

15 October 2018

Dear

Important information about your superannuation account in The Executive Superannuation Fund (TESF).

Member number:

This letter provides you with important information about your superannuation account in The Executive Superannuation Fund (TESF).

As part of a review to improve member outcomes, Equity Trustees Superannuation Limited (ETSL), the trustee of TESF has made an in-principle decision to transfer all members and assets of TESF to the Aon Master Trust (AMT) into a product called smartMonday PRIME TESF (*subject to the "Important Legal Stuff" noted in Appendix 2*).

ETSL is the trustee for both of these funds and has made this decision to gain greater efficiencies and economies of scale which will deliver:

- a reduction in total fees paid for the majority of members (please refer to the fee comparison below for the impact of this transfer on your account).
- an increase in the range of available investment options, and
- access to the smartMonday 'smartCoach' intra-fund advice team.

What does this mean for you?

Upon transfer to smartMonday PRIME TESF:

- You will cease to be a member of TESF and you will become a member of smartMonday PRIME TESF.
- You will continue to maintain your current membership number.
- You can continue to login to your secure online account as per normal, however after the transfer, it will carry the smartMonday brand.
- Any non-binding beneficiary nomination you have in place in the TESF will remain in place following the transfer to smartMonday.
- Any valid binding death benefit nomination you have in place in the TESF will be recognised by smartMonday until the earliest of the following events:
 - you revoke the binding nomination;
 - you submit a new binding nomination; or
 - the date that is 3 years after the date on which your binding nomination in the TESF was first signed or last confirmed or amended.
- If you already hold insurance cover in TESF, you will retain your insurance cover and your cover will simply be transferred to your new account in smartMonday PRIME TESF. There will be no changes to the terms and conditions applicable to your insurance, and your insurance premiums will remain the same.

- If you do not currently hold insurance cover in your TESF account, you will not be provided with the insurance cover upon joining smartMonday PRIME TESF. However, if eligible, you may apply for insurance cover in smartMonday PRIME TESF following the transfer.
- Any existing arrangements you may have with third parties such as allowing family members, carers or advisers to access your account (including agreed adviser remuneration and authorisations to view your account or give instructions on your behalf) will NOT be carried over. If you wish to put those arrangements in place for your smartMonday PRIME TESF account, you will need to complete new forms after the transfer. For more information please contact Member Services on 1300 614 644 or email execsuper@onevue.com.au.
- BPay payment details will change as a result of the transfer, so if you expect to make voluntary contributions to your account through using the method following the transfer, please contact Member Services on 1300 614 644 or email assistance@smartmonday.com.au for the new BPay details.

Investment Options

As you are currently invested in TESF's MySuper MyLife investment option your benefits will be transferred into the equivalent smartMonday option known as Aon MySuper.

Aon MySuper is a lifecycle investment option designed to deliver:

- growth opportunities when you are younger, and
- protecting you from the risk of capital loss as you approach retirement.

The investment mix in Aon MySuper will adjust gradually over time from mostly growth assets such as shares and property (which typically earn higher long term returns but with a higher risk of capital loss) to majority defensive assets such as fixed interest and cash (which typically earn lower returns but with lower risk) as illustrated below. These adjustments are automatic so there's nothing you will need to do.

MySuper MyLife		Age (years)	Aon MySuper	
Growth	Defensive		Growth	Defensive
70.0%	30.0%	up to 35	90.0%	10.0%
70.0%	30.0%	40	85.5%	14.5%
70.0%	30.0%	45	79.8%	20.2%
70.0%	30.0%	50	74.8%	25.2%
70.0%	30.0%	55	65.5%	34.5%
70.0%	30.0%	60	55.1%	44.9%
70.0%	30.0%	65	40.0%	60.0%
70.0%	30.0%	70	35.0%	65.0%
70.0%	30.0%	75	30.0%	70.0%

Please note that **your investment mix between growth and defensive assets may fundamentally change when you transfer into Aon MySuper**. For example, if you are 45 years of age upon transfer, your investment in MySuper MyLife will change from a 70%/30% (growth/defensive) mix to a 79.8%/20.2% (growth/defensive) mix in Aon MySuper. You will be able to change your investment mix online and at no cost, should you wish to, after the transfer is finalised.

Details about the Aon MySuper Growth and Defensive portfolios are provided in Appendix 1 to this letter.

You can also see an interactive illustration of how the investment mix, return target and risk profile will change as you age, while invested in Aon MySuper, by going to the Aon MySuper Dashboard button on the home page of the smartMonday.com.au website.

Fees and costs

The fees and costs applicable to your MySuper MyLife account are different to the fees and costs that will be applicable to your Aon MySuper account. A comparison of the fees and costs as at 13 September 2018 is provided below.

	MySuper MyLife	Aon MySuper
Ongoing (annual) fees		
Investment fee ¹	0.54% pa	0.24% pa
Administration fees	Asset admin fee ¹ : 0.62% pa PLUS Member Fee ³ : \$117.26	Asset admin fee ² : 0.53% pa PLUS Member Fee ³ : \$89.52
Indirect Cost Ratio (ICR) ¹	0.13%pa (Estimate only)	0.02% pa ⁴ (Estimate only)
Other fees and costs		
Buy/sell spread	Not Applicable	Not Applicable
Switching fee	Not Applicable	Not Applicable
Advice fees relating to all members investing in the option	Nil	Nil
Withdrawal Processing fee	\$30.75 (Deducted from your account at the time of each withdrawal)	\$80.00 (Deducted from your account at the time of each withdrawal)
Personal superannuation advice fees (other than intra-fund advice)	Not applicable	You can authorise your adviser to receive an adviser service fee, deducted from your account subject to certain limits
Family law fees	Fees for processing family law information requests and implementing family law payment flags and splits range from \$50 - \$100	\$200 valuation fee – charged to person requesting information \$160 splitting fee charged to each party at the time of the split

¹. These fees or costs are included in the investment option's unit pricing. They are not deducted from your account.

². This fee will be deducted monthly directly from your account.

³. These fees are annualised but are deducted from your account on a monthly basis in arrears.

⁴. This is the maximum payable for this fee. It ranges between 0.01% pa and 0.02% pa depending on your age.

Note: The fees and costs information shown above for TEF may be presented differently to the fees and costs information in the current TEF PDS due to updated estimates. For further information about TEF fees and costs, please contact Member Services. Estimated investment fees and ICRs for TEF and estimated ICRs for smartMonday PRIME are subject to change.

How the changes to fees and costs impact you

Based on an example account balance, the transfer into Aon MySuper will **result in a decrease in the total fees payable** as illustrated below.

	Cost of MySuper MyLife	Cost of Aon MySuper
EQUALS cost of product ⁵ On an account balance of \$50,000 you will be charged annual fees of approximately:	\$762.26	\$484.52

⁵ The cost of product shown here is an example of fees and costs for a one year period based only on the annual investment fees, administration fees and indirect costs applicable to a member invested 100% in each MySuper product, and ignores any other fees and costs that may apply during the year (for example, processing fees applicable to partial withdrawals, insurance fees or other fees depending on a member's circumstances). It is based on an example account balance of \$50,000 and assumes that amount remains the same for the whole year. It is an illustration only of the impact of annual fees and costs on your investment in each MySuper product. You should consider all relevant information regarding the fees and costs which will be provided in your smartMonday PRIME TEF Product Disclosure Statement (PDS). Information about insurance fees is provided elsewhere in this notice.

Can I opt out of MySuper?

If the design of Aon MySuper is not to your preference you may switch your account balance into other investment options either before or after the date of the transfer. To switch to an alternative investment option prior to the transfer contact Member Services on 1300 614 644 as soon as possible to obtain the relevant forms to complete. You must return the completed forms to Member Services **by no later than 16 November 2018**.

Alternatively, you can switch investment options after the transfer. And, as a member of smartMonday you are entitled to access our smartCoach intra-fund advice team who can work with you to design a super investment strategy for your smartMonday account that matches your personal needs and risk profile. The cost of this service is covered by your membership in smartMonday. To access this service email smartcoach@smartmonday.com.au or phone 1300 262 241 (please have your TEF account number, as shown at the top of this letter, handy)

What other information will you receive?

After the transfer has taken place, your existing account will be closed, and you will receive an exit statement from TEF.

After your account has been transferred, you will receive a Welcome Pack from smartMonday which will include a welcome statement, providing details of your account and how it is invested, and any insurance cover (if applicable).

If tailored employer arrangements apply to you, your Welcome Pack will also include an Employer Plan Outline summarising any special arrangements that may apply to your membership.

You can also find more details about smartMonday PRIME TEF by reading the relevant Product Disclosure Statement to be made available in the Resources section of smartmonday.com.au website from the transfer date (please see the statement in Appendix 3 to this letter which explains how certain disclosures may be made to you electronically by smartMonday unless you opt out). If you have any queries in the meantime, please contact Member Services on 1300 614 644.

Can I opt-out of the transfer?

If you do not want your TEF account benefits transferred to smartMonday PRIME TEF, you will need to either:

- request the transfer of your entire account to another superannuation fund that you nominate or,
- request payment of your account balance (if eligible).

To do either of these please contact Member Services on 1300 614 644 as soon as possible to obtain the relevant forms to complete.

You must return the completed forms to Member Services **by no later than 16 November 2018**.

We recommend that you obtain advice from a qualified financial adviser before you make any decision regarding your superannuation. Please note that, if you choose to transfer to another fund (i.e. you opt out of the transfer) you will lose any insurance cover that you currently have.

IMPORTANT – No processing period

In preparation for this transfer **transactions** (such as switches or withdrawals), in relation to TESF and smartMonday PRIME TESF, **will not be processed from 19 November 2018 to 7 December 2018**.

Any requests (e.g. benefit payments, rollovers to another fund, etc), or transactions (e.g. contributions, rollovers into the fund, etc) to be processed prior to the transfer must be received by Member Services **no later than 16 November 2018**. Transactions received after this date will be processed in smartMonday PRIME TESF from 10 December 2018 and will be processed using the relevant unit price applicable on the day of processing.

If you have an urgent family law matter or benefit claim (e.g. financial hardship or disablement) during the suspension on processing, please contact us (using the contact details below) to check the progress of your claim.

Any insurance claim that is made, but not finalised, prior to the transfer will continue to be managed by the trustee in smartMonday PRIME in accordance with the governing rules of the TESF.

Any complaint that you may have made to the trustee in TESF that is not resolved prior to the transfer will be handled, from the date of transfer, by the trustee in smartMonday PRIME.

We are here to help, so who can you contact?

Up to 22 November 2018 – TESF

If you would like to discuss the information contained in this letter, how it affects you or how to make changes to your account, please call Member Services on 1300 614 644 or email execsuper@onevue.com.au.

On and from 22 November 2018 – smartMonday PRIME TESF

If you have any questions after the transfer date, please call Member Services on 1300 614 644 or email assistance@smartmonday.com.au.

Yours sincerely

A handwritten signature in black ink, appearing to be a stylized name, possibly 'V. [unclear]'. The signature is written in a cursive, flowing style.

**For and on behalf of the Trustee
Equity Trustees Superannuation Limited**

Appendix

- 1 Aon MySuper
- 2 Important Legal Stuff
- 3 Member Communication notice

Appendix 1

Aon MySuper

The Aon MySuper option is the default investment option for smartMonday. It is primarily suitable for members who prefer to take a less active role in managing their super. A key feature of Aon MySuper is a lifecycle approach that automatically reduces the risk in each member's investment portfolio as they move closer to retirement age.

Aon MySuper is made up of two portfolios: a defensive portfolio and a high growth portfolio, each with their own target return, risk and asset allocation characteristics, as explained below.

Aon MySuper				
	High Growth portfolio		Defensive portfolio	
Target Return	To provide a return at least 4.0% pa above inflation (after fees and taxes) over rolling 15-year periods.		To provide a return at least 1.0% pa above inflation (after fees and taxes) over rolling 2-year periods.	
Risk/return profile	Returns can be very volatile over the short-to-medium term. Historically, high growth assets have offered the highest long-term returns.		Relatively stable returns. Generally lower long-term returns than other investments.	
Standard risk measure	Up to age 35: 6 (High) Estimated number of negative annual returns over any 20-year period is 4 to less than 6		At age 75: 1 (Very low) Estimated number of negative annual returns over any 20-year period is less than 0.5	
Asset allocation	Target %	Range %	Target %	Range %
Australian shares	42.5	0–70	0	0–20
International shares	42.5	0–70	0	0–20
Property	7.5	0–30	0	0–20
Alternative–growth	7.5	0–30	0	0–20
Total growth	100	90–100	0	0–20
Alternative–defensive	0	0–10	0	0–40
Aust. fixed interest	0	0–10	57.5	0–90
Int'l fixed interest	0	0–10	42.5	0–90
Cash	0	0–10	0	0–90
Total defensive	0	0–10	100	80–100

Appendix 2

Important Legal Stuff (which you really should read!)

How and when will the transfer take place?

Subject to the completion of the due diligence process and the trustee determining that the transfer is in the best interest of members, it is anticipated your account will be transferred to 'smartMonday PRIME TESH in the AMT on **22 November 2018**, unless you choose to opt-out of the transfer.

Under superannuation legislation a member can be transferred to a 'successor fund' without the member's consent only if the rights in respect of the transferred benefits are equivalent (or better) in the receiving fund. Your benefits in TESH will be transferred to the AMT only if this test is satisfied.

smartCoach Intra-fund advice.

Any intra-fund advice provided by smartMonday smartCoaches is provided by or on behalf of Aon Hewitt Limited ABN 48 002 288 646 AFSL 236667 under its Australian Financial Services Licence.

Tax File Number (TFN)

If you have not provided your TFN, your employer contributions and any other concessional contributions will be subject to 34% additional income tax on top of the 15% tax paid. If you provide your TFN before the transfer of your account, TESH is entitled to claim a tax offset for the amount of the additional tax paid (within four years of the TFN being supplied) and the tax offset will then be refunded to you. If you have not already provided your TFN, you will need to provide it before the start of the "no processing period" (explained above), otherwise we will not be able to process a refund of any additional tax you have paid. You will not be able to claim a refund after the transfer.

Disclaimer

The information in this notice is general information only and does not take into account your particular objectives, financial circumstances or needs. You should consider obtaining professional advice about your particular circumstances before making any financial or investment decisions based on the information in this notice.

Issued by Equity Trustees Superannuation Limited ABN 50 055 641 757, AFSL 229757, as trustee of The Executive Superannuation Fund ABN 60 998 717 367. Equity Trustees Superannuation Limited is also trustee of the Aon Master Trust ABN 68 964 712 340.

smartMonday is the business name of the Aon Master Trust ABN 68 964 712 340 (the Fund) which has been registered by Aon Hewitt Limited ABN 48 002 288 646 AFSL 236667 as sponsor of the Fund. The Trustee of the Fund is Equity Trustees Superannuation Limited ABN 50 055 641 757 AFSL 229757 RSE Licence L0001458. smartMonday PRIME, smartMonday DIRECT and smartMonday PENSION products are part of the Fund.]

Appendix 3

Member communications in smartMonday PRIME

This notice is issued by Equity Trustees Superannuation Limited ABN 50 055 641 757, AFSL 229757 as trustee of the Aon Master Trust. smartMonday PRIME, smartMonday DIRECT and smartMonday PENSION products are part of the Fund.

The Trustee may provide or make available to you electronically (for example, via the smartMonday websites), the following information or information of the following type:

- Product Disclosure Statements
- Periodic statements (excluding exit statements)
- Annual reports
- Disclosures regarding material changes and significant events
- Additional product information (requested from us)

unless you specifically elect not to receive these communications or types of communications by electronic means.

If you do not want to receive communications from smartMonday (e.g. you would prefer to have the hard copy posted to you), please contact us:

Phone: 1300 614 644

Email: assistance@smartmonday.com.au

Please note any written request to opt-out of electronic communications from smartMonday must include your full name, date of birth, address and member number.