September 2011, is derived from sources believed to be accurate as at this date and may be subject to change. The information does not take into account your personal objectives, financial situation or needs. You should consider these factors, the appropriateness of the information and the relevant Product Disclosure Statement issued by Zurich Australian Superannuation Pty Limited ABN 78 000 880 553, AFSL 232500 (available only for open products) before making a decision. This information is not meant as personal financial or legal advice and should not be relied upon as such.

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