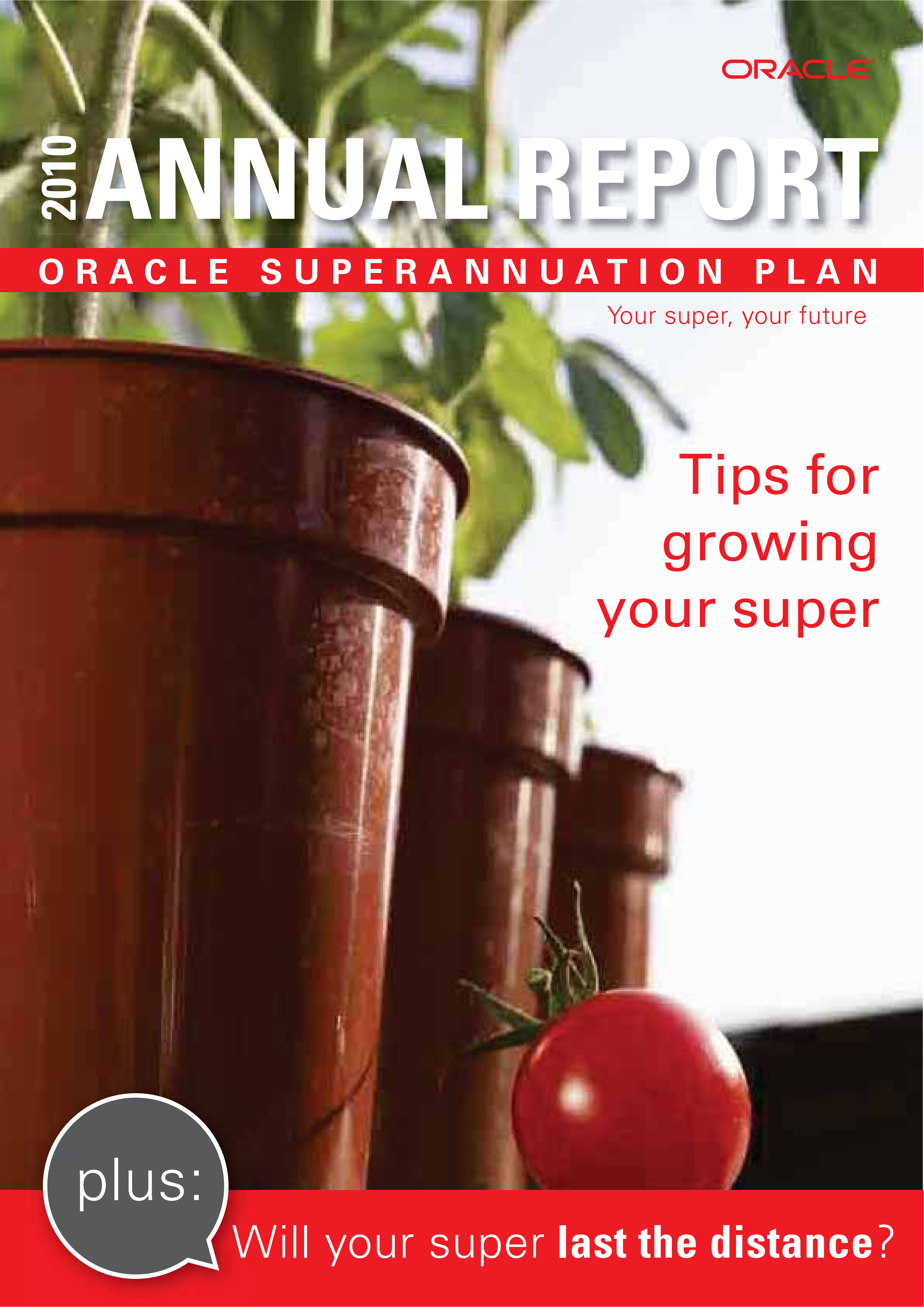


ORACLE

2010 ANNUAL REPORT

ORACLE SUPERANNUATION PLAN

Your super, your future

Tips for growing your super

plus:

Will your super **last the distance**?

features:

regular:

Product Disclosure Statement (PDS)

This is the *Annual Report* for the Oracle Superannuation Plan (ABN 17 608 890 083) for the year to 31 May 2010. It forms part of the PDS for the Plan, along with the Plan's member booklet, *Your Super, Your Plan* and the Supplementary Product Disclosure Statement dated 13 May 2010.

This Report is issued by Towers Watson Superannuation Pty Ltd (ABN 56 098 527 256, AFSL 236049) as Trustee of the Plan. It updates you on the Plan's performance over the past year and provides information on how your Plan is managed.

The information in this publication is general information only and does not take into account your particular objectives, financial circumstances or needs. It is not personal or tax advice. Any examples included are for illustration only and are not intended to be recommendations or preferred courses of action. You should consider obtaining professional advice about your particular circumstances before making any financial or investment decisions based on the information contained in this document.

Your superannuation is money for your future. Taking an active interest in your super gives you more confidence about the years ahead.

Welcome to the *Annual Report* for members of the Oracle Superannuation Plan for the year to 31 May 2010. Highlights of the year include:

- Positive returns for all the Plan's investment options due to a recovery in investment markets. However, markets continue to be volatile.
- As a result of Oracle acquiring Sun Microsystems, 421 new members joined the Plan from 1 March 2010.
- An election for member representatives on the Plan's Policy Committee was completed in May. Paul Davidson and Wesley Kowalski were re-elected and Justin Glen and James Morris were elected as new Committee members. A warm welcome to the new representatives and thanks to the outgoing representatives Peter Iredale and Wayne Parry for their contribution to the Plan.
- In September 2009, the Plan appointed a new insurer and the voluntary insurance cover for death and total and permanent disablement was improved. The amount of voluntary and spouse insurance cover provided for each unit was increased. Full details are in the Plan's member booklet, *Your Super, Your Plan* which can be downloaded from the *MySuper* website.

Taking steps to grow your super puts you well on the way to enjoying a comfortable lifestyle in retirement. On pages 3 to 4, we outline some simple strategies to help give your super a boost.

And on pages 11 to 12 you can read about how to plan for retirement and ensure that you have enough super to let you enjoy a comfortable retirement.

As Trustee of the Plan, our role is to manage the Plan for your benefit. See the back cover for details on how to contact us or obtain further information.

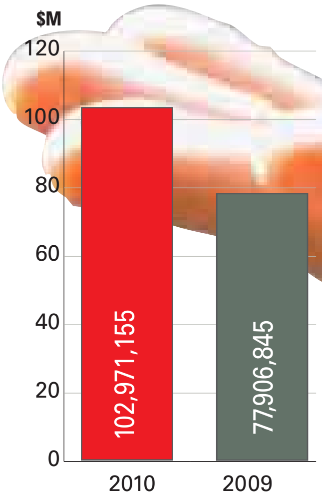
Investment returns
for period ending 31 May 2010

On the MySuper website at http://mysuper.towerswatson.com/oracle there is a range of resources to help you manage your super. Why not take a look?

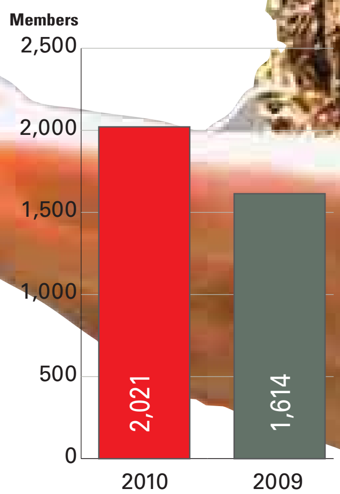
Note: The returns shown are after tax and investment fees have been deducted and are the rates applied to the accounts of employed and spouse members. For Retained Benefit members, the rates applied to your accounts are the rates shown above, reduced by an administration fee of 0.65% per year. (This fee was 0.50% per year before 1 November 2009.) Past performance is not necessarily a reliable indicator of future performance.

* The Cash option was introduced from 1 April 2009. The return shown is the average annual return since inception.

Plan assets
At 31 May



Membership
At 31 May



FEATURE

Tips for **growing** your super

It's easy to neglect your super. However, by taking a few easy steps now, you can help give your super a boost for the future. And, the sooner you act the sooner your money can start working for you. This article tells you how to access some of the Plan's features to get the most out of your super.

Consider making contributions, no matter how small

By contributing to your super, you help your savings to grow. Due to the effect of compounding, the longer you contribute, the more you are likely to save. The Plan allows you to contribute from either your before-tax or after-tax salary. It's easy to make regular contributions out of your pay.

Contributions from your before-tax salary (also known as salary sacrifice contributions and concessional contributions) may be a tax-effective way to build retirement savings. These contributions may reduce the amount of income tax you pay.

Or, if you contribute from your after-tax salary, you may be eligible to receive a payment to your super account from the Government. Read page 4 for more details on the co-contribution scheme and how this works.

Just remember that the Government has limits to how much can be put into super each year at concessional tax rates. These are explained on page 14.

To arrange contributions, complete a *Super Options form* available from the Plan's *MySuper* website at **http://mysuper.towerswatson.com/oracle**.

Simplify multiple super accounts

We know it's easy to end up with small amounts of super in lots of different funds. Each time you change jobs, you potentially add another fund to what may be a growing collection. Did you know you can transfer all this super into the Plan? It doesn't take much to simplify your super arrangements and it may save you from paying extra fees.

To roll your super into the Plan, you need to complete a *Rollover form* available from the Plan's *MySuper* website at **http://mysuper.towerswatson.com/oracle**. Before you do, just check if your other funds charge you any fees to do this or whether you have important extra benefits such as insurance that might be lost if you change funds. See page 18 for the fee that is deducted from rollovers into the Plan.

Track down your lost super

Maybe you've changed address at some stage and your super fund has lost contact with you. If so, your old super fund has probably notified the Australian Taxation Office (ATO). The ATO has a database of "lost" superannuation and can assist you to reclaim it.

You can do this by contacting the ATO on 13 28 65 or by visiting **www.ato.gov.au** and conducting an online search using the *SuperSeeker* tool. It's easy to do and you only need your name, date of birth and Tax File Number.

If you are listed, the ATO will tell you where the account is and you can then make contact and arrange to roll it into the Plan.

Putting together an action plan

Under age 30

✓ Consider making regular contributions from your pay. You will benefit from compounding returns over a long time frame and maximise your retirement savings. You might also qualify for a co-contribution from the Government.

✓ Avoid paying multiple fees on your super by rolling over super you have elsewhere into the Plan.

Age 30-50

✓ Check how your super savings are going by reviewing your *Benefit Statement*. Would you benefit from making salary sacrifice contributions or do you qualify for the Government co-contribution?

✓ Is contributing for your spouse worthwhile? If your spouse is on a lower income, you may qualify for a tax rebate. Read the Plan's member booklet, *Your Super, Your Plan* available from the Plan's *MySuper* website at **http://mysuper.towerswatson.com/oracle** for more information.

✓ Been putting off consolidating your super? Consider doing it now and potentially avoid paying fees to multiple funds and let the money you've saved accumulate in the Plan for your retirement.

Over age 50

✓ It's time to step up your savings plan. Can you contribute more? Check the Government's contributions limits to avoid paying extra tax.

✓ Do you have a retirement budget? See page 11 for details.

Qualify for a Government co-contribution?

The Government will pay up to $1,000 into your superannuation account if you are eligible.

So how do you get it? You need to make up to $1,000 of after-tax contributions to super during the year. If you earn less than $31,920 a year, you may qualify for the full amount. The Government matches your contributions dollar for dollar up to a maximum of $1,000. The amount paid progressively reduces for higher incomes and phases out at $61,920 a year.

In deciding whether you qualify, your "income" is your total assessable income plus reportable fringe benefits and any salary sacrifice contributions you make. It may also include certain other employer contributions. Other eligibility conditions also apply.

The ATO pays the amount into your account automatically after the end of the financial year.

To make or change your after-tax contributions, complete a *Super Options form* available from the Plan's *MySuper* website at **http://mysuper.towerswatson.com/oracle**.

Your Plan at a glance

Your Plan has lots of great features:

- If eligible, Oracle pays for standard death and total and permanent disablement insurance in the Plan, covering you and your family against the unexpected;
- There are five different investment options available, so you can choose the option (or combination of options) that best meets your needs;
- Oracle generally pays the Plan's administration fees for you while you are employed by Oracle, leaving you more money for your retirement;
- You can make voluntary contributions either from your before-tax or after-tax salary to help grow your super;
- You can roll over super from other funds into this Plan and consolidate your super;
- You can choose to contribute to super for your spouse or split your own before-tax contributions with your spouse; and
- If you leave employment, your super can stay in the Plan and continue in your chosen investment option, provided your account balance is more than $10,000.

Your super returns

About your returns

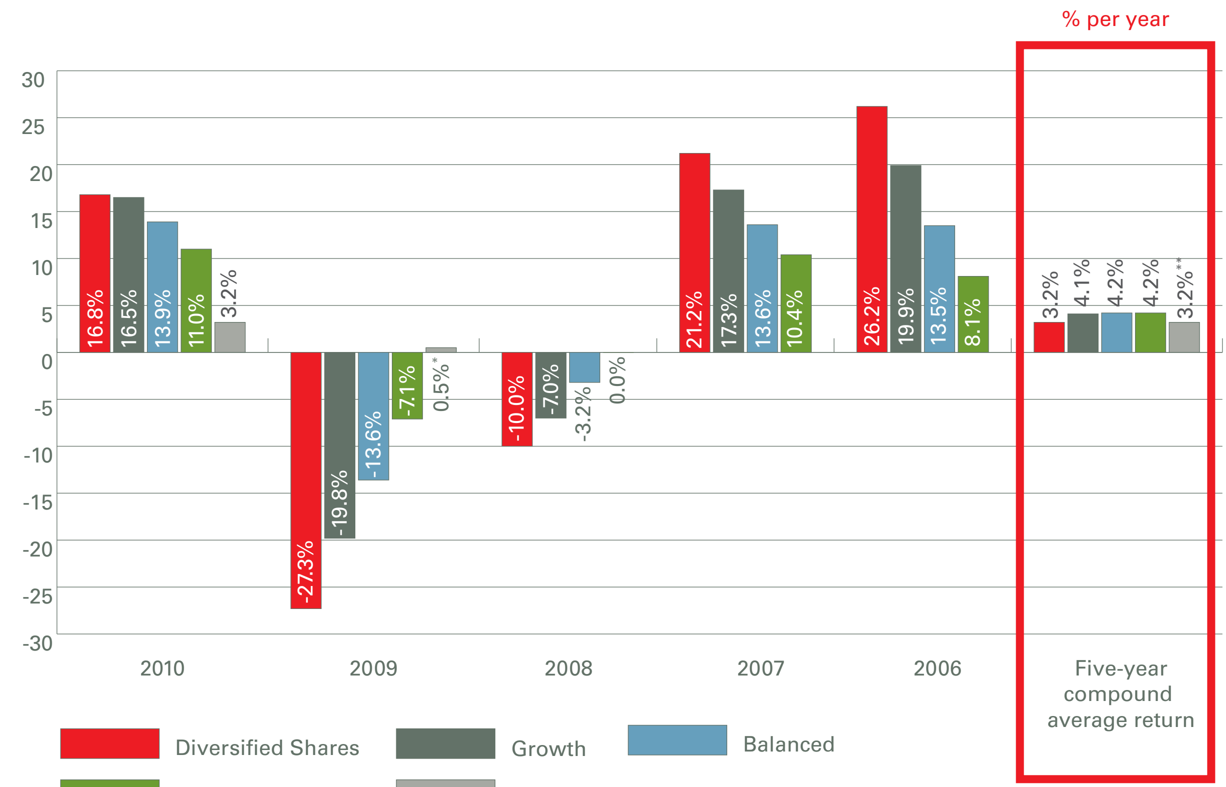
- The return is the amount that your money earns.
- Positive returns increase your money while negative returns decrease your money.

What rate of return do I receive?

Your accounts receive the actual investment return for your chosen options after allowing for tax, investment fees and, if applicable, administration fees.

Investment returns are calculated each year. If your super needs to be paid out before investment earnings have been applied, an interim earning rate will be used. This will cover the period from the previous annual review date until the date your benefit is paid. An interim rate may also be used if you switch investment options.

The interim rate is set by the Trustee based on the Plan's estimated monthly net investment returns, pro-rated if calculated during the month. When net investment returns are not available, a calculation is made using a suitable market index for each asset class or the cash rate if index returns are not available.



Note: The returns shown are after tax and investment fees have been deducted and are the rates applied to the accounts of employed and spouse members. For Retained Benefit members, the rates applied to your accounts are the rates shown above, reduced by an administration fee of 0.65% per year. (This fee was 0.50% per year before 1 November 2009.)

* The Cash option was introduced on 1 April 2009. The 2009 return is for the two months from 1 April to 31 May 2009.

** The return shown is the average annual return since inception.

Returns are for periods to 31 May.

Past performance is not necessarily a reliable indicator of future performance.

How you invest your super matters. If you haven't made a choice, your super is in the Growth option. Is this right for you? See pages 9 to 10 to learn more about your investment choices.

Did you know?

As super is generally a long-term investment, the returns over a longer term, such as five years, may be a better indicator of how your super is performing. Your returns are shown here and on your *Benefit Statement*. The website at **http://mysuper.towerswatson.com/oracle** also has recent returns.

How your super is invested

Your investment choice

- The Plan has a menu of five different investment options for you to choose how your super is invested. See pages 9 to 10 for details.
- If you don't choose an option, your super is invested in the Growth option. This is the default option.

Did you know?

Most investments can be categorised as either return-seeking assets or income assets.

Return-seeking assets generally offer higher expected returns than other assets over periods of five years or more. They also usually carry a higher investment risk and investment returns can be significantly negative on occasions.

Income assets are lower-risk investments as returns are less likely to be negative. However, they also generally provide lower expected returns over the long term.

- **Return-seeking assets** include shares, alternative assets and property.
- **Income assets** include cash deposits and fixed interest investments, such as Government bonds and corporate debt.

Investment objectives

Investment objectives are specific goals that the Trustee sets for the performance of the Plan and each investment option. They are not intended as forecasts or guarantees of future investment returns.

Generally, the Trustee aims to:

- Invest the Plan's assets prudently as permitted by the Trust Deed and by superannuation law;
- Invest across a diverse range of assets;
- Ensure that the Plan is able to make benefit payments to members when they are due; and
- Monitor the performance of the Plan's investment managers to ensure they exercise integrity, prudence and professional skill in fulfilling the investment tasks delegated to them.

See pages 9 to 10, for the specific investment objectives for each option.

Investment strategy

An investment strategy is the plan the Trustee follows to achieve the objectives of an investment option. Each investment option has its own investment strategy. For details of each option's investment strategy, see pages 9 to 10.

Investment managers

The Trustee appoints professional investment managers to manage the Plan's investments. These managers and their products may be changed from time to time without prior notice to, or consent from, members.

In May 2010, the Trustee decided to replace the Fund of Hedge Fund manager, Warakirri Asset Management Pty Ltd. Assets previously invested with Warakirri will be invested in K2 Advisors Diversity Fund Ltd managed by K2/D&S Management Co., LLC. This change will take place gradually and is expected to be completed by December 2010.

As a result of the merger between Barclays Global Investors (BGI) and BlackRock, the Plan's BGI investments are now named as BlackRock.

Other investment information

Derivatives

Part of the Plan's assets (approximately 17.5% of each investment option except the Diversified Shares and Cash options as at 31 May 2010) is invested in a Fund of Hedge Funds managed by Warakirri (to be replaced by K2/D&S from December 2010) and a structured beta fund, the Bridgewater All Weather Fund. The underlying managers for these investments may make use of derivatives to assist in achieving their objectives. The managers do not hold uncovered derivatives.

The Plan's other investment managers only use derivatives for risk-control purposes or to more efficiently shift asset allocations.

Legislation requires the investment managers to adopt a Derivatives Risk Statement. This Statement outlines the controls that are in place to protect against the improper use of derivatives.

Socially responsible investments

Superannuation legislation requires the Trustee to report whether it has taken into account social, ethical or environmental considerations, or labour standards when selecting, retaining or realising the Plan's investments. When the Plan's investment managers were selected, the Trustee did not consider whether the managers took these factors into account.

Reserves

The Trustee does not maintain investment reserves. All net investment returns are distributed to members though a small portion may, from time to time, be transferred to an operational reserve to faciliate the efficient operation of the Plan. There is a small Company reserve which will be used over time to finance certain Plan expenses and manage cash flows. The level of the reserves over the past three years is shown below:

As at 31 May	$	% of Plan assets
2010	380,429	0.37%
2009	292,891	0.37%
2008	258,215	0.31%

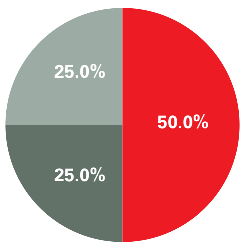
The Plan's investment options

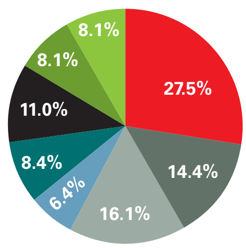
The table below shows the investment options available to members of the Plan.

	Diversified Shares	Growth
What are the investment objectives for this option?	• To achieve a return (after tax and investment fees) that is at least **4.0% per year** more than movements in the Consumer Price Index (CPI) over moving five-year periods. • To avoid more than one negative annual return every **four years**.	• To achieve a return (after tax and investment fees) that is at least **3.5% per year** more than movements in the CPI over moving five-year periods. • To avoid more than one negative annual return every **five years**.
What investment strategy does this option use?	To invest 100% in shares, with about half in Australian shares and half in international shares.	To invest about 85% in return-seeking investments and about 15% in income investments.
Who manages the option's assets?	**At 31 May 2010** • GMO Australia Limited (Australian Equities Unit Trust) • Schroder Investment Management Australia Ltd (Australian Equities PST) • BlackRock Investment Management (Australia) Limited (BlackRock) (BlackRock Fission International Equity Index Fund [Unhedged]) • BlackRock (BlackRock Wholesale Indexed International Equity Fund [Unhedged]) • State Street Global Advisors (SSgA) (International Equities Index Trust [Hedged])	**At 31 May 2010** • GMO Australia Limited (Australian Equities Unit Trust) • Schroder Investment Management Australia Ltd (Australian Equities PST) • Warakirri Asset Management Pty Ltd (Fund of Hedge Funds) • Bridgewater Associates Inc (All Weather Fund) • Deutsche Australia Asset Management (RREEF Global Property Securities Fund) • BlackRock Investment Management (Australia) Limited (BlackRock) (BlackRock Fission International Equity Index Fund [Unhedged]) • BlackRock (BlackRock Wholesale Indexed International Equity Fund [Unhedged]) • State Street Global Advisors (SSgA) (International Equities Index Trust [Hedged]) • SSgA (Australian Fixed Interest Trust) • SSgA (International Fixed Interest [Hedged] Trust)

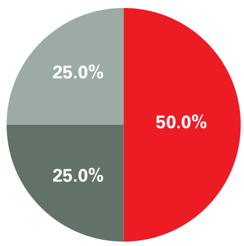
How is the option invested?

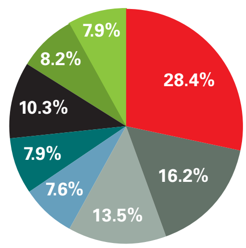
31 May 2010





31 May 2009





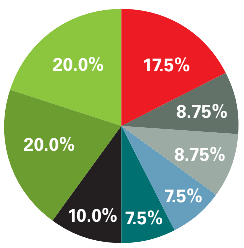
Balanced

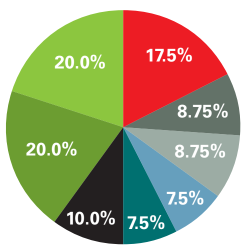
- To achieve a return (after tax and investment fees) that is at least **3.0% per year** more than movements in the CPI over moving five-year periods.
- To avoid more than one negative annual return every **eight years**.

To invest about 60% in return-seeking investments and about 40% in income investments.

At 31 May 2010

- GMO Australia Limited (Australian Equities Unit Trust)
- Schroder Investment Management Australia Ltd (Australian Equities PST)
- Warakirri Asset Management Pty Ltd (Fund of Hedge Funds)
- Bridgewater Associates Inc (All Weather Fund)
- Deutsche Australia Asset Management (RREEF Global Property Securities Fund)
- BlackRock Investment Management (Australia) Limited (BlackRock) (BlackRock Fission International Equity Index Fund [Unhedged])
- BlackRock (BlackRock Wholesale Indexed International Equity Fund [Unhedged])
- State Street Global Advisors (SSgA) (International Equities Index Trust [Hedged])
- SSgA (Australian Fixed Interest Trust)
- SSgA (International Fixed Interest [Hedged] Trust)





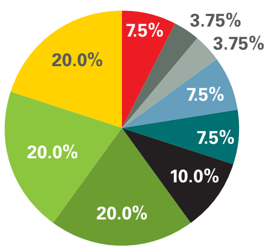
Stable

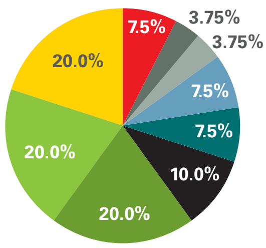
- To achieve a return (after tax and investment fees) that is at least **2.5% per year** more than movements in the CPI over moving five-year periods.
- To avoid more than one negative annual return every **12 years**.

To invest about 40% in return-seeking investments and about 60% in income investments.

At 31 May 2010

- GMO Australia Limited (Australian Equities Unit Trust)
- Schroder Investment Management Australia Ltd (Australian Equities PST)
- Warakirri Asset Management Pty Ltd (Fund of Hedge Funds)
- Bridgewater Associates Inc (All Weather Fund)
- Deutsche Australia Asset Management (RREEF Global Property Securities Fund)
- BlackRock Investment Management (Australia) Limited (BlackRock) (BlackRock Fission International Equity Index Fund [Unhedged])
- BlackRock (BlackRock Wholesale Indexed International Equity Fund [Unhedged])
- State Street Global Advisors (SSgA) (International Equities Index Trust [Hedged])
- SSgA (Australian Fixed Interest Trust)
- SSgA (International Fixed Interest [Hedged] Trust)
- SSgA (Australian Cash Trust)





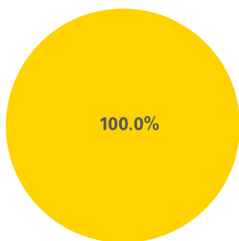
Cash

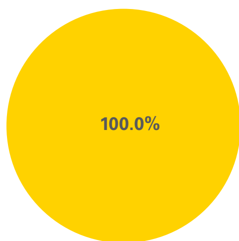
- To achieve a return (after tax and investment fees) that is at least **1.5% per year** more than movements in the CPI over moving three-year periods.
- To avoid negative returns over moving one-year periods.

To invest 100% in short-term interest bearing assets (e.g. cash).

At 31 May 2010

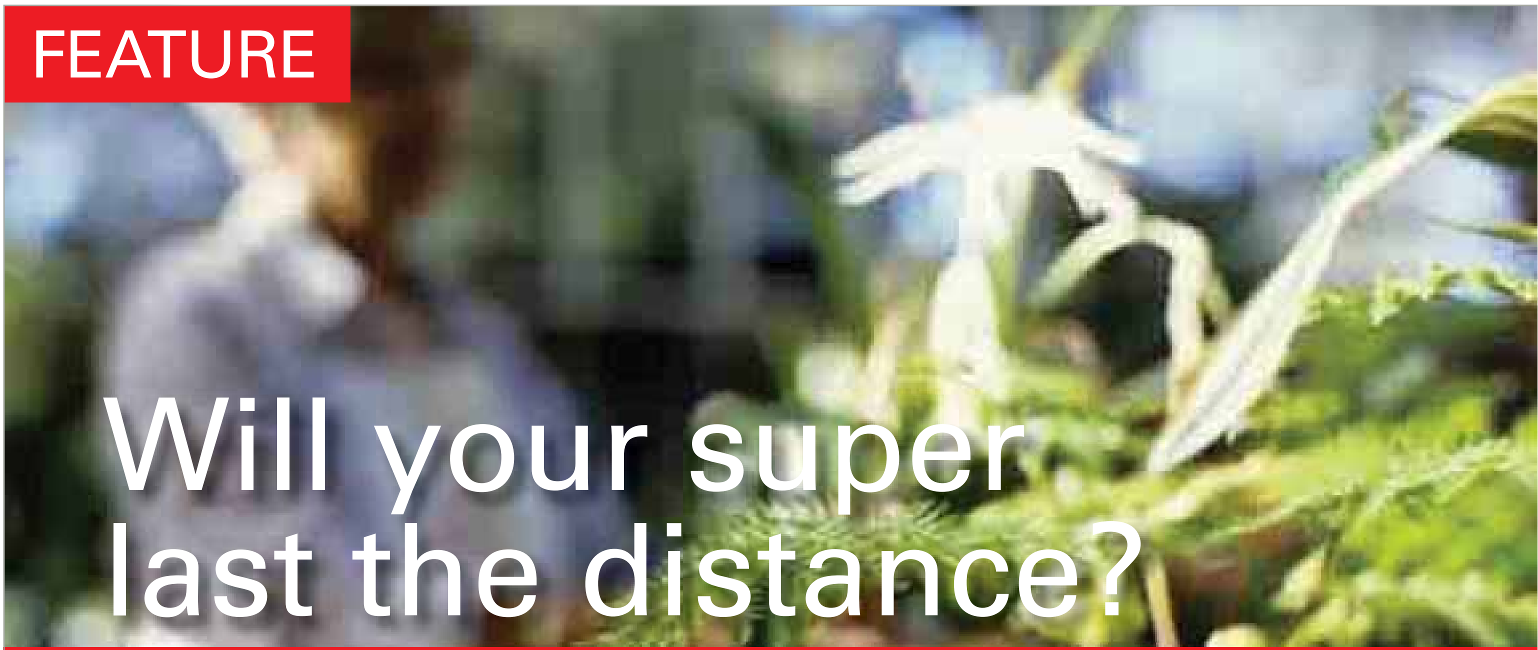
- State Street Global Advisors (Australian Cash Trust)





Australian shares
International shares (Hedged)
International shares (Unhedged)
Hedge funds
Global listed property (Hedged)
Structured beta funds
Australian fixed interest
International fixed interest (Hedged)
Cash

FEATURE



Will your super last the distance?

Once you've retired, your earning capacity decreases, for some people quite dramatically. This means you may need to rely more heavily on your retirement savings. In the past, people looked to the age pension to provide retirement income. But as our population ages there will be fewer working taxpayers to fund the age pension.

Australians are also living longer. If you are looking forward to retiring at age 60, on average, you can expect to live another 22 years[1] if you're a man and 26 years[1] if you're a woman. If you're healthy, you may live much longer than that. That's good news, but will your retirement savings be enough to enable you to live out the rest of your life in comfort?

As you consider these issues, you'll see that saving for retirement may require some more planning than you'd previously thought. Here are some tips to get you started.

Set a savings goal

Begin by working out how much money you are likely to need. You can also revisit your goal from time to time, and update it if necessary.

Current research[2] shows that a retired couple who own their own home will need a budget of at least $53,565 a year to maintain a "comfortable" lifestyle in retirement. If you're single, you'll need $39,159 a year. A comfortable lifestyle is one that lets you afford a wide range of household goods and electronic equipment, private health insurance, good clothes and a reasonable car, the occasional overseas holiday and be involved in a broad range of leisure activities.

Visit www.fido.gov.au for a calculator you can use to estimate how long your super will last.

Your goal is to help your super grow as much as possible before you retire and last for as long as possible afterwards.

Use the Plan's features and benefits to your advantage

You have access to a wide range of features and benefits, simply by being a Plan member. Do you take full advantage of these features and benefits, or just rely on the Plan's default investment option?

If you are in the latter category, you may not be making the most of the opportunities that are available to you for growing your super. The Plan's default option is not a recommendation; it is simply a fall-back position nominated by the Trustee for members who don't make an investment choice.

Your personal circumstances are unique to you; only you can decide what's best for your situation unless you seek assistance from a licensed adviser.

Remember, every little bit helps, things like making voluntary contributions, ensuring all of your super is rolled into one fund, making an informed investment choice that suits your situation, or checking to see whether you would benefit from making spouse contributions or contribution splitting, to name a few.

To find out more about the features and benefits available to you, visit the Plan's website at **http://mysuper.towerswatson.com/oracle**. While you're there, download and read the member booklet, *Your Super, Your Plan*.

Looking for sound financial advice?

If you need advice about your super, you can speak to a licensed financial adviser. By taking into account your individual circumstances, they can provide options that are right for you.

Towers Watson Australia Pty Ltd has arrangements in place to help you with your financial planning. If you are in Melbourne and would like to speak with a Towers Watson financial planner based in Melbourne, contact Susan Rio on (03) 9655 5222.

If you are in Sydney, another capital city or elsewhere in Australia, you can contact ipac securities (ABN 30 008 587 595) to provide financial planning services. You can contact ipac on 1800 080 494.

The Financial Planning Association (FPA) is also available to help you find a financial planner by referring you to one in your area. FPA can be contacted on 1300 626 393 or via their website at www.fpa.asn.au.

Consider the points below when looking for a financial adviser:

- Make sure the financial adviser or planner holds an Australian Financial Services Licence (AFSL), which is provided by ASIC, the Government regulator. To check if they are licensed, visit ASIC's consumer website, FIDO (www.fido.asic.gov.au) or phone ASIC's Infoline on 1300 300 630.
- Ask them to send you their Financial Services Guide, which they must produce by law. Don't be afraid to speak with different financial advisers to see what suits you and to check if the services offered suit your needs.
- Check out their qualifications and accreditations, and just as important, their practical work experience.
- Find out how they structure their costs. Do they rely on the commissions from the products they sell to you, or do they charge a flat fee or a rate per hour?
- Do they have restrictions in the products that they can sell and recommend to you?

Learn some investment basics

Learning some investment basics can really help you understand how investment markets work and how the Plan's investment options are structured. In this way, you will be able to make a more informed investment choice for your super. You may even feel more confident about taking on more investment risk.

The Trustee has made learning about investments easy. For the basics, take the time to read through the section covering investment choice in the member booklet, *Your Super, Your Plan*. As well as having a better understanding of how investing works, you'll also gain new insights into the investment performance information provided in this Report and your *Benefit Statement*.

Seek professional advice

Your future financial security is at stake. That's why making the effort to speak to a licensed financial adviser about your savings goals and how best to get there makes sense.

See above for some tips on how to go about finding an adviser near you.

So now you know what to do, why not get started? If you have any general questions about your super or the Plan, contact the Plan Administrator (see the back cover for contact details).

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Source:

[1] Australian Life Tables 2005-07, Australian Government Actuary, Available from www.aga.gov.au/publications.

[2] Westpac-ASFA Retirement Standard, The Association of Superannuation Funds of Australia Ltd, March Quarter 2009.

The Government may pay up to $1,000 into your super if you qualify for the co-contribution. See page 4 to learn more.

How super is taxed

Super taxes include:

- Contributions tax;
- Tax on investment earnings;
- Tax on benefits, although your super payout is generally tax free after age 60; and
- Tax if you exceed annual limits or caps on the amount of contributions made to your super.

Did you know?

Concessional contributions include contributions made by your employer plus any amounts they contribute to pay insurance premiums or management expenses. Oracle pays approximately 0.5% of your salary plus $350 per member to cover insurance costs and management expenses. These amounts are concessional contributions and count towards your concessional contributions cap. Concessional contributions also include any contributions you make from your before-tax salary (by salary sacrifice).

Contributions you make from your after-tax salary are an example of non-concessional contributions. Others include contributions made for you by your spouse and excess concessional contributions.

How are my contributions taxed?

When concessional contributions are paid into the Plan, a contributions tax of 15% applies. If the Plan does not have your Tax File Number, this tax increases to the top marginal personal tax rate plus 1.5%.

Non concessional contributions are not taxed when they are paid into the Plan if they are less than the non-concessional contribution cap (see below for details).

How are investment earnings taxed in the Plan?

Investment earnings are generally taxed at the rate of 15%. This rate reduces if deductions and imputation credits are available to the Plan's investment managers.

How is my super benefit taxed?

The tax payable on benefits depends on a number of factors, including:

- The type of benefit being paid (retirement, disability or death);
- Who receives the benefit;
- Whether you were an Australian citizen or permanent resident when the benefit was paid. Higher tax applies to benefits paid to temporary residents who permanently leave Australia; and
- How you receive the benefit (e.g. lump sum amount or pension) and your age.

If you are age 60 or over, generally all lump sum payments and pensions paid to you from a taxed super Plan (such as this Plan) will be tax free.

Limits on contributions

The Government has set limits or caps on the amount that can be contributed to super each year before extra tax applies.

	Concessional contributions	Non-concessional contributions
What is the annual limit?	$25,000 if under age 50 $50,000 if age 50* or over	$150,000**
How much tax applies if I exceed the limit?	46.5% (including the 15% contributions tax)	46.5%
What tax applies if my contributions are within the cap?	15% contributions tax	Nil

* The Government proposes this limit will remain in place from 1 July 2012, provided your account balance is less than $500,000. Under current law, this cap was due to drop to $25,000 per year for all members from that date.

** Members under age 65 can bring forward two years of caps to make total contributions of up to $450,000 over three years.

If you exceed the limits, the ATO will forward you a tax assessment. For excess concessional contributions, you can either pay the extra tax directly to the ATO or arrange for it to be debited from your benefit. For excess non-concessional contributions, the extra tax must be paid from your super fund.

Oracle provides generous insurance through the Plan for death and total and permanent disablement for eligible members. Check your Benefit Statement *for details of your current level of cover. You may be able to top up this cover. Refer to* Your Super, Your Plan *for details.*

Fees and other costs

Did you know?

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

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

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

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission (ASIC) website (www.fido.asic.gov.au) has a superannuation fee calculator to help you check out different fee options.

The above wording is required to be shown by law. The Plan does not negotiate in relation to the fees and costs it charges.

Fees and other costs

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the Plan assets as a whole. Taxes and insurance costs are set out in the notes overleaf. The fees shown are effective from 1 November 2010.

You should read all of the information about fees and costs because it is important to understand their impact on your investment.

Type of fee or cost	Amount	How and when paid
Fees when your money moves in or out of the Plan		
Establishment fee: The fee to open your investment.	Nil	Not applicable.
Contribution fee: The fee on each amount contributed to your investment – either by you or your employer.	Nil	Not applicable.
Withdrawal fee: The fee on each amount you take out of your investment.	$126.50	By a deduction from each withdrawal or each contribution split with your spouse at the time of payment.
Termination fee: The fee to close your investment.	$126.50	By a deduction from the benefit payment amount at the time of payment.
Management costs		
The fees and costs for managing your investment.	**All active employee members**: Nil as the cost is met by Oracle. **Retained Benefit members:** Fee of 0.65% per year.	**All active employee members:** Not applicable. **Retained Benefit members:** Fees are deducted from investment earnings monthly before they are applied to the accounts of Retained Benefit members.
The amount you pay for specific investment options.	**Diversified Shares:** 0.35% – 0.45% per year ($3.50 – $4.50 per $1,000) **Growth:** 0.35% – 0.50% per year ($3.50 – $5.00 per $1,000) **Balanced:** 0.35% – 0.45% per year ($3.50 – $4.50 per $1,000) **Stable:** 0.30% – 0.40% per year ($3.00 – $4.00 per $1,000) **Cash:** 0.1% per year ($1.00 per $1,000)	Deducted from investment earnings monthly before they are applied to accounts.
Service fees[1]		
Investment switching fee: The fee for changing investment options.	$63.00 excluding switches on 1 December each year	Deducted from your account balance when the investment switch is made.

[1] Details of other service fees are described in the "Additional explanation of fees and costs" section on the following pages.

Additional explanation of fees and costs

1. Buy-sell spread

This is a fee charged by the Plan to reflect any costs charged by the investment managers when you change investment options.

It is deducted from your account balance when you change investment options (based on the option you transfer into) and is therefore an additional cost to you.

The fee for each of the Plan's investment options is a percentage of your account balance as set out below:

- Diversified Shares – 0.49% ($4.90 per $1,000)
- Growth – 0.37% ($3.70 per $1,000)
- Balanced – 0.30% ($3.00 per $1,000)
- Stable – 0.20% ($2.00 per $1,000)
- Cash – Nil

2. Management costs

These costs include administration, consulting, audit, legal and other fees incurred by the Plan.

The fees shown in the table on page 16 are gross of tax.

Any management costs not covered by deductions from your accounts (as set out in the table on page 16) are paid by Oracle directly.

If your total account balance is less than $1,000, the Plan will ensure that these expenses do not exceed the investment earnings applied to your accounts. This is designed to protect small account balances from erosion by fees. Please note that this protection does not apply to any other fees, taxes or insurance premiums deducted from your accounts.

3. Investment fees

The investment fees shown in the table on page 16 are deducted from the investment returns earned by each option before they are applied to your accounts. This means that the returns shown on page 6 of this *Annual Report* have been reduced by these fees and taxes.

Tax is deducted from the Plan's investment earnings at the rate of 15%, less any applicable deductions and allowing for any imputation credits available to the investment managers or the Plan.

The investment costs include performance fees for the Mesirow Alternative Strategies Fund (via Warakirri Asset Management) which are calculated as 10% of returns above 8% per year. For example, if the investment return for the year was 12%, the performance fee would be 10% x 4% = 0.4% ($4 per $1,000).

When the Plan completes its replacement of the Mesirow Alternative Strategies Fund, the Plan's investment costs will include performance fees for the K2 Advisors Diversity Fund Ltd which are currently anticipated to be calculated as 15% of returns in excess of the UBSA Bank Bill index + 1% p.a.

4. Taxes and insurance premiums

The following taxes and premiums are deducted from your accounts in the Plan:

- **An insurance premium of $5 per month** for every additional unit of voluntary death and disablement insurance cover you have is deducted from your Company Account within the Plan. The premium is **$3 per unit per month for spouse members** (for death only cover). The amount of additional insurance cover for each unit of insurance depends on your age and the number of units you buy. A copy of the age-based scale is included in the member booklet, *Your Super, Your Plan* which is available from the Plan Administrator, or on the *MySuper* website.
- **Contributions tax at the rate of 15%** from Company contributions and any salary sacrifice contributions (collectively known as concessional contributions) to your accounts. Any deductions available to the Plan, such as expenses and insurance premiums, may reduce the amount of tax deducted.
- **Excess contributions tax** if your contributions exceed the concessional or non-concessional contributions caps and you request to have the excess tax deducted from your benefit.
- **Additional tax if you have not provided your Tax File Number** to the Plan by the end of the Plan's financial year.
- **Any surcharge** assessed by the Australian Taxation Office as being applicable to you. This is deducted from your accounts when the assessment is received by the Plan. The surcharge was abolished with effect from 1 July 2005. However, assessments may still be received for you for previous years.

The Plan is able to claim **a tax deduction** for various expenses and insurance premiums it pays. The benefit of this deduction may be passed on to you. See your latest *Annual Benefit Statement* for details.

5. Other service fees

A rollover fee of $126.50 is deducted each time you roll over any super from other funds into the Plan during the year. This fee is deducted from your Rollover Account when your rollover is received.

A contribution splitting fee of $126.50 is deducted each time you split your super contributions with your spouse. This fee is deducted from your Company Account when your splitting application is approved by the Trustee.

If you, or your spouse, require information on your benefit in relation to a **Family Law matter**, a fee of **$320** will be charged for each date at which information is required. You, or your spouse, are required to pay this fee at the time of any request for information – it is not deducted from your accounts.

In addition, if your super is split under a Family Law agreement or Court Order, fees will apply for the splitting of your super and the payment of an amount to your former spouse. The fees are:

- **Establishment of a base amount** and payment to your spouse: **$257**. These fees are normally shared evenly between you and your former spouse. The fees may be paid by you and your spouse by cheque, or otherwise will be deducted from the applicable benefit; and
- **Annual maintenance fee** (non-member spouse): **$88**.

All fees include GST where applicable.

6. Fee changes

Some of the fees are dependent on the fees charged by the Plan's service providers. Some of these fees may be indexed annually (e.g. in line with increases in Average Weekly Ordinary Time Earnings); others depend on the services provided to the Plan each year. The Trustee reserves the right to increase the fees without your consent if necessary in order to manage the Plan. You will be given at least 30 days' notice of any fee increases.

The fees shown are effective from 1 November 2010.

Details of the fees that applied to you for the year ending 31 May 2010 are shown on your *Annual Benefit Statement*.

The fees charged may depend on your employment status or category of membership in the Plan. If you change categories, you will be advised of any changes to the fees that apply to you.

Further details of the fees and taxes paid by the Plan can be found in the Plan's Financial Statements. A summary is included on page 22, or a copy can be obtained from the Plan Administrator (see the back cover for contact details).

Example of annual fees and costs for the default investment option

The table below gives an example of how the fees and costs in the default (Growth) investment option for this product can affect your superannuation investment over a one-year period. You should use this table to compare this product with other superannuation products. The default investment option for this product has an 85% weighting to return-seeking (growth) assets (shares and property). You should check other products' weighting to return-seeking assets when making comparisons. Please note, different fees apply to Retained Benefit members (see page 16).

Example – the Growth option		Balance of $50,000 with total contributions of $5,000 during year
Contribution fees	Nil	For every $5,000 you put in, you will be charged nil.
PLUS Management costs	0.35% – 0.50% per year	**And**, for every $50,000 you have in the Plan you will be charged **$175 – $250** each year.
EQUALS Cost of fund		If you put in $5,000 during a year and your balance was $50,000, then for that year you will be charged fees of **$175 – $250***. **What it costs you will depend on the investment option you choose and the fees you negotiate with your fund or financial adviser.**

* Additional fees may apply:

Establishment fee – nil.
And, if you withdraw an amount before leaving the Plan, you will be charged a **withdrawal fee of $126.50** for every withdrawal, regardless of the amount.
And, when you finally leave the Plan, you will also be charged a **termination fee of $126.50**, regardless of the amount.

Other information

Here you can find out about:

- Management of the Plan;
- Arrangements when you leave the Plan; and
- The procedure for enquiries and complaints.

How your Plan is managed

The Trustee

A Trustee company, Towers Watson Superannuation Pty Ltd (ABN 56 098 527 256, AFSL 236049) is responsible for managing the Plan. They have been approved and licensed to act as a Trustee by the Australian Prudential Regulation Authority (APRA), the main regulator of super funds in Australia.

Towers Watson Superannuation Pty Ltd is a subsidiary of Towers Watson Australia Pty Ltd (ABN 45 002 415 349, AFSL 229921), who also acts as Administrator (via an outsourced arrangement), consultant and secretary to the Plan. See under "Advisers to the Plan" on page 20 for more information.

In January 2010, Watson Wyatt and Towers Perrin merged to form Towers Watson. On 13 May 2010, the name of the Trustee changed from Watson Wyatt Superannuation Pty Ltd to Towers Watson Superannuation Pty Ltd.

Policy Committee

A Policy Committee ensures that the interests of members and the Company are represented in the management of the Plan. The Committee comprises eight members, with half appointed by the Company and half elected periodically by members.

The next Policy Committee election will be held in March 2013.

At 31 May 2010, members of the Policy Committee were:

Company-appointed	Member-elected
Gareth Hunt	Paul Davidson
Robyn Merchant	Justin Glen
Brett Reeves	Wesley Kowalski
Ian White	James Morris

An election for member representatives was conducted in March 2010. Peter Iredale and Wayne Parry resigned as member representatives and were replaced by newly elected representatives Justin Glen and James Morris. Paul Davidson and Wesley Kowalski were re-elected.

Did you know?

If you don't provide the Plan Administrator with payment instructions within 180 days of leaving the Plan, your benefit may be rolled into an Eligible Rollover Fund if it is less than $10,000. Read page 21 for more details.

Indemnity insurance

The Trustee is currently covered by a Trustee Professional Indemnity insurance policy that protects the Plan's assets from a legal liability to the extent allowed by law and the policy conditions.

Advisers to the Plan

The following organisations provide specialist services to the Trustee.

Consultant	Towers Watson Australia Pty Ltd*
Administrator	Towers Watson Australia Pty Ltd* (outsourced to IBM SuperLife Services Pty Limited, ABN 31 116 067 602, AFSL 296317) ("SuperLife")
Investment consultant	Towers Watson Australia Pty Ltd*
Auditor	Deloitte Touche Tohmatsu
Insurer	National Mutual Life Association of Australasia Limited (AXA)

* Watson Wyatt Australia Pty Ltd, changed its name to Towers Watson Australia Pty Ltd on 13 May 2010.

Arrangements when you leave the Plan

When you leave Oracle, or if you choose another fund for your future Employer contributions, your super will be transferred to the Plan's Retained Benefit section and will remain invested in the same investment option(s) for up to 180 days. Fees apply in the Retained Benefit section (see page 16). During this period, you will be contacted by the Plan Administrator and asked how you want to receive your benefit.

If you exercise Choice of Fund (i.e. choose another superannuation fund for future Employer contributions), your death and total and permanent disablement insurance cover will cease. There is no option to continue this insurance if you exercise Choice of Fund.

If you do not give the Plan Administrator instructions within 180 days of receiving details of your benefit (or if your chosen fund does not accept your benefit) the Trustee may roll over your benefit to an Eligible Rollover Fund (ERF) if it is less than $10,000. The ERF is:

The Administrator
Colonial SuperTrace
Approved Eligible Rollover Fund
Locked Bag 5429
Parramatta NSW 2124
Phone: 1300 788 750

Once your benefit is transferred to the ERF, you stop being a member of the Plan and no longer have any rights under the Plan. You will then need to contact the ERF directly about your benefit. You can also obtain the ERF's Product Disclosure Statement using the contact details above.

The investment and crediting rate policy of the ERF may be different to those that applied in the Plan. Also, the ERF may not offer any insurance cover. You should seek advice from a licensed financial adviser about whether the ERF is a suitable investment for you.

Establishing proof of identity

Before you withdraw a benefit from the Plan, you may need to establish your identity by providing certified copies of certain documents. The Trustee may also need to obtain additional identification information and to verify your identity from time to time.

In some cases, the Trustee may have to disclose information about you to the Australian Transaction Reports and Analysis Centre (AUSTRAC), the regulator of this legislation. Due to the sensitive nature of the information, the Trustee is not permitted to inform you if this happens.

Enquiries and complaints

When you first have an enquiry or complaint, you should contact the Plan Administrator (see the back cover for contact details). Privacy-related enquiries should also be directed to the Plan Administrator.

The Trustee has a formal process for reviewing enquiries and complaints if you are not satisfied with the response you receive. To make a formal enquiry or complaint, please obtain an *Enquiry or Complaint form* from Human Resources. The Trustee will respond to you within 90 days.

If you are not happy with the Trustee's handling of your enquiry or complaint, you may then contact the Superannuation Complaints Tribunal. The Tribunal is an independent body set up by the Federal Government to deal with certain enquiries or complaints that the Trustee has not dealt with to your satisfaction. You can contact the Tribunal on **1300 884 114** or by email to **info@sct.gov.au**.

There are some complaints that the Tribunal cannot consider such as those relating to the management of the Plan as a whole. Time limits also apply to certain complaints relating to total and permanent disability claims and to complaints about objections to the payment of death benefits. If your complaint is in relation to one of these areas, please contact the Plan Administrator or refer to the Tribunal's website on **www.sct.gov.au** as soon as possible for further information.

For privacy-related matters, the Federal Privacy Commissioner may review your complaint. You can contact the Privacy Commissioner on **1300 363 992**.

The Plan's financials

Here is a summary of the Plan's unaudited financial accounts for the year to 31 May 2010. The audit is expected to be finalised by the end of September 2010. The audited financial accounts and auditor's report will be available on request from the Plan Administrator on (02) 9374 3958 after that date.

Change in net assets during the year		$
Net assets at the beginning of the year		77,906,845
Plus income	Contributions	20,193,133
	Rollovers	1,541,937
	Net investment income	13,371,448
	Other	92,024
Less outgoings	Benefit payments	(5,903,690)
	Insurance premiums	(797,338)
	Tax due	(3,281,090)
	Superannuation surcharge	(1,621)
	Expenses and charges	(150,493)
Net assets at the end of the year		**102,971,155**

Net assets at the end of the year		2010	2009
Investments	GMO Australia Limited (Australian Equities Unit Trust)	14,613,772	11,117,394
	Schroder Investment Management Australia Ltd (Australian Equities PST)	14,961,915	12,115,481
	Deutsche Australia Asset Management (RREEF Global Property Securities Fund)	6,706,557	4,920,740
	SSgA (Australian Cash Trust)	2,503,411	1,686,549
	SSgA (Australian Fixed Interest Trust)	8,578,886	6,665,520
	SSgA (International Fixed Interest [Hedged] Trust)	8,587,360	6,534,486
	SSgA (International Equities Index Trust [Hedged])	15,058,667	12,557,355
	Warakirri Asset Management Pty Ltd (Fund of Hedge Funds)	5,472,871	4,754,329
	BlackRock (Fission International Equity Index Fund)	10,769,952	9,962,376
	BlackRock (Wholesale Indexed International Equity Fund)	5,435,628	1,250,991
	Bridgewater Associates Inc (All Weather Fund)	8,831,382	6,444,694
Current assets		4,024,013	4,082,712
Current liabilities	Benefits payable	(1,270,103)	(3,612,821)
	Taxation payable	(1,178,720)	(514,808)
	Other	(124,436)	(58,153)
Net assets at the end of the year		**102,971,155**	**77,906,845**

Current assets include amounts in the Plan's bank account. All contributions due at 31 May 2010 have now been paid to the Plan.

Did you know?

Other information is available if you are interested. This includes information about your benefits such as your choices for contributions, and investments and insurance levels. Refer to your member booklet, *Your Super, Your Plan*. Members, former members and their dependants are also able to request copies of the Trust Deed, Risk Management Plan and audited accounts.

How to contact us

General enquiries and complaints:

The Plan Administrator
Oracle Superannuation Plan

GPO Box 4346 Sydney NSW 2001

(02) 9374 3958 (02) 9372 6595

http://mysuper.towerswatson.com/oracle

You can also contact:
Human Resources
Oracle Corporation Australia Pty Ltd

4 Julius Avenue North Ryde NSW 2113

(02) 9491 1188

The Trustee:

The Plan Trustee
Oracle Superannuation Plan
Towers Watson Superannuation Pty Ltd

GPO Box 468 Sydney NSW 2001

(02) 9253 3333 (02) 9253 3199

Issued by Towers Watson Superannuation Pty Ltd (ABN 56 098 527 256, AFSL 236049), as Trustee of the Oracle Superannuation Plan (ABN 17 608 890 083). 10 September 2010.