



30 April 2021

Dear Member

Important information about your allocated pension

Trustee: TAL Superannuation Limited
Fund Name: TAL Superannuation and Insurance Fund
Product Name: TOWER Superannuation Fund Allocated Pension
Policy Number:

We're writing to inform you that your TOWER Superannuation Fund Allocated Pension account is scheduled to be transferred from the TAL Super Fund to the Mercer Super Trust on 31 May 2021. On 1 June 2021 you'll become a member of the Allocated Pension Division of the Mercer Super Trust.

There are a number of pre-conditions that still need to be satisfied in order for the transfer to take place. If we encounter any delays in making the transfer, we will let you know through a notice on the TAL Super Fund's website – www.tal.com.au/tasl

However, if for some reason these conditions cannot be met and the transfer does not proceed as contemplated, then we will write to you to let you know and what we are intending to do next.

The purpose of this significant event notice is to give you information about the transfer.

Why is this happening?

The super, pension and insurance arrangements offered to members of the TAL Super Fund have recently been reviewed and we have determined that it is in the best interests of members for their benefits to be transferred to another fund.

Following a detailed review, a decision has now been made to transfer members to the Mercer Super Trust. The Mercer Super Trust is a larger fund and likely to provide benefits of scale and deliver better retirement outcomes for members over the long term.

TAL Superannuation Limited

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How will my allocated pension be transferred?

Your allocated pension account will be transferred to the Allocated Pension Division of the Mercer Super Trust by a successor fund transfer. This transfer will mean that your membership of the TAL Super Fund will end, and you'll become a member of the Mercer Super Trust.

A successor fund transfer involves the transfer of members of one super fund to another super fund without those members needing to provide consent. Before making the transfer the trustees of both the transferring fund and the receiving fund need to be satisfied the transferring members will have equivalent rights in respect of their benefits following the transfer.

Do I need to do anything to transfer my allocated pension?

No.

Provided all transfer pre-conditions are met, the transfer will happen automatically on 31 May 2021.

Will there be any changes to my pension payments?

Yes.

After the transfer, pension payments will still be made on a monthly basis however the date for payment will change from the 1st of the month to the 15th of the month starting from July.

This means you will still receive your pension payment for June on 1st June, but your next payment will be made on 15th July and on the 15th of each month after that.

What communications will I receive?

After the transfer, you'll receive a new product disclosure statement for the Allocated Pension Division that will apply to your membership with the Mercer Super Trust.

You'll also receive:

- an exit statement confirming that your account in the TAL Super Fund has been cancelled and your pension has been transferred; and
- a welcome letter from the trustee of the Mercer Super Trust, which will include your new member number.

Will I need to let Mercer know about the reversionary pensioner or beneficiaries I've already nominated?

Any existing nomination of a reversionary pensioner will be transferred to your new Allocated Pension Division account with Mercer. Reversionary details cannot be altered once established.

Any existing nominations of beneficiaries will be automatically transferred to your new Allocated Pension Division account. However, any binding beneficiary nominations will revert to non-binding nominations at the time of the transfer. You will need to contact Mercer after the transfer date should you wish to make a further binding nomination.

If you'd like to review or change your nominated beneficiaries before the transfer, please call us on 1300 108 749. Your request must be received by 25 May 2021.

Do I have options if I don't want my allocated pension transferred to Mercer?

Yes.

If you don't want your allocated pension transferred to the Mercer Super Trust, you can ask us before 25 May 2021 to either:

- roll over your account balance to another super fund; or
- close your account and pay you your benefit.

We strongly recommend you speak to your financial adviser about other retirement income options which might be appropriate to your personal circumstances if you don't want your allocated pension transferred.

Your investment options

Will my allocated pension still be invested in the same investment options after the transfer?

No.

However, your investments will be transferred across to the investment option(s) in the Mercer Super Trust that most closely match your existing investment option(s).

The TAL Super Fund investment options and equivalent Mercer investment options are in the table below.

TAL investment option name	Mercer investment option name
TAL Cash	Mercer Cash
TAL Australian Shares	Mercer Australian Shares
TAL Conservative	Mercer Conservative Growth
TAL Performance	Mercer Enhanced Passive Growth

There may be some differences in asset allocations, risk profiles and investment objectives, so take the time to review the Allocated Pension Division of the Mercer Super Trust product disclosure statement you'll receive to make sure that the investment option(s) your super has been transferred to still match your personal circumstances.

Will I have new investment options to choose from after the transfer?

Yes.

You'll have access to a larger range of investment options. You can read more about these in the Allocated Pension Division of the Mercer Super Trust product disclosure statement you'll receive.

Before making any investment decisions both before and after the transfer of your pension to the Mercer Super Trust, we strongly recommend you obtain appropriate professional financial advice.

Fees

How much will my new fees be?

There will be no exit fees or transaction costs charged as a result of the transfer.

However, after the transfer, a dollar-based administration fee of \$7.64 per month (\$91.68 per year) will be charged to your account in the Allocated Pension Division of the Mercer Super Trust.

The other fees you'll pay will depend on your account balance and the investment options in which you're invested. The Allocated Pension Division of the Mercer Super Trust product disclosure statement has detailed information about the fees that apply to the different investment options. However, below are some comparisons of the annual fees you pay in the TAL Super Fund before transfer and the annual fees you will pay in the Allocated Pension Division of the Mercer Super Trust after the transfer.

Cash

Type of fee	TAL Cash	Mercer Cash
Investment fee	0.05%	0.10%
Administration fee	0.60% pa	0.39% pa on the first \$350,000 of account balance
Trustee expense allowance	Nil	0.058% pa
Buy-sell spread	Nil	Nil
Switching fee	Nil	Nil
Indirect cost ratio	Nil	0.03%

Australian Shares

Type of fee	TAL Australian Shares	Mercer Australian Shares
Investment fee	0.20%	0.45%
Administration fee	1.20% pa	0.39% pa on the first \$350,000 of account balance
Trustee expense allowance	Nil	0.058% pa
Buy-sell spread	Nil	Nil
Switching fee	Nil	Nil
Indirect cost ratio	Nil	0.32%

Conservative

Type of fee	TAL Conservative	Mercer Conservative Growth
Investment fee	0.20%	0.28%
Administration fee	1.20% pa	0.39% pa on the first \$350,000 of account balance
Trustee expense allowance	Nil	0.058% pa
Buy-sell spread	Nil	Nil
Switching fee	Nil	Nil
Indirect cost ratio	Nil	0.27%

Performance/Growth

Type of fee	TAL Performance	Mercer Enhanced Passive Growth
Investment fee	0.20%	0.24%
Administration fee	1.20% pa	0.39% pa on the first \$350,000 of account balance
Trustee expense allowance	Nil	0.058% pa
Buy-sell spread	Nil	Nil
Switching fee	Nil	Nil
Indirect cost ratio	Nil	0.10%

Third-party authorities

Which third-party authorities will Mercer recognise in relation to my account?

Powers of Attorney and Guardianship Orders which have been given in connection to your allocated pension account and which are current at the date of the transfer will continue to be recognised.

If you have other third-party authorities in place, which allow another person to access information about your allocated pension account, or to give instructions in relation to your allocated pension account, these will no longer apply once your super is transferred to your new allocated pension account. You will need to contact Mercer after the transfer date to discuss whether any similar authorities can be arranged.

Minimum annual payments

How will my minimum annual drawdown amount be calculated after the transfer?

As minimum annual drawdown amounts are calculated on 1 July each year, both your age and your account balance with Mercer on 1 July 2021 will determine your minimum annual payment. Mercer will write to you in July to advise you of the minimum value you are required to drawdown from your account for the upcoming year.

There'll continue to be no maximum annual drawdown amount.

Suspended processing period

What if I want to make changes to my account before the transfer?

Transferring super benefits from one fund to another is a complex process, so there'll be a freeze on processing transactions. This means that we'll need to receive any requests to update your account details or to process transactions by **25 May 2021**. The freeze will end on **16 June 2021**.

If you need to make any urgent changes during this period, please contact:

- us on 1300 108 749 or by email at customerservice@tal.com.au up till the transfer on 31 May 2021; or
- Mercer on 1800 682 525 from 1 June 2021.

Who's involved in the transfer?

We've included a table below to help you understand the terms used in this notice and also to identify which entities are involved in the upcoming transfer.

Where we've written...	...we're referring to...
TAL Superannuation Limited	TAL Superannuation Limited (ABN 69 003 059 407, AFSL 237851), which is the trustee of the TAL Super Fund.
TAL Super Fund	TAL Superannuation and Insurance Fund (ABN 20 891 605 180).
Mercer	Mercer Superannuation (Australia) Limited (ABN 79 004 717 533, AFSL 235906), which is the trustee of the Mercer Super Trust.
Mercer Super Trust	Mercer Super Trust (ABN 19 905 422 981).
Allocated Pension Division of the Mercer Super Trust	the plan in the Mercer Super Trust your allocated pension will be transferred to.

More information

If you have any questions or would like more information, you can contact your financial adviser. You can also get in touch with us directly by phone on 1300 108 749, Monday to Friday 8am to 7pm AEST or by email to customerservice@tal.com.au

Yours sincerely

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TAL Superannuation Limited