

13 August 2014

Private & Confidential

[member title] [member given name] [member surname]

[address line 1]

[address line 2]

[suburb] [state] [postcode]

Dear [member title] [member surname]

Important changes to your contribution fee arrangement

Product: ARC [product]

Member Number: [fund number/member number]

We are writing to you about important changes to the payment of contribution fees in your ARC [product] account.

Currently, a deferred contribution fee of up to 5.1% is charged on each contribution and/or rollover allocated to your account. This deferred contribution fee is currently payable in three equal instalments on the first, second and third anniversary of the contribution or rollover.

From 1 October 2014, contribution fees will no longer be able to be deferred in this manner and an upfront contribution fee will only be available. This means that an upfront contribution fee of [regular contribution fee rate]% for contributions and [single contribution fee rate]% for rollovers will be fully deducted at the time a contribution or rollover is allocated to your account.

Why do I have a deferred contribution fee arrangement?

You or your employer sponsor (if you initially joined ARC under a corporate plan) chose the deferred contribution fee arrangement when you joined the product.

Why the change?

The Trustee regularly reviews its products to ensure they continue to meet members' needs and future expectations. In doing this, the Trustee has decided that it's in the interests of members to discontinue the deferred contribution fee arrangement and provide a simpler and less costly upfront contribution fee.

[if total outstanding fees >0 then insert the below paragraph]

So, how will this work?

On 30 September 2014, we will:

1. Deduct \$[total outstanding fees] from your account. This amount equals your total outstanding deferred contribution fees for contributions and/or rollovers allocated on or before 16 July 2014; and
2. Rebate \$[rebate amount] to your account. The rebate represents the difference between the outstanding deferred contribution fees and the proportion of the upfront contribution fees that would have been payable had an upfront contribution fee arrangement been in place.

For examples on how the deduction and rebate will be calculated, please go to our website www.arcmt.com.au/arc and look for the 'Contribution Fee Examples' document under the PDS/Documents/Forms page or call us on 1300 209 088 for a copy.

The deduction and rebate amounts were calculated on 16 July 2014. Any fees for contributions and/or rollovers allocated between this date and 1 October 2014 are not included in the above figures. The final deduction and rebate amounts will be confirmed on your annual member benefit statement for the period ending 30 September 2014, which you will receive in January 2015.

It is important to note that there will be no change to deferred contribution fees that have already been paid.

[if total outstanding fees = 0 then insert the below paragraph]

So, how will this work?

From 1 October 2014, contribution fees may no longer be deferred and an upfront contribution fee will be fully deducted at the time a contribution or rollover is allocated to your account.

If we receive any contributions or rollovers into your account before 1 October 2014, we will:

1. Deduct the total outstanding deferred contribution fees for these contributions and/or rollovers; and
2. Rebate the difference between the deferred contribution fees and the upfront contribution fees that would have been payable had an upfront contribution fee arrangement been in place.

For examples on how the deduction and rebate will be calculated, please go to our website www.arcmt.com.au/arc and look for the 'Contribution Fee Examples' document under the PDS/Documents/Forms page or call us on 1300 209 088 for a copy.

Any deduction and rebate amounts will be confirmed on your annual member benefit statement for the period ending 30 September 2014, which you will receive in January 2015.

It is important to note that there will be no change to deferred contribution fees that have already been paid.

Here to help

For more information, please call us on 1300 209 088, Monday to Friday between 8.30am – 5.30pm (AEST/AEDT). Alternatively, email us at customerservice@tal.com.au quoting your Member Number [\[fund number\]](#)/[\[member number\]](#).

Yours sincerely



Brett Clark
CEO – TAL Life
TAL Life Limited