

[14 December 2020]

[Title] [First name] [Surname]
 [Address 1]
 [Address 2]
 [Address 3]
 [Suburb] [State] [Postcode]
 [COUNTRY]

Dear [Title] [Surname]

Member Number: [member number]
Product: [Product name]
Fund: TAL Superannuation and Insurance Fund

Significant Event Notice ARC Classic Super Series 4

We are making changes to your product

We continue to review the fees and features associated with our ARC products to ensure they remain appropriate for the changing needs and expectations of members. As a result, the Trustee has decided to make the additional changes to the ARC Classic Super Series 4 product (ARC Classic 4) explained below.

Reduction of the administration fee to 1.25% p.a.

From 31 January 2021 we will be reducing the administration fee for the ARC Classic 4 product to 1.47% per annum. The fee is tax deductible and members pay a reduced rate of 1.25% per annum. The table below sets out the administration fee applicable to each investment option.

Investment Option	Pre 31 January 2021		From 31 January 2021	
	Administration Fee (p.a.)	Administration Fee (following tax deduction)	Administration Fee (p.a.)	Administration Fee (following tax deduction)
ARC Conservative	2.06%	1.75%	1.47%	1.25%
ARC Moderate	2.06%	1.75%	1.47%	1.25%
ARC Growth	2.06%	1.75%	1.47%	1.25%
ARC Growth S1	2.06%	1.75%	1.47%	1.25%
ARC Cash	0.00%	0.00%	0.00%	0.00%
ARC Australian Shares	2.06%	1.75%	1.47%	1.25%
	A minimum administration fee of \$169.44 (p.a.) applies to all accounts. Where a tax deduction is applicable a reduced amount of \$144.00 (p.a.) is charged to members.		A minimum administration fee of \$169.44 (p.a.) applies to all accounts. Where a tax deduction is applicable a reduced amount of \$144.00 (p.a.) is charged to members.	

Please refer to the following table for an example of how this change may affect your superannuation investment over a 12 month period. This table assumes you hold an account balance of \$50,000 and are invested in ARC Growth.

Investment option	ARC Growth Pre 31 January 2021	ARC Growth From 31 January 2021
Investment fees	0.39% per annum Equates to \$195.00 charged each year	0.39% per annum Equates to \$195.00 charged each year
Plus administration fees	2.06% per annum or \$14.12 minimum monthly fee This fee is tax-deductible to the Fund and members pay a reduced rate of 1.75% per annum or \$12.00 minimum monthly fee. Equates to \$1,030.00 charged each year before the tax deduction, and \$875.00 after the tax deduction.	1.47 % per annum or \$14.12 minimum monthly fee This fee is tax-deductible to the Fund and members pay a reduced rate of 1.25% per annum or \$12.00 minimum monthly fee. Equates to \$735.00 charged each year before the tax deduction, and \$625.00 after the tax deduction.
Plus indirect costs	0.27% per annum Equates to \$135.00 being deducted from your investment.	0.27% per annum Equates to \$135.00 being deducted from your investment.
Equals cost of the fund	If your balance was \$50,000, then for that year you would be charged fees if \$1,360.00 gross of tax deduction or \$1,205.00 net of tax deduction, for the superannuation product.	If your balance was \$50,000, then for that year you would be charged fees if \$1,065.00 gross of tax deduction or \$955.00 net of tax deduction, for the superannuation product.
Note: Additional fees may apply. Totals may vary to the sum or product of various components due to rounding in some of the components. Please refer to your Member Booklet for more information.		

<variable section only for previous PSP and PSM policy holders with no expected payment

Removal of the Age 65 Guarantee

The Age 65 Guarantee which applies to members who had a Personal Superannuation Plan or Private Superannuation Plan policy before conversion to ARC Classic, will be removed effective 31 January 2021. For these members, if the benefit is withdrawn in the period 30 days before or 30 days after their 65th birthday, TAL Life guarantees that the withdrawal value will not be less than the net contributions received from the member plus any net interest earned based on the change in the Consumer Price Index.

TAL Superannuation Limited

ABN 69 003 059 407 | AFSL 237851
GPO Box 5380, Sydney NSW 2001
Level 16, 363 George Street
Sydney NSW 2000

Customer Service
P 1300 209 088
F 1300 351 133
E customerservice@tal.com.au

W www.tal.com.au

TAL Superannuation Limited as Trustee for the TAL Superannuation and Insurance Fund ABN 20 891 605 180

From 31 January 2021 the Age 65 Guarantee will no longer apply. In recognition of the removal of the Age 65 Guarantee the above-mentioned fee reduction is being introduced. >

<variable section only for previous PSP and PSM policy holders with an expected payment

Removal of the Age 65 Guarantee

The Age 65 Guarantee which applies to members who had a Personal Superannuation Plan or Private Superannuation Plan policy before conversion to ARC Classic, will be removed effective 31 January 2021. For these members, if the benefit is withdrawn in the period 30 days before or 30 days after their 65th birthday, TAL Life guarantees that the withdrawal value will not be less than the net contributions received from the member plus any net interest earned based on the change in the Consumer Price Index.

In recognition of the removal of the Age 65 Guarantee, along with the above-mentioned fee reduction an adjustment payment will be made to members who meet criteria approved by the Trustee.

As of 16 November 2020, the estimated value of your guarantee adjustment payment is <insert value>.

Please note that the estimated value could increase or decrease based on changes in market conditions or redemptions made from your account prior to termination of the guarantee. The final payment will be calculated based on the value of your holdings on 31 January 2021 with the payment made by mid-February 2021. Once paid this final payment can be viewed online and will be included in your 2020-2021 annual statement. >

<variable field for members invested in ARC Capital Protected options with an expected payment

Closure of Capital Protected investment options

We are terminating the ARC Capital Protected investment options effective 31 January 2021. ARC Capital Protected and ARC Capital Protected S1 investment options will be transferred into the ARC Conservative investment option which has the same underlying investment structure. The performance fee charged on the ARC Capital Protected investment options does not apply in the ARC Conservative investment option; however, your ARC Conservative investment option is not be subject to a guarantee. The table below provides information on these options.

Investment option	ARC Capital Protected	ARC Conservative
Investment objective	To achieve an investment return (after fees and taxes) that exceeds CPI increases by at least 1% pa over rolling 5 year periods.	To achieve an investment return (after fees and taxes) that exceeds CPI increases by at least 1% pa over rolling 5 year periods.
Investment Strategy	The investment option may invest in one or more Schemes that: <ul style="list-style-type: none"> invest in a diversified portfolio mix with exposure to growth investments around 30% and defensive investments around 70% individually or collectively achieve the asset allocation, and may use derivatives to implement investment strategies. 	The investment option may invest in one or more Schemes that: <ul style="list-style-type: none"> invest in a diversified portfolio mix with exposure to growth investments around 30% and defensive investments around 70% individually or collectively achieve the asset allocation, and may use derivatives to implement investment strategies.
Standard risk measure	<ul style="list-style-type: none"> Risk band: 4 Risk label: Medium Estimated number of negative annual returns over any 20 year period: 2 to less than 3 	<ul style="list-style-type: none"> Risk band: 4 Risk label: Medium Estimated number of negative annual returns over any 20 year period: 2 to less than 3
Suggested investment timeframe	3+ years	3+ years
Investment fee	0.27% per annum	0.27% per annum
Estimated performance fee	0.54% for Capital Protected and 0.70% for Capital Protected S1 per annum	0.00% per annum

In recognition for terminating the ARC Capital Protected options, an adjustment payment will be made to members who meet criteria approved by the Trustee.

As of 16 November 2020, the estimated value of your ARC Capital Protected adjustment payment is <insert value>.

Please note that the estimated value could increase or decrease based on changes in market conditions or redemptions made from your account prior to termination of the guarantee. The final payment will be calculated based on the value of your ARC Capital Protected holdings on 31 January 2021 with the payment made by mid-February 2021. Once paid this final payment can be viewed online and will be included in your 2020-2021 annual statement.

Any existing investment instructions in relation to the ARC Capital Protected investment options will now be redirected to the ARC Conservative investment option. Please refer to the ARC Classic Super Series 4 Member Booklet for more information on the fees applicable to each option. If you wish to change your selected investment option, this can be done at any time via your online account or by completing and returning the ARC Classic Super Series 4 Change of Details Form. The Member Booklet and Form are available at www.arcmt.com.au.

<variable field for members invested in ARC Capital Protected options without an expected payment

Closure of Capital Protected investment options

We are terminating the ARC Capital Protected investment options effective 31 January 2021. ARC Capital Protected and ARC Capital Protected S1 investment options will be transferred into the ARC Conservative investment option which has the same underlying investment structure. The performance fee charged on the ARC Capital Protected investment options does not apply in the ARC Conservative investment option; however, your ARC Conservative investment option is not be subject to a guarantee. The table below provides information on these options.

Investment option	ARC Capital Protected	ARC Conservative
Investment objective	To achieve an investment return (after fees and taxes) that exceeds CPI increases by at least 1% pa over rolling 5 year periods.	To achieve an investment return (after fees and taxes) that exceeds CPI increases by at least 1% pa over rolling 5 year periods.
Investment Strategy	The investment option may invest in one or more Schemes that: <ul style="list-style-type: none"> invest in a diversified portfolio mix with exposure to growth investments around 30% and defensive investments around 70% individually or collectively achieve the asset allocation, and may use derivatives to implement investment strategies. 	The investment option may invest in one or more Schemes that: <ul style="list-style-type: none"> invest in a diversified portfolio mix with exposure to growth investments around 30% and defensive investments around 70% individually or collectively achieve the asset allocation, and may use derivatives to implement investment strategies.
Standard risk measure	<ul style="list-style-type: none"> Risk band: 4 Risk label: Medium Estimated number of negative annual returns over any 20 year period: 2 to less than 3 	<ul style="list-style-type: none"> Risk band: 4 Risk label: Medium Estimated number of negative annual returns over any 20 year period: 2 to less than 3
Suggested investment timeframe	3+ years	3+ years
Investment fee	0.27% per annum	0.27% per annum
Estimated performance fee	0.54% for Capital Protected and 0.70% for Capital Protected S1 per annum	0.00% per annum

Any existing investment instructions in relation to the ARC Capital Protected investment options will now be redirected to the ARC Conservative investment option. Please refer to the ARC Classic Super Series 4 Member Booklet for more information on the fees applicable to each option. If you wish to change your selected investment option, this can be done at any time via your online account or by completing and returning the ARC Classic Super Series 4 Change of Details Form. The Member Booklet and Form are available at www.arcmt.com.au.

More information

If you have any questions, please contact Your Financial Adviser, or alternatively contact us with your Member Number [member number] on;

- Phone: 1300 209 088 (Monday to Friday 8.00am - 7.00pm (AEST/AEDT))
- Email: customerservice@tal.com.au

Yours sincerely

The logo for TAL, consisting of the letters 'TAL' in a bold, green, sans-serif font.

TAL Customer Service
For and on behalf of TAL Superannuation Limited