



# Contents

Message from the Chairman	1
Message from the Chief Executive Officer	2
Message from the Executive Officer	4
Managing your Fund	5
Investment performance	7
Investment objectives and strategies	10
Where members' super is invested	14
Who manages your investments?	16
Other investment information	18
Financials	19
Other important information	21
Information and services available	23
Complaints	25

## Cover and back page images:

Life on the wharves: a collage - contributed by Peter Le Scelle

The information stated about the Fund is current at the date of issue, unless otherwise stated.

The report contains general and summary information only and does not take into account your individual objectives, financial situation or needs. Consequently, you should consider the appropriateness of any general information in relation to your situation before making an investment decision. The Trustee recommends you seek individual advice before making any decisions concerning your super.

The Fund's Member Guides (Product Disclosure Statements) and MFS' Financial Services Guide are available by calling 1800 757 607. You should consider the Member Guide in deciding whether to acquire or continue to hold the product.

The Financial Statements on pages 19-20 are from audited accounts.

Past performance is not necessarily an indicator of future performance.

## The Fund

Maritime Super  
ABN 77 455 663 441  
RSE Registration No. R1001747

## The Corporate Trustee

Maritime Super Pty Limited  
ABN 43 058 013 773  
AFSL No. 348197  
RSE Licence No. L0000932  
Level 16, 31 Market Street, Sydney NSW 2000

## The Administrator

Maritime Financial Services Pty Limited (MFS)  
ABN 16 105 319 202  
AFSL No. 241735  
Locked Bag 2001, QVB Post Office NSW 1230



## Message from the Chairman

The Trustee is pleased to present the Maritime Super Annual Report to members for the financial year ended 30 June 2011.

The financial year continued to see a high amount of investment market volatility, not only abroad but in Australia as well. While the debt issues for several European countries and the lack of economic growth in the US caused a great deal of short-term movement in the equity markets, it is important to note that the financial year returns were very strong.

All of the Fund's member investment options provided positive returns for the financial year. This reflects the longer-term perspective that Maritime Super focuses on with its investment objectives and strategies. While we monitor our investments closely including short-term opportunities, we do not lose sight of our goals when markets overreact to shorter-term issues.

Our key philosophy is to diversify our investments between different asset classes and utilise external expertise in terms of the managers we invest in, and the high quality advice we receive, to limit risk and maximise returns under all economic conditions.

However, we are well aware of the concerns that market volatility can cause our members, especially those in retirement or nearing it. We have therefore taken your feedback to develop products and investment options which can give you greater peace of mind.

During the year, we introduced the Fixed Term Investment option which allows you to invest for 12 months with a fixed rate of return. This investment is available each quarter and we use a pool of providers to ensure our rates are very competitive.

The Fixed Term Pension product was also recently introduced which will allow those eligible to receive a predetermined income stream for a fixed period. This product will be available from 1 December 2011 and will be for periods of 5, 10, 15 or 20 years.

We have also identified the need for all members to have access to qualified financial advice during their working lives and also at the critical time of retiring. Affiliated licensed planners are now available in Fremantle and Brisbane in addition to those in Sydney and Melbourne. The planners are not paid commissions and are there to provide advice to you at a discounted fee.

The Trustee takes its role with the utmost of gravity and application and our main aim is to provide the highest level of benefit and income for members so that you can retire in the lifestyle that you deserve, while having decent social protection and insurance for you and your family during your working lives.

Thank you for your ongoing support for our Fund, and on behalf of our Trustee Board, management and staff, we look forward to continue working with you towards building your financial security for the future.



**Paddy Crumlin**  
Chairman



# Message from the Chief Executive Officer

As CEO of Maritime Super, it's my pleasure to present the Fund's 2010/11 Annual Report.

During the past year, Maritime Super has continued to go from strength to strength. We now have approximately \$3.3 billion under management and approximately 31,000 members (and growing), and we continue to be the industry super fund for the maritime industry.

In the last year, we've introduced new products and services that, I believe, have truly made a difference for members. Some of our successes include:



## Investment performance – solid returns during volatile times

It's been another very volatile year for investments, and despite everything the market has thrown at us, we're happy to report a solid performance across all of Maritime Super's investment options this year.

Our Growth and Balanced options both returned almost 10%, and Conservative, Cash Enhanced and Cash options returned 7.5%, 5.4% and 3.8% respectively. This is proof that super remains one of the best and most tax-effective ways that you can save for your retirement.

We remain focused on our long-term strategy, which is something we also encourage our members to do – if you have any concerns, don't hesitate to get advice from our affiliated financial planners.

## Fixed Term Investment and Fixed Term Pension – delivering more for members

At Maritime Super, we pride ourselves on our ability to give members what they expect from their super fund. In response to strong demand, we launched the Fixed Term Investment last December, and we're pleased to report that this new investment option has been very well received by members.

We've listened to our pension members and, on 1 December 2011, introduced a new Fixed Term Pension product. The Fixed Term Pension provides a predetermined, regular, tax-effective retirement income for a fixed term, which is particularly reassuring in times of market volatility.

We remain committed to the ongoing review and development of the products and services that we offer to our members.

## The Gym – kickstart your FITNESS

Maritime Super was proud to launch The Gym in February as part of our education strategy. The Gym is a one-stop source of innovative, inspirational information that's designed to improve financial fitness and wellbeing, and increase your confidence in managing money.

The core philosophy behind The Gym is that everyone is different; each of us learns in a different way, responds to information differently and has an individual preference (or 'Money Personality') which determines how we go about creating wealth. The 'Money Personality' quiz provides a fun and memorable way to understand how you relate to money, which in turn helps build self-awareness, confidence and, ultimately, financial fitness. I encourage you all to visit The Gym and find out what your Money Personality is.

## e-Communications – saving paper, costs and the environment

We've been looking at how we can improve the delivery of information to our members, and now offer even greater choice about how you can receive information from us. Opting to receive e-Communications means that you can receive your newsletters, annual statement and even your seminar invitations by email. By doing this, you are helping us keep costs down and making a real difference to the environment.

To encourage more members to opt in to receive e-Communications, we're currently running an iPad2 competition\* – all you need to do is opt in for e-Communications and you are automatically entered into the draw to win an iPad2. Visit our website to learn more.

## More access to financial planners

We realise how important it is for you to have easy and direct access to financial planners, so Jim Atley has been engaged to provide financial planning services to our Queensland members. Jim will be operating out of the MUA Brisbane branch and brings a wealth of experience with him – I highly recommend that you make an appointment with Jim to review your super and retirement plans.

We are always looking for ways to enhance our services to members, and we remain committed to making super straightforward and easy for you. Don't forget: if you need any advice or information about your super, we're only a phone call away.

On behalf of the staff at Maritime Super, I would like to thank you for your continued support.



**Peter Robertson**  
Chief Executive Officer

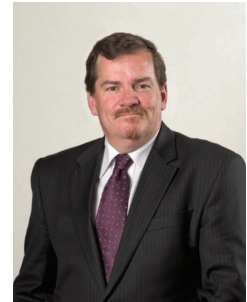
\* NSW Permit # LTPS/11/09152 , ACT Permit # ACT TP 11/04051. For competition terms and conditions, refer to the Maritime Super website [www.maritimesuper.com.au](http://www.maritimesuper.com.au).



## Message from the Executive Officer

This financial year has again been a very busy time for all associated with Maritime Super. With several significant strategic goals identified in the Trustee's business plan, the management and staff have worked diligently to ensure that the targets set by the board have been reached.

In these days of investment market volatility, we are committed to providing our members with enough information to make sound financial decisions. A large focus for us this year has been implementing our web-based education program and expanding our financial planning services.



We have introduced 'The Gym', which aims to improve the 'financial fitness' of our members. This is an interactive program which allows members to learn more about finance and also to gain a better understanding of their own personality profile when it comes to investment and risk.

During the past year we have also focused on increasing the level of personal financial advice made available to our members. We want all our members to have access to qualified planners who can assist with all financial matters. During the year, we expanded financial planning resources and now have an office in Fremantle and Brisbane.

We believe that by educating members and providing access to qualified advice, we can ensure the enhancement of retirement savings for our members.

All of the management and staff have enjoyed the challenges that have been put to us over the past year and look forward to continuing to serve our members and all other stakeholders in the years to come.

**Glenn Davis**  
Executive Officer

# Managing your Fund

## Your Trustee

The Directors of the Trustee have responsibility for the proper administration of the Fund and ensuring that it operates within the rules of the Trust Deed and relevant Government legislation and are committed to making decisions that are in the best interests of members.

The Trustee holds an RSE Licence (granted by the Australian Prudential Regulation Authority (APRA), No. L0000932). As an RSE licensee, the Trustee reports to APRA at least annually and undergoes APRA reviews to ensure it maintains appropriate risk management strategies and complies with the licensing laws.

The Trustee also holds an Australian Financial Services (AFS) Licence under public offer to deal in super interests (granted by the Australian Securities and Investments Commission (ASIC), No. 348197). The Trustee has the ongoing obligation to comply with the conditions of its licences, including conduct and disclosure, the provision of financial services, the competence, knowledge and skills of its responsible officers, as well as their good fame and character, the training and competence of its staff and representatives and dispute resolution requirements.

There are ten Directors on the Trustee Board comprising:

- four member-representative Directors appointed by the Maritime Union of Australia (MUA)
- two employer-representative Directors elected by Participating Employers of the seafaring industry
- two employer representative Directors appointed by Full Participating Employers of the stevedoring industry; and
- two independent Directors appointed by the other Directors under the Trustee company's constitution.

The Trustee Board meets bi-monthly throughout the year.

The following details the Board of Directors as at 30 June 2011. Changes are reported on our website.

## Board of Directors

### Member representatives at 30 June 2011

Padraig Crumlin      Chairman

Michael Carr

Michael Doleman

James Tannock

The MUA may appoint an alternate Director to act in place of any of the member representatives.

At 30 June 2011, the alternative member representative Director appointed is Laurence Steen.

### Employer representatives (seafaring industry) at 30 June 2011

Michael Coleman\*      SVITZER Australia Pty Ltd - appointed 26 August 2010

Jeffrey Weber      Mermaid Marine Australia Ltd - elected 1 March 2011

\* Appointed by the Company Secretary of Maritime Super Pty Limited on behalf of Participating Employers of the seafaring industry.

## Employer representatives (stevedoring industry) at 30 June 2011

David Owen*	DP World Australia Limited
Donald Telford*	Asciano Limited

The participating employers may appoint an alternate Director to act in place of employer representatives. At 30 June 2011, the alternative employer representative Directors appointed are:

Samuel Kaplan	P&O Automotive and General Stevedores Pty Ltd
Donald Sleath	SVITZER Australia Pty Ltd
Marinos Philippou	Asciano Limited - since 11 March 2011

\* Appointed by Patrick Stevedores Operations Pty Limited and Patrick Stevedores Holdings Pty Limited.

\* Appointed by DP World Australia Limited and P&O Automotive and General Stevedores Pty Limited.

## Independent Directors at 30 June 2011

John Coombs  
John Watts

## Directors who left the Trustee Board during the 2010/11 financial year

Peter Barrow	Farstad Shipping Pty Ltd – resigned 23 July 2010
Michael Clinch	ASP Ship Management Pty Ltd – resigned 1 March 2011
David Parmeter#	Teekay Shipping Company Pty Ltd – resigned 1 March 2011
Steven Ford#	Patrick Auto, Bulk and General Ports – resigned 11 March 2011

# Alternate director.

## Corporate Governance

The Trustee Board is also assisted by the following Board Committees:

- Audit & Risk Committee
- Benefits Committee
- Investment Committee
- Marketing Committee; and
- Remuneration Committee.

Each of these committees has its own charter of responsibilities and reports to the Trustee Board its recommendations for full Board discussion and decision.

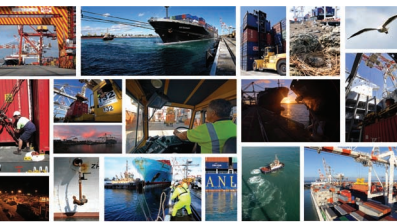
## Professional indemnity insurance

The Trustee has taken out insurance to indemnify the Directors (and other responsible officers) from loss resulting from any claim made against the Trustee for any wrongful act of the Trustee or any other person for whose wrongful act the Trustee is legally responsible. The Directors, however, are not indemnified against fines or penalties imposed by law as a result of negligent or dishonest conduct.

## Fund operations

The Fund's administration, accounting and communication services are provided by Maritime Financial Services Pty Limited (MFS) which is a wholly-owned subsidiary of the Trustee and holds an Australian Financial Services (AFS) Licence (granted by ASIC, No. 241735). As an AFS licensee, MFS has arrangements in place to ensure it complies with its licence obligations.





# Investment performance

## Investments – market overview 2010/11

### Financial year returns strong

The market volatility and the factors that affect it have been closely monitored by the Trustee and our investment advisers over the past 12 months. Despite the extreme market volatility experienced on overseas and local sharemarkets during that period, the returns for members for the 2010/11 financial year were very strong.

The Growth and Balanced options (where most of our members are invested) returned almost double-digit returns for the financial year ending 30 June 2011.

The Growth option returned 9.97% (taxed) and the Balanced option 9.61% (taxed) during this period which saw Maritime Super outperform many other industry and retail funds.

For members who invested in our Conservative, Cash Enhanced and Cash investment options, the returns were also very positive.

### Australian and international shares

While the international sharemarket took some heavy falls over the year due to macroeconomic issues such as sovereign debt concerns (Greece, Spain and Italy in particular) and the economic data from the US suggesting a possible recession, the return for the year on the international shares portfolio was over 12%.

While the Australian economy remains strong on the back of the Chinese demand for our resources, the market continued to suffer through negative sentiment from internal factors. However, again despite all the ups and downs, Maritime Super returned over 12% from its Australian sharemarket exposure.

### Alternatives

The Fund has a widely diversified portfolio and our investments in private equity and other alternatives (such as infrastructure and absolute-return funds) saw significant gains. The returns for the Fund's growth and defensive alternatives were all in the double-digits and were a significant part of the overall financial year performance in the Growth and Balanced options.

### Property

The Fund's direct property investments were solid rather than exceptional due to the prevailing mood of the Australian property market. The Fund was still able to post a return of almost 6% for our investments across the retail and commercial property sectors.

### Fixed interest and cash

Our fixed interest and cash options posted modest returns that are consistent with the prevailing bond market conditions that existed during the year. Short-term interest rates in developed economies remain low, although China and India continue to raise their short-term rates in response to inflationary pressures.



## Allocated Pension and Term Allocated Pension returns

The longer-term average annual net rates of return (after fees and taxes have been deducted) for the investment options<sup>^</sup> in Maritime Super are:

Investment Option	5-year average (% pa)	10-year average (% pa)
Growth	0.51%	4.77%
Balanced	2.37%	5.54%
Conservative	4.38%	N/A
Cash Enhanced	5.56%	N/A
Cash	N/A	N/A
Fixed Term Investment	N/A	N/A

The Fixed Term Investment option was first offered on 1 December 2010 and the Cash investment option on 1 January 2009. Neither investment option has long-term investment performance. Returns for the Fixed Term Investment option for the 12-month term are negotiated at the start of the term. Rates offered to date have ranged between 5.15% and 6.35% (untaxed), but this is not necessarily an indication of the future rates that will be available.

<sup>^</sup> The returns prior to 1 March 2009 are based on the returns of the most closely corresponding Stevedoring Employees Retirement Fund (SERF) or Seafarers Retirement Fund (SRF) investment option for the period:

Growth	→	SERF Growth
Balanced	→	SRF Balanced
Conservative	→	SERF Capital Stable
Cash Enhanced	→	SERF Capital Protected

The SERF Capital Stable and Capital Protected options were not offered before 2003/04 and therefore 10-year average returns are not available.

Past performance is not a reliable indicator of future performance. Up to date investment returns can be obtained from Maritime Super's website at [www.maritimesuper.com.au](http://www.maritimesuper.com.au).

## Allocation of investment returns

Your returns come from earnings on the Fund's investments. After deducting costs and government taxes, investment earnings are allocated to members' accumulation accounts.

For the market-linked investment options, investment earning rates are calculated daily based on daily unit prices. Month-to-date rates are available on Maritime Super's website.

For the Fixed Term Investment option, the investment return is the fixed interest rate that is determined at the start of the term. Returns are added to your account at the end of the term. If you withdraw your investment before the end of the term, the Trustee will determine whether or not some interest is payable and if so, the interest will be added to your account upon withdrawal of your investment.

Please note the following exceptions:

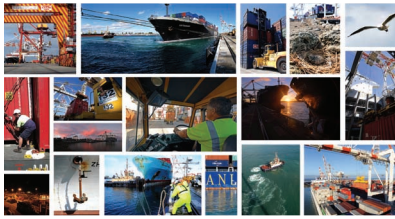
- for defined benefit members, only benefits in the accumulation accounts have investment earnings allocated as noted above.
- allocation of investment returns is not applicable to the defined benefit portion of a member's benefit (i.e. where the benefit is defined by formula) including the Offset account or the Life and Fixed-Term Pension categories of the Seafarers division and the Fixed Term Income category of the Stevedores division of the Fund.

## Monitoring of investment performance

The Trustee and Investment Committee monitor the performance of the Fund's investments at three levels:

1. Maritime Super investment options
2. asset class; and
3. investment manager.

The Trustee and Investment Committee receive monthly updates on monthly, quarterly, financial year-to-date, annual, three-yearly, five-yearly and 'since inception' investment performance, from our appointed principal investment adviser, JANA Investment Advisers.



# Investment objectives and strategies

If you have an accumulation account in Maritime Super or if you are a Maritime Super Allocated Pension, Term Allocated Pension or Working Income Support Pension member, you can choose how your accumulation benefit or pension is invested by selecting from our range of investment options.

Because Maritime Super recognises that everyone has different investment objectives that can change throughout their lifetime, our range of investment options lets you make a choice based on your investment timeframe and the level of risk you are comfortable with.

During the 2010/11 year, Maritime Super offered members the choice of five market-linked investment options and the Fixed Term Investment option, each with their individual investment objective.

To achieve their investment objectives, each market-linked investment option has an investment strategy that determines the mix of 'growth' and 'defensive' assets it can be invested in and, more specifically, asset classes (e.g. shares, property, fixed income, alternatives, private equity, cash enhanced and cash). Each market-linked investment option's asset mix in turn determines its risk and return profile.

To achieve its investment objective, the Fixed Term Investment option uses a panel of investment managers to structure an investment option which provides a predetermined rate of return on investments held for a 12-month term, which in turn determines its risk and return profile.

## What are growth and defensive assets?

**Growth assets** include shares, property and private equity, as well as some alternative assets. They are generally regarded as higher-risk investments as they have the possibility of higher returns over time but with more volatility.

**Defensive assets** (also referred to as 'income assets') include fixed interest, cash deposits and alternatives. These assets often provide an income stream with the repayment of capital on maturity. They are generally regarded as lower-risk investments as they are more likely to provide lower and more stable returns over time.

## What are alternatives and private equity?

**Alternatives** include a wide range of investments which do not fall within other asset classes and include investments in infrastructure such as transport, roads and airports and absolute return funds.

**Private equity** is an investment in a company or enterprise that is not listed on a stock exchange.

## Investment objectives, strategies and risk and return profiles

The investment objective, strategy and risk and return profile for each of the market-linked investment options as at 30 June 2011 and the Fixed Term Investment option are summarised on pages 11-13.

## GROWTH

The Growth option targets to invest approximately 90% in growth assets and 10% in defensive assets.

### Investment objective

To achieve a rate of return that exceeds the return on the Cash investment option by 4% per year over rolling five-year periods.

### Risk vs Return

The Growth option has the strongest emphasis on growth assets with a view to achieving higher returns and therefore carries more investment risk. The value may vary significantly up or down over the short term. However, higher investment returns over longer periods are generally expected.

A negative annual return is anticipated on average two years in every nine years but negative returns may in fact be more or less frequent.

### Investment strategy

Asset mix	Range (%)	Target (%)
<b>Growth assets</b>		
Australian shares	20-50	33
Overseas shares	20-50	32
Property	0-30	14
Private equity	0-30	10
Growth alternatives	0-10	1
<b>Total Growth assets</b>	<b>85-95</b>	<b>90</b>
<b>Defensive assets</b>		
Defensive alternatives	0-10	2
Fixed interest	0-15	5
Cash enhanced	Balance	3
Cash	0-10	0
<b>Total Defensive assets</b>	<b>5-15</b>	<b>10</b>

## BALANCED

The Balanced option targets to invest approximately 70% in growth assets and 30% in defensive assets.

### Investment objective

To achieve a rate of return that exceeds the return on the Cash investment option by 3% per year over rolling five-year periods.

### Risk vs Return

The Balanced option has significant emphasis on growth assets with the aim of achieving higher returns, together with some lower-risk defensive assets to reduce the short-term risks associated with growth assets.

It offers a higher expected long-term return than the Conservative option.

A negative annual return is anticipated on average two years in every ten years but negative returns may in fact be more or less frequent.

### Investment strategy

Asset mix	Range (%)	Target (%)
<b>Growth assets</b>		
Australian shares	10-40	24
Overseas shares	10-40	24
Property	0-30	10
Private equity	0-30	7
Growth alternatives	0-15	5
<b>Total Growth assets</b>	<b>65-75</b>	<b>70</b>
<b>Defensive assets</b>		
Defensive alternatives	0-25	12
Fixed interest	0-20	10
Cash enhanced	Balance	8
Cash	0-10	0
<b>Total Defensive assets</b>	<b>25-35</b>	<b>30</b>

## CONSERVATIVE

The Conservative option targets to invest approximately 30% in growth assets and 70% in defensive assets.

### Investment objective

To achieve a rate of return that exceeds the return on the Cash option by 1.5% per year over rolling five-year periods.

### Risk vs Return

The Conservative option provides a moderate level of short-term security with the potential for some capital growth in the long term.

It offers a lower risk of short-term losses than the Balanced or Growth options but lower expected returns.

A negative annual return is anticipated on average two years in every twenty five years but negative returns may in fact be more or less frequent.

### Investment strategy

Asset mix	Range (%)	Target (%)
<b>Growth assets</b>		
Australian shares	0-20	10
Overseas shares	0-20	10
Property	0-15	7
Private equity	0-10	2
Growth alternatives	0-10	1
<b>Total Growth assets</b>	<b>25-35</b>	<b>30</b>
<b>Defensive assets</b>		
Defensive alternatives	0-20	10
Fixed interest	10-50	20
Cash enhanced	Balance	40
Cash	0-10	0
<b>Total Defensive assets</b>	<b>65-75</b>	<b>70</b>

## CASH ENHANCED

The Cash Enhanced option invests 100% in defensive assets, specifically cash enhanced assets (i.e. money market and short-term fixed interest investments).

### Investment objective

To achieve a rate of return that exceeds the return on the Cash option by 0.25% per year over rolling five-year periods.

### Risk vs Return

The Cash Enhanced option provides long-term security but do not expect any significant growth over inflation. It has a very low risk of short-term losses. A negative annual return is very unlikely.

### Investment strategy

Asset mix	Range (%)	Target (%)
<b>Growth assets</b>		
Australian shares	0	0
Overseas shares	0	0
Property	0	0
Private equity	0	0
Growth alternatives	0	0
<b>Total Growth assets</b>	<b>0</b>	<b>0</b>
<b>Defensive assets</b>		
Defensive alternatives	0	0
Fixed interest	0	0
Cash enhanced	100	100
Cash	0	0
<b>Total Defensive assets</b>	<b>100</b>	<b>100</b>

## CASH

The Cash option invests 100% in defensive assets, specifically cash assets (i.e. a narrow range of short-term money market investments).

### Investment objective

To achieve a rate of return that matches the UBSA Bank Bill Index, less tax and fees, over rolling five-year periods.

### Risk vs Return

The Cash option provides long-term security but do not expect any growth over inflation. It provides the lowest risk of short-term losses among the market-linked options. A negative annual return is very unlikely.

### Investment strategy

Asset mix	Range (%)	Target (%)
<b>Growth assets</b>		
Australian shares	0	0
Overseas shares	0	0
Property	0	0
Private equity	0	0
Growth alternatives	0	0
<b>Total Growth assets</b>	<b>0</b>	<b>0</b>
<b>Defensive assets</b>		
Defensive alternatives	0	0
Fixed interest	0	0
Cash enhanced	0	0
Cash	100	100
<b>Total Defensive assets</b>	<b>100</b>	<b>100</b>

## FIXED TERM INVESTMENT

The Fixed Term Investment option offers a predetermined fixed rate of return for the 12-month term if the investment is held until the end of its term.

### Investment objective

To provide a predetermined interest rate on investments held for a fixed 12-month term.

### Risk and Return profile

The Fixed Term Investment option provides the short-term security of a predetermined interest rate but no capital growth. It is similar to the Cash and Cash Enhanced investment options which are lower risk and provide lower average long-term returns as they invest fully in defensive assets.

As the interest rate is fixed for the term of the investment, investors will not be able to take advantage of any interest rate increases should they rise during the term of the investment. There is little risk of a negative annual return or capital losses.

### Investment strategy

Using a panel of investment managers to structure an investment option that provides a predetermined rate of return on investments held for a fixed term. The option's investments are deposits with Authorised Deposit Taking Institutions (such as banks or credit unions) and investment policies with life insurance companies.



## Where members' super is invested

Maritime Super had approximately \$3.3 billion in net assets under management at 30 June 2011.

Net assets of the Fund were invested in the following major asset classes at 30 June 2010 and 30 June 2011 for each investment option.

### Growth investment option

Asset mix	Actual asset allocation at 30 June 2011	Actual asset allocation at 30 June 2010
<b>Growth assets</b>		
Australian shares	35.0%	31.1%
Overseas shares	32.5%	31.3%
Property	12.1%	16.4%
Private equity	10.2%	13.0%
Other Growth investments	2.9%	1.4%
<b>Defensive assets</b>		
Fixed interest	1.9%	2.2%
Cash enhanced	2.6%	1.7%
Cash	0.3%	0.3%
Other Defensive investments	2.5%	2.6%

### Balanced investment option

Asset mix	Actual asset allocation at 30 June 2011	Actual asset allocation at 30 June 2010
<b>Growth assets</b>		
Australian shares	26.3%	21.9%
Overseas shares	25.9%	23.3%
Property	7.5%	9.4%
Private equity	6.0%	7.7%
Other Growth investments	6.4%	9.9%
<b>Defensive assets</b>		
Fixed interest	8.0%	8.1%
Cash enhanced	7.3%	6.4%
Cash	0.9%	0.9%
Other Defensive investments	11.7%	12.4%



**Conservative investment option**

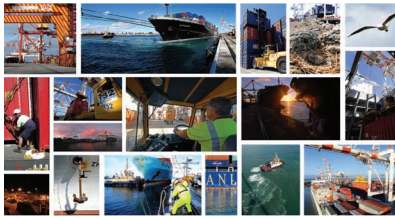
Asset mix	Actual asset allocation at 30 June 2011	Actual asset allocation at 30 June 2010
<b>Growth assets</b>		
Australian shares	10.7%	9.5%
Overseas shares	10.3%	10.3%
Property	3.0%	3.9%
Private equity	3.1%	4.3%
Other Growth investments	3.6%	3.5%
<b>Defensive assets</b>		
Fixed interest	15.8%	19.9%
Cash enhanced	45.0%	40.7%
Cash	0.0%	0.0%
Other Defensive investments	8.5%	7.9%

**Cash Enhanced investment option**

Asset mix	Actual asset allocation at 30 June 2011	Actual asset allocation at 30 June 2010
<b>Growth assets</b>		
Australian shares	0.0%	0.0%
Overseas shares	0.0%	0.0%
Property	0.0%	0.0%
Private equity	0.0%	0.0%
Other Growth investments	0.0%	0.0%
<b>Defensive assets</b>		
Fixed interest	0.0%	0.0%
Cash enhanced	100.0%	100.0%
Cash	0.0%	0.0%
Other Defensive investments	0.0%	0.0%

**Cash investment option**

Asset mix	Actual asset allocation at 30 June 2011	Actual asset allocation at 30 June 2010
<b>Growth assets</b>		
Australian shares	0.0%	0.0%
Overseas shares	0.0%	0.0%
Property	0.0%	0.0%
Private equity	0.0%	0.0%
Other Growth investments	0.0%	0.0%
<b>Defensive assets</b>		
Fixed interest	0.0%	0.0%
Cash enhanced	0.0%	0.0%
Cash	100.0%	100.0%
Other Defensive investments	0.0%	0.0%



# Who manages your investments?

## Investment advisers

The Trustee has appointed JANA Investment Advisers as its principal investment adviser to provide expert advice to the Trustee and management in relation to the Fund's investments.

The Trustee also appoints specialist investment consultants as needed. In particular, Quentin Ayers is contracted to provide advice in relation to certain private market investments.

## Investment managers

The Trustee engages external investment managers with expertise in particular asset classes and across a broad range of investment styles to manage the investment of your super. The Fund's investment managers are monitored by the Trustee and Investment Committee throughout the year based on reporting by JANA Investment Advisers, and the Custodian and investment managers may be added or replaced. A listing of our current investment managers can be provided to you on request. The investment managers managing Maritime Super's assets at 30 June 2011 by asset class were:

Asset class	Investment manager
Australian shares	Contango Asset Management
	Hyperion Asset Management
	Kosmos Asset Management
	Northcape Asset Management*
	Orbis Investment Management
	Tyndall Investment Management*
Overseas shares	BlackRock Investment Management (Australia)**
	Genesis Asset Managers
	IronBridge Capital Management
	Lazard Asset Management
	LSV Asset Management
	T Rowe Price Global Investment Services
Property	AMP Capital Investors
	Calibre Asset Management
	Challenger Managed Investments
	Colonial First State Global Asset Management
	Eureka Funds Management
	Fiduciary Trust Company International
	Queensland Investment Corporation
Private equity	Advent Private Capital
	AMP Capital Investors
	Archer Capital
	Bain Capital Partners
	CHAMP Ventures

Asset class	Investment manager
<b>Private equity (continued)</b>	
	Crescent Capital Partners
	Equity Partners
	Industry Funds Management
	ING Investment Management
	Members Equity Bank
	Pantheon Ventures
	Pacific Equity Partners
	Quay Partners
	Quentin Ayers
	Trust Company of the West
	Technology Venture Partners
	Wilshire Australia
<b>Growth alternatives</b>	
	Apostle Loomis Sayles
	Quentin Ayers
<b>Defensive alternatives</b>	
	ABN AMRO
	Fauchier Partners
	Colonial First State Global Asset Management
	GMO Australia
	Investec Australia Investment Management
	JANA Investment Advisers
<b>Currency</b>	
	State Street Global Advisers
<b>Fixed interest</b>	
	Franklin Templeton Investments Australia
	Industry Funds Management
	PIMCO Australia
	UBS Asset Management
<b>Cash enhanced</b>	
	ABN AMRO Bank
	Macquarie Investment Management**^
	Maritime Mining and Power Credit Union
	Queensland Investment Corporation**^
<b>Cash</b>	
	Macquarie Investment Management**^
<b>Fixed term investments</b>	
	Challenger Life Company
	Maritime Mining and Power Credit Union

There are also direct investments which are managed by Maritime Super Pty Limited (the Trustee) in: Virtual Communities, Members Equity Bank, US Treasury Bonds and a Swap with Goldman Sachs International.

\* The investments held with each of the following investment managers exceeded 5% of the Fund's assets at 30 June 2011: BlackRock Investment Management (Australia), Macquarie Investment Management, Northcape Capital Management, Queensland Investment Corporation, Tyndall Investment Management.

^ The following investments exceeded 5% of the Fund's assets at 30 June 2011: BlackRock Investment Management Portable Alpha Fund, Queensland Investment Corporation Cash Enhanced Fund.

## Custodian

The Trustee has appointed National Australia Bank Limited as its master custodian to hold the Fund's assets.



## Other investment information

### Use of derivatives

The Fund's investment managers may use derivative instruments from time to time for limited purposes. The Trustee has adopted a Derivative Risk Statement setting out the conditions for the use of derivatives by investment managers.

The derivative transactions undertaken by the Fund's investment managers are, principally, share index futures and foreign exchange contracts. Legitimate uses of derivatives by investment managers include hedging to protect the value of the assets against any significant decline in investment markets, the hedging of overseas currency exposures and as a means of making tactical adjustments to their asset allocation while minimising transaction costs. However, the managers are not able to use futures, options or other derivative instruments for high-risk speculative purposes or to gear the assets of the Fund.

While derivatives are used by some of the Fund's investment managers, the Trustee rarely holds derivatives directly. The only derivatives held during 2010/11 related to a 'Swap' arrangement established with Goldman Sachs International as part of a strategy to invest the fixed term income products assets. It does not affect any of Maritime Super's investment options.

At all times during the year, the Fund's derivatives exposure has not exceeded 5% of the total assets of Maritime Super.

### We may update investment options

The Trustee continually monitors our investment options to ensure that the range we offer continues to suit the investment needs of our members. From time to time, we may add, close or terminate investment options, as well as change their objective and strategy (i.e. asset allocation ranges and targets).

You can also visit the Maritime Super website at [www.maritimesuper.com.au](http://www.maritimesuper.com.au) throughout the year for information about our current investment options offered to members, including their objectives and current asset allocation ranges and targets.

### Reserving policy

No investment earnings are credited to an investment reserve for the purpose of smoothing members' investment returns.

# Financials

## Financial statements

To keep you informed about the financial position of your Fund, a summary of Maritime Super's audited financial results for the year ended 30 June 2011 is provided.

Changes in Net Assets		2010/11 (\$'000)
Net assets at 30 June 2010		2,924,122
Plus	Member contributions	28,918
	Employer contributions	236,278
	Investment income*	302,731
	Transfers in	77,668
Less	Benefits paid <sup>†</sup>	223,856
	Administration and other costs	14,482
	Insurance premiums	11,044
	Tax	44,898
Net assets at 30 June 2011		3,275,437

Net Assets		2010/11 (\$'000)	2009/10 (\$'000)
Investment assets		3,261,931	2,899,811
Plus	Other net assets	6,480	4,880
	Tax assets	39,087	47,662
Less	Unpaid benefits and other liabilities	6,575	7,583
	Tax liabilities	25,486	20,648
Net assets at 30 June		3,275,437	2,924,122

\* Net of investment-related fees.

<sup>†</sup> Benefits paid represent the total amount paid out of the Fund to members or their beneficiaries and includes transfers to other super funds. It excludes amounts that have remained in the Fund by transfer to other membership categories.

## Auditor

The 2010/11 financial accounts have been audited by Ernst & Young and their independent auditor's report has been issued. A copy of the audited accounts and auditor's report is available by contacting Member Services on 1800 757 607.

## Reserves

Maritime Super maintains an insurance reserve and operational risk reserve.

### Insurance reserve

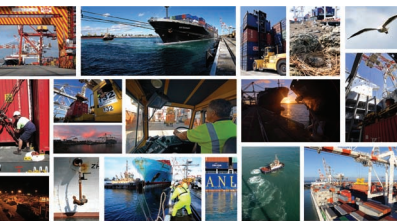
The insurance reserve is maintained for the purpose of managing the death and total and permanent disablement benefits within the Stevedores division (and the Maritime Super division in respect of former SERF members) of the Fund. It is invested in the Balanced investment option.

Financial year	Insurance reserve
2010/11	\$27.0m
2009/10	\$23.0m
2008/09	\$22.8m

### Operational risk reserve

The operational risk reserve is maintained for the purpose of managing the Fund's operational risks. This reserve is invested primarily through the Fund's bank accounts. The Trustee may distribute part of this reserve to members if the reserve balance is above the targeted level. Amounts shown in the table below reflect any such distribution.

Financial year	Operational risk reserve
2010/11	\$19.5m
2009/10	\$17.2m
2008/09	\$15.2m



## Other important information

### Don't get lost

Advising Maritime Super of a change in your postal address is important and is as easy as making a phone call to Member Services on 1800 757 607.

### Lost super

If two items sent to you have been returned to us and we are unable to contact you, you will be classified as a 'lost member'. We will make reasonable efforts to find you first before classifying you as a lost member (for example, by finding you through phone directories and contacting your payroll office).

We will pay lost member accounts less than \$200 and insoluble lost member accounts (i.e. those lost accounts that have been inactive for five years where we hold insufficient details to confirm that you are the account owner) to the Australian Taxation Office (ATO). Otherwise, we will send your details to the 'Lost Members Register' administered by the ATO.

### Unclaimed money

If you are aged 65 years or over, your benefit will be treated as unclaimed money and transferred to the ATO if:

- we have not received a contribution or rollover (or an accrual to your benefit if you are a defined benefit member) in the last two years; and
- we have been unable to contact you for over five years, even though we have made reasonable efforts to make contact with you.

In some instances, the benefits of former temporary residents who have left Australia, the non-member spouse under a payment split, and the benefits following the death of a member, will also be classified as unclaimed monies.

If you wish to claim any unclaimed super money that you have, you need to apply to the ATO (or the Office of State Revenue for unclaimed amounts prior to 1 July 2007). You can visit the ATO's website at [www.ato.gov.au/super](http://www.ato.gov.au/super) or contact the ATO on 13 10 20.

For more information about the ATO's Lost Members Register or how to find your lost super or unclaimed super money, visit the ATO's website at [www.ato.gov.au/super](http://www.ato.gov.au/super) using the 'SuperSeeker' tool or contact them on 13 10 20.

### Super surcharge

The surcharge was an additional income-tested tax which applied between 20 August 1996 and 30 June 2005. In some instances, the ATO may request payment of an outstanding surcharge amount.

The surcharge is applied to the Surcharge Account (of a member of the Seafarers or Maritime Super division) or the Offset Account (of a Permanent (Defined Benefit) member of the Stevedores division), and is applied in reduction of any benefit paid. In the meantime, interest is applied to the Offset or Surcharge account.

Any surcharge tax paid on behalf of a member of the Stevedores division of the Fund to the ATO is deducted from the member's accumulation account(s) (with the exception of members of the Permanent (Defined Benefit) category).

## The importance of providing your tax file number

Providing your tax file number (TFN) to Maritime Super is important. If Maritime Super does not hold your TFN, on the last day of the financial year you may end up paying an additional no-TFN tax at 31.5% on your employer (including salary sacrifice) contributions and personal after-tax contributions claimed as a tax deduction. This tax is in addition to the 15% contributions tax.

However, if you joined SERF prior to 1 July 2007 and these contributions are \$1,000 or less for the applicable financial year, this tax will not be payable.

If we don't have your TFN, we will also be unable to accept your after-tax personal contributions, spouse contributions and Government co-contributions, which will generally be refunded to the contributor within 30 days (subject to permitted adjustments).

## How to provide your tax file number

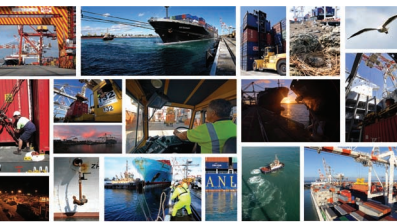
If you have not already provided your TFN to Maritime Super, contact Member Services on 1800 757 607. Alternatively, if you have provided your TFN to your employer after 30 June 2007, your employer is obliged to provide Maritime Super with your TFN when first contributing to the Fund on your behalf.

## What we can do with your tax file number

If you or your employer provides your TFN to us, we will treat it as confidential and use it only for lawful purposes. This includes finding or identifying your super benefits, calculating tax on any super benefit you may be entitled to, and providing information to the Commissioner of Taxation.

We may also disclose your TFN to another super provider when your benefits are being transferred, unless you request Maritime Super in writing that your TFN not be disclosed to any other super provider. These purposes, however, may change in the future due to legislative change. It is not an offence not to quote your TFN.





## Information and services available

### Member services

Member Services staff at Maritime Financial Services Pty Limited are available to provide members with general advice about their super and other benefits of membership with Maritime Super at any time between 8.30 am – 5.30 pm Monday to Friday (AEST) on 1800 757 607.

Maritime Super also conducts member information seminars at various employers, major ports, capital cities and various other locations throughout Australia. We will send you an invitation when a seminar is organised at a location close to you.

### Maritime Super website

Maritime Super's website at [www.maritimesuper.com.au](http://www.maritimesuper.com.au) provides a wealth of information, including:

- about Maritime Super
- the products we offer as well as Member Guides for each membership category
- latest monthly and month-to-date investment returns
- latest super and Fund news
- the 'Education Centre', where you can learn about super and current super rates and thresholds
- information sheets and MaritimeFocus newsletters
- annual reports
- The Gym, which provides a wealth of interactive financial tools and information (including self-paced learning modules, quizzes and activities and useful calculators).

Member Online is a premium online service available to members from the Member Login area of the website and is updated once a week. Using Member Online, members can:

- view their account balance
- view their transactions
- request a change to their investment options
- view their level of insurance cover
- view the beneficiaries they have nominated.

You would have received your password access in writing. If you have lost or forgotten your password, call Member Services for assistance.

### Financial planning advice

As a member of Maritime Super, you have access to expert financial planning advice through our arrangement with Industry Funds Financial Planning (IFFP).

Maritime Super's affiliated financial planners offer professional, reliable retirement solutions and are based in our Sydney, Melbourne, Fremantle offices and Brisbane. Unlike most other financial planners, our affiliated financial planners are paid by salary so you can be assured that they are here specifically to help you and your family.

The first visit to the financial planner is free to members. During this meeting, your planner will discuss your financial objectives and what type of advice you may require. All advice is provided on a fee-for-service basis, which is agreed to in advance before any personal advice is given. The price is fixed upfront, so you know how much the advice will cost and there are no hidden fees. To arrange an appointment, contact Member Services on 1800 757 607.

## Information on request

You can also request the following Fund documents, should they interest you:

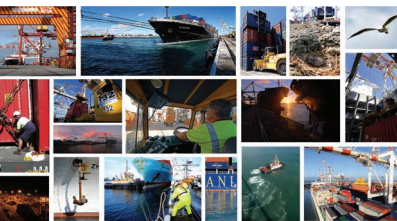
- the Fund's trust deed
- audited accounts and the auditor's report (an abridged version of the audited annual accounts appears in the Annual Report);
- insurance policies which apply to Fund members
- the Fund's Risk Management Plan
- the latest Actuarial reports and any subsequent written advice by the actuary which is relevant to the overall financial condition of the Fund or the entitlements of members
- Maritime Super's Privacy Policy

You can also request any information you reasonably require to understand the financial condition and management of the Fund.

We may charge you a fee if your request for information is either time-consuming or difficult to provide.

## Obtaining information about the Fund

It is important to remember that you should only rely on information about the Fund from those authorised to give it. The staff at Maritime Financial Services Pty Limited and our affiliated financial planners are authorised to provide information about the Fund and your membership. You should not rely on information provided by anyone else, as they may not be appropriately authorised, qualified or up to date on Fund rules and procedures.



# Complaints

## Complaints

If you have a complaint, you can be assured that we will deal with it as quickly as possible.

If there is some aspect of the operation of the Fund with respect to your super that you are not satisfied with, then you are entitled to make a complaint. A simple phone call to one of our Member Services staff is usually enough to sort out most matters. Clearly state the problem and how you would like it resolved. Your call may be recorded so there will be a record of the conversation for future reference.

## To register your complaint

### Internal complaints procedure

If you feel we did not resolve your concerns over the phone or you are not satisfied with our response, please set out the details of the problem in a letter (or a fax or email) and send it to the Complaints Officer at the following address:

Maritime Super  
Locked Bag 2001  
QVB Post Office NSW 1230

Once received, the Complaints Officer will ensure that your complaint is dealt with fairly and promptly. You should expect to receive an acknowledgement of your complaint within a week and a decision within 45 days. Some complaints may take a little longer to resolve, for example, a complaint in relation to a death claim; however, we are required to deal with all complaints within 90 days.

### External complaints procedure

If you are still not satisfied with our response to your complaint or the outcome, you may be able to take the matter through the external dispute resolution process. The external complaints procedure to follow will depend on the nature of your complaint, as detailed below.

#### Trustee decisions

If the complaint is about a Trustee decision or conduct which you think is unfair or unreasonable, you may then contact the Superannuation Complaints Tribunal at:

Superannuation Complaints Tribunal (SCT)  
Locked Bag 3060  
Melbourne VIC 3001  
Phone: 1300 884 114  
Email: [info@sct.gov.au](mailto:info@sct.gov.au)

The Tribunal is an independent body set up by the Government to assist members and beneficiaries to resolve certain types of complaints about fund trustees. If you do not first make a complaint through the internal complaints procedure, the SCT may not be able to deal with your complaint.

#### Operational matters and product advice

If the complaint concerns an operational matter (administration or communication) or relates to information or general financial product advice you have received from Member Services, you should contact Maritime Financial Services' appointed external dispute resolution service:

Financial Ombudsman Service (FOS)  
GPO Box 3  
Melbourne VIC 3001  
Phone: 1300 780 808  
Email: [info@fos.org.au](mailto:info@fos.org.au)

FOS will only assist with your complaint if you have already been through the internal complaints procedure.

## How to contact Maritime Super

### MEMBER SERVICES

Toll free: 1800 757 607

Monday to Friday 8.30 am to 5.30 pm (AEST)

### WEBSITE

[www.maritimesuper.com.au](http://www.maritimesuper.com.au)

### EMAIL

[info@maritimesuper.com.au](mailto:info@maritimesuper.com.au)

### POST

Maritime Super  
Locked Bag 2001  
QVB Post Office NSW 1230

### FAX

(02) 9261 3683  
(03) 9686 0377

### IN PERSON

Level 16  
31 Market Street  
Sydney NSW 2000

OR

Level 4  
6 Riverside Quay  
Southbank VIC 3006