

5 June 2020

PRIVATE AND CONFIDENTIAL

[REDACTED]
[REDACTED]
[REDACTED]

Member Number: [REDACTED]

Dear [REDACTED]

This notice is to inform you of an important change to your investment in smartMonday

We are writing to you as the Trustee of the Aon Master Trust on an important matter relating to your superannuation account.

Why are you receiving this letter?

Your financial adviser failed to comply with legislation that required your superannuation account to be transferred to the low-cost Aon MySuper option unless you explicitly “opted-out” of that transfer.

Earlier this year Aon Hewitt Financial Advice sent you several letters about your superannuation account. These letters imparted the following information:

- your current investment was not moved into the Aon MySuper option, so your super account balance was lower than it should have been
- as your investment was not moved into Aon MySuper option, compensation was paid to you to equal the financial position you would have been in had your investment been moved to MySuper on 1 April 2017 (this is the date your super balance would have moved to Aon MySuper had your adviser taken the correct action with your investment option).
- compensation was paid into your smartMonday super account
- the amount of your compensation and how your compensation was calculated

The compensation amount was calculated on the basis that had you moved into Aon MySuper on 1 April 2017, you would have paid different fees from this date and the investments in your superannuation may have performed differently – either better or worse. You may have also paid a different amount for insurance within your superannuation.

The calculated compensation took into account all these factors - differences in fees, investment performance and insurance if you had been moved into Aon MySuper on 1 April 2017.

In those letters, you were also asked to inform Aon Hewitt Financial Advice if you preferred your account balance to stay in its current investment option or be switched to the Aon MySuper option.

Aon Hewitt Financial Advice have also advised us that you have not responded with your selection.

The Trustee has determined that in the absence of your instruction, your smartMonday account balance will be transferred to the Aon MySuper investment option 90 days from the date of this letter, as originally intended.

Action required by you

You should carefully consider whether to stay in your current investment option or move to the Aon MySuper option. Each investment option has different features, costs and benefits.

Once you have made your decision please fill out the Attached Form and return it to us.

Please note, if we do not hear from you within 90 days of the date of this letter we will automatically transfer your account to the Aon MySuper option.

About Aon MySuper

Aon MySuper was designed to be a simple and cost-effective superannuation product to replace existing default superannuation products.

Aon MySuper is a lifecycle investment option is designed to deliver:

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

The investment mix in Aon MySuper adjusts 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 a majority of 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.

The gradual adjustment between Growth and Defensive allocations in Aon MySuper is called 'glide path' and unless a member elects a different investment choice, a member in Aon MySuper will continue to transition from the High Growth portfolio to the Defensive portfolio through to age 75 when it will remain at 30% High Growth and 70% Defensive.

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

Please note, that your current 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 will change from a 70%/30% Growth/Defensive mix to a 79.8%/20.2% Growth/Defensive mix in Aon MySuper. If you are 50 years of age, it will change to 74.8%/25.2% Growth/Defensive.

If you are 55 years of age, it will change to 65.5%/34.5% Growth/Defensive, if you are 60 years of age, it will change to 55.1%/44.9% Growth/Defensive, if you are 65 years of age 40%/60% Growth/Defensive.

If you are 70 years of age, it will change to 35%/65% Growth/Defensive and if you are 75 years of age, it will change to 30%/70% Growth/Defensive.

Comprehensive details about Aon MySuper Growth and Defensive portfolios are provided in the PDS entitled [smartMonday PRIME PDS - Your investment options guide](#) which is located via the smartMonday website smartMonday.com.au under the PRIME tab.

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 located on smartMonday’s website homepage, under Useful Links.

Fees and costs

Some of the fees and costs that are applicable to your current account may be different to the fees and costs that will be applicable once you move to Aon MySuper.

A comparison of the fees and costs as at 1 June 2020 is provided below:

		Aon MySuper
Ongoing (annual) fees		
Investment fee ¹	█ %pa	0.24% pa
Administration fees ²	Asset Administration Fee: █ % pa Member Fee ³ : \$ 91.56	Asset Administration Fee: 0.53% pa Member Fee ³ : \$91.56
Indirect Cost Ratio (ICR) ¹	█ %pa (Estimate only)	0.04% 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
Personal superannuation advice fees (other than intra-fund advice)	You can authorise your adviser to receive an adviser service fee, deducted from your account subject to certain limits	You can authorise your adviser to receive an adviser service fee, deducted from your account subject to certain limits
Family law fees	\$200 valuation fee – charged to person requesting information \$160 splitting fee charged to each party at the time of the split	\$200 valuation fee – charged to person requesting information \$160 splitting fee charged to each party at the time of the split
Insurance fees	Administration Fee: 10 % pa	Administration Fee: 10% pa

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 directly from your account monthly in arrears.
3. This fee is indexed annually at 1 July to match CPI increases.
4. This is the maximum payable for this fee. It ranges between 0.01% pa and 0.04% pa depending on your age.

Can I opt-out of the transfer?

If you do not want your balance to be invested in the Aon MySuper option, you will need to please:

- **Select Option B below and return the attached form to us**

You must return the completed form to us **by no later than 3rd September 2020**.

We recommend that you obtain advice from a qualified financial adviser before you make any decision regarding your superannuation.

Do You Require Further Information?

If you would like further information or financial advice to help you decide what to do, you can contact the smartCoach team on 1300 262 241 to speak to a financial adviser.

Once you have decided on your investment option, please:

- complete the attached form and return it to us by mail or email (see directions at bottom of attached form)

Please return the form to us no later than 3rd September 2020.

If we do not hear from you before this time the Trustee will move your account into Aon MySuper. Once the transfer has occurred we will confirm this in writing to you.

Yours Sincerely,

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

Attachment:

1. Selecting Your Preferred Investment Option Form

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 personal financial advice that takes into account your particular circumstances before making any financial decisions based on the information in this notice.

SELECTING YOUR PREFERRED INVESTMENT OPTION

I, [REDACTED], Member No: [REDACTED] declare that (select one of the Options below):

OPTION A

- I would like my superannuation account balance to be moved to the Aon MySuper investment option immediately.

or

OPTION B

- I would like my superannuation account balance to stay in its current investment option.

Signature:

Date:

When completed, please return this form to smartMonday by post or email.

Post to: smartMonday, Reply Paid 1949, WOLLONGONG DC NSW 2500 (no stamp required)

or

Email: SCAN the completed form and email it to enquiries@smartmonday.com.au

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 personal financial advice that takes into account your particular circumstances before making any financial decisions based on the information in this notice.