

28 April 2021

Dear Member

Important information about your staff super

Trustee: TAL Superannuation Limited
Fund Name: TAL Superannuation and Insurance Fund
Product Name: TAL Staff Superannuation Plan
Member Number:

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

How will my super be transferred?

Your TAL Staff Superannuation Plan account will be transferred to the ARC Super Plan 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.

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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 super?

No.

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

What communications will I receive?

After the transfer, you'll receive a new product disclosure statement for the ARC Super Plan 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 super 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 beneficiaries I've already nominated?

Any existing nominations of beneficiaries will be automatically transferred to your new ARC Super Plan account. However, any binding beneficiary nomination will revert to a non-binding nomination 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 complete and submit the *Change of Details* form available at www.arcmt.com.au/staff to staff.super@tal.com.au. Your request must be received by **25 May 2021**.

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

Yes.

If you don't want your super 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 (if you meet a condition of release).

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

Your investment options

Will my super still be invested in the same investment options after?

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 Super investment option name	Mercer investment option name
TAL Super Cash	ARC Super Cash
TAL Super Australian Shares	ARC Super Australian Shares
TAL Super Defensive	ARC Super Defensive
TAL Super Conservative	ARC Super Conservative
TAL Super Moderate	ARC Super Moderate
TAL Super Growth	ARC Super Growth
TAL Super High Growth	ARC Super High Growth

There may be some differences in asset allocations, risk profiles and investment objectives, so take the time to review the ARC Super Plan 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 ARC Super Plan product disclosure statement you'll receive.

Before making any investment decisions both before and after the transfer of your super 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.

The other fees you'll pay will depend on your account balance and the investment options in which you're invested. The ARC Super Plan 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 the transfer and the annual fees you will pay in the ARC Super Plan after the transfer.

Cash

Type of fee	TAL Super Cash	ARC Super Cash
Investment fee	0.07%	0.07%
Administration fee	Nil*	0.60% 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

Australian Shares

Type of fee	TAL Super Australian Shares	ARC Super Australian Shares
Investment fee	0.39%	0.39%
Administration fee	0.93% pa* (gross) 0.79% pa* (net)	0.60% pa on the first \$350,000 of account balance
Trustee expense allowance	Nil	0.058% pa
Buy-sell spread	0.23%	Nil
Switching fee	Nil	Nil

Defensive

Type of fee	TAL Super Defensive	ARC Super Defensive
Investment fee	0.25%	0.25%
Administration fee	0.93% pa* (gross) 0.79% pa* (net)	0.60% pa on the first \$350,000 of account balance
Trustee expense allowance	Nil	0.058% pa
Buy-sell spread	0.11%	Nil
Switching fee	Nil	Nil

Conservative

Type of fee	TAL Super Conservative	ARC Super Conservative
Investment fee	0.27%	0.27%
Administration fee	0.93% pa* (gross) 0.79% pa* (net)	0.60% pa on the first \$350,000 of account balance
Trustee expense allowance	Nil	0.058% pa
Buy-sell spread	0.12%	Nil
Switching fee	Nil	Nil

Moderate

Type of fee	TAL Super Moderate	ARC Super Moderate
Investment fee	0.33%	0.33%
Administration fee	0.93% pa* (gross) 0.79% pa* (net)	0.60% pa on the first \$350,000 of account balance
Trustee expense allowance	Nil	0.058% pa
Buy-sell spread	0.16%	Nil
Switching fee	Nil	Nil

Growth

Type of fee	TAL Super Growth	ARC Super Growth
Investment fee	0.39%	0.39%
Administration fee	0.93% pa* (gross) 0.79% pa* (net)	0.60% pa on the first \$350,000 of account balance
Trustee expense allowance	Nil	0.058% pa
Buy-sell spread	0.17%	Nil
Switching fee	Nil	Nil

High Growth

Type of fee	TAL Super High Growth	ARC Super High Growth
Investment fee	0.47%	0.47%
Administration fee	0.93% pa* (gross) 0.79% pa* (net)	0.60% pa on the first \$350,000 of account balance
Trustee expense allowance	Nil	0.058% pa
Buy-sell spread	0.20%	Nil
Switching fee	Nil	Nil

*The administration fee is subject to a minimum payment of \$14.12 per month, per member

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 TAL Super Fund 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 TAL Super Fund account, or to give instructions in relation to your ARC Super account, these will no longer apply once your super is transferred to your new TAL Super Fund Plan account. You will need to contact Mercer after the transfer date to discuss whether any similar authorities can be arranged.

Contributions after the transfer

Do I need to give TAL Payroll anything so that they can keep making my Superannuation Guarantee contributions?

No.

TAL Payroll will direct your superannuation payments (and salary sacrifice contributions if applicable) to Mercer from the date of transfer.

Will contribution splitting still be an option after the transfer?

Yes.

You'll be able to provide us with instructions up until 25 May 2021 or to Mercer after the transfer date.

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 by email at staff.super@tal.com.au up till the transfer on 31 May 2021; or
- Mercer on 1800 682 525 from 1 June 2021.

Will I still be able to access the ARC online portal?

Up until 25 May 2021, you'll be able to access your account and make changes through the ARC online portal as usual.

From 25 May 2021, you will no longer be able to make any further changes through the online portal. There will also be a short period during which the portal will be unavailable while we transfer your super benefits. After the transfer, you'll be able to use the ARC online portal to access historical information, such as annual statements.

Tax

The information in this section is general in nature and does not take into account your personal circumstances. For specific tax advice, you should engage a registered tax agent or contact the Australian Taxation Office.

I haven't given you my tax file number. Does that matter?

Yes.

While you're not required by law to provide your tax file number, if we don't have your tax file number, concessional contributions – both employer and salary sacrifice – are taxed up to an extra 32%. If you provide us with your tax file number, we may be able to claim back the amount of additional “no-TFN contributions” tax you paid in the past three years. However, once the transfer occurs this additional tax will no longer be recoverable.

If you'd like to provide us with your tax file number, or check if we have your tax file number, contact staff.super@tal.com.au

In order for any additional “no-TFN contributions” tax to be recoverable you must provide us with your tax file number **before 25 May 2021**.

How can I claim a tax deduction for personal super contributions?

If you've made personal super contributions and want to claim a tax deduction for them, please complete and send us a *Notice of Intent to Claim or Vary a Deduction for Personal Contributions* form before **7 May 2021** to allow enough time for us to process the request. Alternatively, you can provide the form to Mercer after the transfer date.

You can download the form at www.ato.gov.au

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 Superannuation and Insurance 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).
ARC Super Plan	the plan in the Mercer Super Trust your super will be transferred to.

More information

If you have any questions, you can get in touch with us directly by emailing staff.super@tal.com.au quoting your member number.

Yours sincerely

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TAL Superannuation Limited