

25 August 2023

Private And Confidential

«Title» «GivenNames» «FamilyName»

«Mail1» «Mail2» «MailCity» «MailState» «MailCode»

Member No: «MbrNo»

## Significant Event Notice: Termination of the AMG MySuper Investment Option

Dear «GivenNames» «FamilyName»,

This Significant Event Notice (Notice) is in relation to your Freedom of Choice account's default investment in the AMG MySuper investment option. This Notice has been prepared by the Promoter of Freedom of Choice, a division of AMG Super ABN 30 099 320 583 (Fund), Acclaim Management Group Limited ABN 52 091 082 058 (Acclaim, we, us, our), on behalf of the Trustee, Equity Trustees Superannuation Limited ABN 50 055 641 757, RSE Licence No. L0001458, AFSL 229757 (Trustee).

We are writing to inform you that the Trustee has decided to terminate the AMG MySuper investment option. This means your investment in the AMG MySuper investment option will need to change according to your instructions or, if you don't exercise any of the options available to you, as determined by the Trustee. We encourage you to read this notice in its entirety to understand how the termination of the AMG MySuper option may impact you. Please take note of the options available to you and important dates included in this Notice. Also take note of the transaction freeze that will apply to the AMG MySuper option from 5 pm, 22 February 2024 to 5 pm, 29 February 2024.

### Why has the decision to close the AMG MySuper investment option been made?

As previously advised to you in 2022 the AMG MySuper investment option failed APRA's annual performance test for a second consecutive year. The AMG MySuper investment option was closed to new members with effect from 19 August 2022. After careful consideration the Trustee has made the decision to terminate the AMG MySuper investment option altogether. It is intended that the option terminate in early 2024, after existing members with investments in the AMG MySuper investment option, have been given an opportunity to choose how they would like their holdings in the AMG MySuper investment option dealt with.

### What options are available to me?

You can exercise choice regarding what happens to your superannuation account's investment in the AMG MySuper investment option (your MySuper holdings). The options available to you include:

- 1. Choose an alternate investment option in the Fund:** You can select an alternate investment option in the Fund for your MySuper holdings.
- 2. Transfer to a different super fund:** You can transfer your entire account balance to another superannuation fund of your choice.

3. **Withdraw your balance:** Subject to preservation rules, you may be able to withdraw your entire account balance.
4. **Do nothing:** If you do not act, the amount of your MySuper holdings will be transferred to the Australian Taxation Office (ATO) by 29 February 2024. It's important to note that if this transfer to the ATO results in the closure of your accumulation account in the Fund, any insurance cover or other benefits (for example, the allocation of net investment returns) you may have in the Fund will cease. For further information about our decision to transfer MySuper holdings to the ATO (if you do nothing) and the impact on any insurance, see below.

Please contact us if none of the above options suit you.

**You should consider your personal financial situation and consider seeking financial advice ahead of making any decision about your MySuper holdings as there may be taxation, insurance and other consequences.**

### How do I choose an alternate investment option in the Fund?

You can choose to have your MySuper holdings invested in one or more of the other investment options available to you within the Fund. You can do this by completing an Investment Switch Form and ensuring it is returned to Acclaim before 5 pm, 22 February 2024. Buy/sell spreads will apply depending on the investment option you choose. Before you make any decision in relation to an alternative investment option, you should read the relevant Product Disclosure Statement (PDS), Additional Information Booklet (AIB) and Target Market Determination (TMD) relevant to your membership in the Fund. You can obtain copies of the Investment Switch Form and relevant disclosure documents by visiting [www.freedomofchoice.com.au](http://www.freedomofchoice.com.au).

If you require assistance to switch your investment, please contact Client Services on 1800 806 013 or by email at [enquiries@freedomofchoice.com.au](mailto:enquiries@freedomofchoice.com.au). Please note that we cannot provide you with personal financial advice about switching your investment. For financial advice that takes into account your personal circumstances, you should consult an appropriately qualified financial adviser.

### How do I transfer to a different super fund?

There are several methods of transferring your entire super account balance to another super fund.

- You can complete the Benefit Payment Request Form available at [www.freedomofchoice.com.au](http://www.freedomofchoice.com.au) and return it to Acclaim.
- You can contact the super fund of your choice who will provide you with instructions and the necessary forms to transfer your super balance.
- You can request a transfer of your super balance through your myGov account, where you can see other super accounts you may hold.
- You can also request the rollover of the whole of your super balance by completing the ATO's portability form available from [www.ato.gov.au/Forms/Request-for-rollover-of-whole-balance-of-super-benefits-between-funds---Instructions](http://www.ato.gov.au/Forms/Request-for-rollover-of-whole-balance-of-super-benefits-between-funds---Instructions) and return it to Acclaim.

You can request a rollover or transfer any time prior to 5 pm, 22 February 2024. You should ensure any request is received by us before 5 pm, 22 February 2024. If you lodge your request via another super fund or the ATO, you should ensure you do this by 5 pm, 22 February 2024. We will process any rollover request we receive from you directly or via your nominated fund or the ATO as soon as possible.

**Important Note:** A sell spread will apply (see the information about investment related fees and costs later in this notice). If you transfer your entire super account balance to another fund, you will cease to hold an accumulation account in the Fund and your insurance cover (if applicable) in the Fund will cease. For further information about insurance, see below.

## How do I withdraw my super balance?

If you are eligible to make a withdrawal from your super you need to complete the Benefit Payment Request Form available at [www.freedomofchoice.com.au](http://www.freedomofchoice.com.au). Please note that you must have satisfied a condition of release that allows you to access your super in cash, in order to make your withdrawal request. Further information on conditions of release may be found at [www.ato.gov.au/Super/APRA-regulated-funds/Paying-benefits/Releasing-benefits/Conditions-of-release](http://www.ato.gov.au/Super/APRA-regulated-funds/Paying-benefits/Releasing-benefits/Conditions-of-release).

You can request a withdrawal any time prior to 5 pm, 22 February 2024. You should ensure any request is received by us before 5 pm, 22 February 2024.

**Important Note:** A sell spread will apply (this is 0.13% of the value of your MySuper holdings). If you withdraw your entire super account balance, you will cease to hold an accumulation account in the Fund and your insurance cover (if applicable) in the Fund will cease. For further information about insurance, see below.

## What happens if I do not take action?

If you do not act, your MySuper holdings as at 23 February 2024 will be transferred to the ATO by 29 February 2024. A sell spread will apply (this is 0.13% of the value of your MySuper holdings).

If the transfer of your MySuper holdings to the ATO results in the closure of your entire account balance, you will lose any insurance cover you have in the Fund. This means you will no longer have any cover for death (including terminal illness), total and permanent disablement (TPD) and, if applicable, income protection.

It is also important to note that earnings on balances transferred to the ATO may be lower compared to the investment returns that may apply if you remain invested in superannuation. The ATO will attempt to reunite any super money it holds for you into one of your active super accounts, where possible.

## What will happen to my insurance cover if I or the Trustee close my accumulation account?

If you have insurance cover in the Fund, your insurance cover in the Fund will cease if you transfer your entire account balance to another fund, withdraw your entire account balance (subject to eligibility) or the Trustee closes your account as a result of the transfer of your MySuper holdings to the ATO.

However, if you choose to transfer your super balance to another super fund, you may also be able to transfer the amount of your cover in the Fund to that fund with limited or no underwriting (i.e. without a full insurance application), depending on your personal circumstances and the insurance arrangements in your nominated fund.

You should discuss the options (if any) available to you in relation to transferring the amount of your insurance cover with the other super fund before transferring your account balance including whether the other super fund will allow you to transfer your insurance cover with limited or no underwriting, and the other fund's insurance terms and conditions.

**Important note:** if the other super fund you wish to nominate requires an insurance application with full underwriting, there is a risk that you will not be able to obtain insurance cover in that other fund. Additionally, waiting periods, costs, and other terms and conditions are likely to be different to those applicable to you in the Fund and may, depending on your circumstances, be less favourable.

**You should consider your personal financial situation and consider seeking financial advice ahead of making a decision about insurance including the impact of any insurance terms and conditions that may become applicable to you if you obtain insurance cover in another super fund.**

### **What happens if I have lodged an insurance claim or have an insurable event before I close my accumulation account?**

If your accumulation account is closed (because you transfer your entire super balance to another fund, withdraw your balance or as a result of the transfer of your MySuper holdings to the ATO), any existing or potential insurance claim related to an insurable event that occurred before the cessation of your insurance cover in the Fund will not be affected. We will continue to process any existing insurance claim as soon as possible. If you wish to make an insurance claim, please contact us promptly to find out more about the claims process or any other information you may require.

### **Why has the Trustee decided to transfer your MySuper holdings to the ATO where you do nothing rather than transferring MySuper holdings to another investment option in the Fund or another super fund, as determined by the Trustee?**

The Trustee has determined that transferring these amounts to the ATO is in the best financial interests of members who do not exercise any of the options 1-3 presented in the 'What options are available to me?' section above. The reasons for this include:

- The Trustee can only transfer a member's default MySuper holdings (that is, an investment in the AMG MySuper option that was provided to the member because they did not make their own investment choice) to another MySuper product in another superannuation fund.
- While the Trustee may transfer members to another superannuation fund without their consent (under a 'successor fund transfer' arrangement with the other fund), the requirements for such a transfer are onerous. The AMG MySuper option has low fees and costs compared to other MySuper products and a transfer of members with MySuper holdings to another superannuation fund's MySuper product could result in higher fees and costs being incurred. This would not align with the Trustee's duty to act in the best financial interests of members.
- The Trustee may transfer superannuation monies to the ATO where it considers this to be in the best financial interests of members. Based on the characteristics of the AMG MySuper option and age and account balances of members, the Trustee considers that it is likely that impacted members may have other superannuation monies outside of the Fund. By transferring account balances to the ATO, members have the opportunity for their superannuation money to be reunited and consolidated with any other super money that they may have, promoting a better overall retirement outcome for these members. Additionally, the ATO actively attempts to reunite super money they hold with an active super account, where possible.

### **What is the AMG MySuper closure timeline?**

The table below outlines key events and dates related to the termination of the AMG MySuper investment option.

Key date	Event
<b>Before 5 pm 22 February 2024</b>	<p><b>Make a choice from options 1-3 presented in the 'What options are available to me?' section above</b></p> <ol style="list-style-type: none"> <li>1. Choose an alternate investment option in the Fund;</li> <li>2. Transfer to a different super fund; or</li> <li>3. Withdraw your balance (subject to eligibility)</li> </ol>
<b>By 29 February 2024</b>	<p><b>Transfer to the ATO</b></p> <p>Members who have not exercised any of options 1-3 above before 5 pm, 22 February 2024 will have their MySuper holdings as at 23 February 2024 transferred to the ATO by 29 February 2024 and their accumulation account in the Fund will be closed if the transfer to the ATO results in a nil account balance.</p>
<b>As soon as practicable after 29 February 2024</b>	<p><b>Termination of the AMG MySuper option</b></p> <p>The investment option will be terminated once all MySuper holdings have ceased.</p>



*Please note: It's important to take action before the deadlines noted above to ensure your investment and/or insurance preferences are properly addressed.*

### Will a transaction freeze period apply?

A transaction freeze period will apply from 5 pm 22 February 2024 to 5pm 29 February 2024. This means that any rollover request or instructions to switch out of the AMG MySuper option received after 5 pm 22 February 2024 will not be processed, and your MySuper holdings will be transferred to the ATO. You will need to contact the ATO to provide instructions to the ATO about the amounts the ATO holds for you.

Also, no other transactions (such as contributions or transfers into your AMG MySuper holding) will be processed during the transaction freeze. If you remain a member of the Fund, any transactions received after 5 pm, 22 February 2024 will be processed as soon as practicable on or after 5 pm, 29 February 2024, otherwise the transactions will be rejected.

### How can I find out more information?

Further information can be obtained by contacting us on 1800 806 013 or by email at [enquiries@freedomofchoice.com.au](mailto:enquiries@freedomofchoice.com.au). General information will also be published on the website at [www.freedomofchoice.com.au](http://www.freedomofchoice.com.au). You should consider this information including whether any updated information is available before making any decisions.

You should also consider obtaining professional financial advice tailored to your personal circumstances before making any decisions regarding your superannuation.

This Notice has been prepared by the Promoter of AMG Super ABN 30 099 320 583 (Fund), Acclaim Management Group Limited (ABN 52 091 082 058), on behalf of the Trustee, Equity Trustees Superannuation Limited (ABN 50 055 641 757, RSE Licence No. L0001458, AFSL 229757). The information in this Notice is as at 25 August 2023. The Trustee is unable to provide you with financial advice and this Notice should not be construed as providing such advice. This communication has been prepared without taking into account your personal objectives, financial situation or needs. The Trustee recommends that you consider the relevant Product Disclosure Statement available via [www.freedomofchoice.com.au](http://www.freedomofchoice.com.au) and obtain financial advice from a suitably qualified and licensed financial adviser before you make any decision regarding your superannuation. Equity Trustees Superannuation Limited is unable to guarantee that there will be no further changes to your superannuation.