

15 October 2018

Dear,

Important information about your account in The Executive Superannuation Fund (TESF) Pension
Member number:

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

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 pension members and associated assets of TESF to the Aon Master Trust (AMT) into a product called smartMonday PENSION 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?

Prior to the transfer of your Transition to Retirement (TTR) pension account into smartMonday, TESF will undertake a review to ensure you have received your minimum pension payment for the period 1 July 2018 to 21 November 2018 as required under legislation. Therefore,

- If you receive monthly pension payments, you may receive an adjusted amount in your November pension payment.
- If you receive your pension payments quarterly or annually, you may receive a pension payment in November.

Upon transfer to smartMonday PENSION TESF

- You will cease to be a member of TESF and you will become a TTR member of smartMonday PENSION TESF.
- You will continue to maintain your current membership number,
- Your first pension payment from smartMonday PENSION TESF will be **paid in December 2018** unless

[The Executive Superannuation Fund](#) | PO Box 67, Australia Square NSW 1215 | T 1300 614 644 | E execsuper@onevue.com.au

The Trustee of The Executive Superannuation Fund ABN 60 998 717 367 (the Fund) is Equity Trustees Superannuation Limited ABN 50 055 641 757, AFSL 229757. The information in this communication has been prepared by OneVue Super Member Administration Pty Ltd, AFSL 241366, as the Fund Administrator. It is intended to provide you with general information only and does not take into account your personal objectives, financial situation or needs. Before making any financial decisions, it is important that you read the current product disclosure statement (PDS) relevant to your membership and consider your particular circumstances and whether the particular financial product is right for you. The current PDS available on www.executivesuper.com.au. You should consult a financial adviser if you require personal advice.

you have elected to receive your payment on a quarterly or annual basis.

- The amount and frequency of your pension payments will remain unchanged, however, if you have elected a minimum or maximum pension payment, this will be calculated based on your opening balance in smartMonday TESH Pension at 22 November 2018.
- You can continue to login to your secure online account as per normal, however after the transfer, it will carry the smartMonday brand.
- If you currently have an agreement with an adviser to have ongoing or recurring adviser remuneration ('Ongoing Advice fees') deducted from your TESH account, this agreed amount will continue to be deducted for a further 13 months following the transfer of your benefit to smartMonday, unless we are instructed otherwise by you. After this time the deductions will cease unless we receive instructions from your financial adviser to renew the existing arrangement. To renew or vary the deduction of the Ongoing Advice fees from your account, please contact your financial adviser.
- If you have eligible reversionary beneficiaries in place in TESH they will remain in place following the transfer to smartMonday.

Investment Options

smartMonday has different investments options from TESH. And, unlike your investment option(s) in TESH, which are generally active in style, the **investment option(s) applicable to you in smartMonday PENSION TESH are generally passive in style** and are structured to replicate indexes for major asset classes, and to deliver a competitive fee outcome.

Details of your investment options in TESH and the corresponding smartMonday investment options are provided in Appendix 1 to this letter.

Fees

A comparison of the fees and costs applicable to you in your current investment option and into your new investment option (as at 13 September 2018) has been provided in the following table.

	TESH	smartMonday TESH
Ongoing (annual) fees		
Investment fee	0.58% p.a	0.53% p.a
Administration fee	Asset admin fee ¹ : 0.62% p.a Member Fee ³ : \$63.96	Asset admin fee: ² : A maximum of 0.30% pa Member Fee ³ : \$89.52
Indirect Cost Ratio (ICR) ¹	0.12%p.a (estimate only)	0.01% p.a (estimate only)
Additional fees		
Buy/sell spread	Nil	Nil
Switching fee	Nil	Nil
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)
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 are included in your investment unit pricing. They are not deducted from your account.

². A fee of 0.30% pa applies. For balances between \$250,001 to \$500,000 a rebate of 0.20% pa applies on the portion over \$250,000. For balances over \$500,000 a rebate of 0.30% pa applies for the portion over \$500,000. These fee and rebates will be applied to your account monthly.

³. These fees are annualised but are deducted from your account on a monthly basis in arrears. These fees are indexed on 1 July each year in line with AWOTE.

How the changes to fees and costs impact you

The transfer of your account balance to the passive investment option(s) available in smartMonday that most closely correspond to the investment option(s) applicable to your account balance in TESF (as indicated in the table in Appendix 1 to this letter) **will result in a decrease in the total fees payable** from your account (as illustrated in the table below).

Account Balance	Cost of your TESF account	Cost of your smartMonday account
On an account balance of \$300,375.41 (as at 13 September 2018) you will be charged annual fees of: ⁴	\$4,028.92	\$2,511.92

⁴. The cost of product shown here is an example of fees and costs for a one-year period (as at 13 September 2018) based only on annual investment fees, administration fees and indirect costs applicable to the investment option(s) relevant to your account in TESF and smartMonday. The example ignores any other fees and costs that may apply during the year (for example, exit fees applicable to partial withdrawals, insurance fees or other fees depending on a member's circumstances). It is based on your account balance at a particular date and assumes the amount of your account balance (and investment option(s)) remains the same for the whole year. It is an illustration only of the impact of annual fees and costs on your investment. For information about investment related fees and costs applicable to each investment option, refer to the investment Options table in Appendix 1. You should consider all relevant information regarding the fees and costs which will be provided in your smartMonday PENSION TESF Product Disclosure Statement (PDS). Information about insurance fees is provided elsewhere in this notice.

smartMonday offers a wide range of passive and active investment options some of which may offer lower fees and costs while providing investment strategies and risk/return profiles that meet your investment preferences. For information about these investment options in smartMonday see the Your Investment options guide in the PENSION TESF PDS in the Resources section on the smartMonday.com.au website following the transfer date.

Alternatively, you can find out more about these investment options and their suitability for you, by speaking with a smartMonday smartCoach who can provide you with advice on your smartMonday PENSION investment options as well as your overall retirement adequacy. There is no additional cost to use this service as it is funded through the fees you pay for administering your investments. To access this service email smartcoach@smartmonday.com.au or phone 1300 262 241 (please have your TESF account number, as shown at the top of this letter, handy).

Can I opt-out of the transfer?

If you do not want your TESF account benefits transferred to smartMonday PENSION TESF, 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.

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.

You can also find more details about smartMonday PENSION 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.

IMPORTANT – No processing period

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

Any requests or transactions (e.g. benefit payments, rollovers to another 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 PENSION TEF 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 complaint that you may have made to the trustee in TEF that is not resolved prior to the transfer will be handled, from the date of transfer, by the trustee in smartMonday PENSION.

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

Up to 22 November 2018 – TEF

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 PENSION TEF

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. J. ...', located at the top left of the page.

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

Appendix

- 1 Investment Options
- 2 Important Legal Stuff
- 3 Member Communications notice

Appendix 1

Investment options

Shortly after the transfer date, your account balance in smartMonday will be invested in the investment option(s) indicated by the letter 'Y' in the smartMonday column. These option(s) most closely correspond (in terms of objective, strategy and risk) to the investment option(s) applicable to your current account balance in TESF indicated by the letter 'Y' in the TESF column.

IMPORTANT NOTE: Fees are charged differently in smartMonday. Your total asset-based fees comprise the fees shown below in respect of the investment option(s) you select **plus** the Administration fee shown on Page 2 - you will note that the Asset Administration fee charged in smartMonday is lower than your current fee in TESF.

Investment options		Asset Allocation		Investment related fees and costs ⁵ (% p.a.)	Your options (Y)		
		Growth	Defensive		TESF	smartMonday ⁶	
1	TESF	Cash	0%	100%	0.17%		
	smartMonday	Cash	0%	100%	0.50%		
2	TESF	Conservative	30%	70%	0.53%		
	smartMonday	Moderate - Index	30%	70%	0.55%		
3	TESF	Moderate	50%	50%	0.58%		
	smartMonday	50% Balanced Growth – Index	70%	30%	0.55%		
		50% Moderate – Index	30%	70%	0.55%		
4	TESF	Balanced	70%	30%	0.67%		
	smartMonday	Balanced Growth – Index	70%	30%	0.55%		
5	TESF	Growth	85%	15%	0.65%		
	smartMonday	Growth – Index	85%	15%	0.54%		
6	TESF	Aggressive	100%	0%	0.70%	Y	
	smartMonday	High Growth – Index	100%	0%	0.54%		Y
7	TESF	International Shares	100%	0%	0.65%		
	smartMonday	International Shares - Diversified	100%	0%	0.56%		
8	TESF	Australian Shares	100%	0%	0.61%		
	smartMonday	Australian Shares – Index	100%	0%	0.52%		
9	TESF	Listed Property	100%	0%	0.50%		
	smartMonday	Property Diversified	100%	0%	0.96%		
10	TESF	Diversified Fixed Interest	0%	100%	0.61%		
	smartMonday	Fixed Interest – Australian Index Fixed Interest – International Index Hedged	0%	100%	0.56 %		

⁵. Investment fees include the fees we charge to cover the investment cost including fees of the fund managers managing the investments, fees and costs charged by the custodian we employ to hold the investments, and other indirect costs including performance-related fees, brokerage and derivatives costs on trading activity, settlement costs and (where applicable) stamp duty on investment transactions.

⁶. Corresponding smartMonday investment options are selected based on your investment option(s) in TESF as at 13 September 2018. If your investment options change (as a result of an investment switch request between 13 September and the start of the processing hold your investment options in smartMonday at the date of transfer may also change

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 PENSION 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 PENSION

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.