IT Super

Member Booklet

15 November 2019

TASL

IT Super

This Member Booklet summarises significant information about investing in IT Super, part of the ARC Master Trust, a product within the TAL Superannuation and Insurance Fund (the Fund).

Information in this Member Booklet should be read in conjunction with any product Significant Notices (Notices).

The Notices specify any special conditions which may apply to your membership of the Fund and are available online at www.arcmt.com.au.

To request a printed copy of this Member Booklet, a Notice or any of the other information referred to in this booklet, please call us on 1800 155 600. The information provided in this Member Booklet is general information only and does not take into account your personal financial situation or needs. Before making any changes to your investment, you should obtain financial advice tailored to your personal circumstances.

Information in this Member Booklet is current and up to date at the date of issue but may change from time to time. Updates may be obtained on our website www.arcmt.com.au.

If changes are material to your membership of the Fund, we will inform you of the change in writing.

About IT Super

IT Super provides you with a simple, flexible superannuation solution suitable for workers within the Information Technology industry and other related professions. It offers a range of features that you can tailor to suit your needs. IT Super is closed to new employers and members.

These features include:

- tailoring your own investment strategy by choosing from a range of investment options
- acceptance of all types of superannuation contributions and rollovers
- easy and convenient options to contribute
- a free superannuation consolidation service
- online access to your IT Super account, and
- easy to understand fees.

Issued by TAL Superannuation Limited
ABN 69 003 059 407
AFSL 237851
Level 16, 363 George Street,
Sydney NSW 2000

As Trustee of TAL Superannuation and Insurance Fund (Fund)
ABN 20 891 605 180

TAL Life Limited (TAL Life)
ABN 70 050 109 450 AFSL 237848 is the appointed administrator.

TAL Life is also the insurer for IT Super.

`We´, `us´ or `our´ refer to the trustee, TAL Superannuation Limited or the appointed administrator, as the context requires.

CPI means the Consumer Price Index.

Contents

1 How your superannuation works

1.1 A long-term investment and a tax-effective way to save for retirement

The Australian Government provides tax advantages to superannuation to encourage Australians to save for retirement. This means that you generally cannot withdraw from your superannuation until you retire permanently from the workforce after you have reached your preservation age. Your preservation age depends on when you were born. If you were born before 1 July 1960, this is age 55. For more information see Section 6.14.

On retirement, you can transfer up to a total of $1,600,000 into the retirement phase of superannuation tax-free. Once you are 60 and retired, your money can be taken out of superannuation tax-free as a pension or lump sum. For more about taxation, see Section 5.

1.2 Contributing to superannuation

Contributions for you

The Superannuation Guarantee law requires your employer to make contributions to your retirement savings. You can usually choose the fund you would like your employer to make these compulsory (Superannuation Guarantee) contributions to. Also, subject to the provisions of any applicable Award, you can generally nominate your choice of fund for Award contributions. You can nominate IT Super to accept these compulsory contributions.

Boosting your superannuation

You can choose to contribute yourself in addition to any employer contributions in the following ways.

Concessional contributions such as salary sacrifice
You can make personal contributions from your pre-tax salary (by reducing your taxable salary by the amount of contribution which you select).

Non-concessional contributions such as after-tax contributions
You can also make additional contributions from your after-tax salary, as a regular or one-off lump sum contribution at any time. Depending on your circumstances, this may be the most tax-effective way to contribute. Making after-tax contributions may also be relevant where Award restrictions or your employer do not permit salary sacrifice.

There are caps or limits to the yearly amounts of concessional and non-concessional contributions you can make. These limits may change every year. For the latest information, check the Australian Taxation Office (ATO) website at www.ato.gov.au.

Spouse contributions

Contributing to superannuation on behalf of your spouse, or having your spouse contribute for you may be a tax-efficient way for a couple to boost their superannuation. If you are employed and your spouse is either not working or earning less than the yearly income threshold, you may obtain a tax offset for contributions you make into your spouse's superannuation account. The terms and thresholds for spouse contributions may change every financial year. For the latest information, check the ATO website www.ato.gov.au.

Additional tax for excess contributions

Amounts contributed to superannuation, in excess of the contribution caps are taxed at higher rates. For the latest information, check the ATO website www.ato.gov.au

Government co-contribution

If you're a low or middle-income earner and make personal (after-tax) contributions to your super fund, the government may also make a contribution (called a co-contribution). There are eligibility criteria and thresholds applicable to the government co-contribution. For the latest information, check the ATO website www.ato.gov.au.

1.3 Low income super tax offset

The government introduced the Low Income Superannuation Tax Offset (LISTO) on 1 July 2017. LISTO will provide continued support for low income earners and ensure that, generally, they do not pay more tax on their superannuation contributions than on their take-home pay. The government will pay an amount to eligible individuals via a contribution benefit into their Fund account. Subject to an annual cap of $500, this payment (which is available for individuals earning $37,000 p.a. or less) offsets the 15% contributions tax applicable on Superannuation Guarantee contributions their employer may make to the Fund. You don't need to do anything to receive the LISTO. Just make sure you provide your Tax File Number (TFN) as without your TFN, we cannot accept a LISTO payment. The LISTO terms and thresholds may change every financial year. For the latest information, check the ATO website www.ato.gov.au.

1.4 Consolidating your superannuation

If you have superannuation in other funds, you can consolidate by rolling it over to your IT Super account. This way you'll have all your superannuation together and may pay less in fees. Call us and we can help you with this or download a Transfer Authority form from the website www.arcmt.com.au in the 'Member Resources' section under the 'IT Super' tab.

Before closing other superannuation accounts, you should consider whether any fees, charges or taxes apply and whether you may lose other valuable benefits such as extra employer contributions or insurance. We recommend that you seek advice from your financial adviser before consolidating your superannuation.

For information about contributing to superannuation and the rules on withdrawing money from superannuation, go to `How super works´ in the Superannuation and Retirement section of the Australian Securities and Investments Commission (ASIC) website www.moneysmart.gov.au

2 Investments

2.1 About investing

How your superannuation is invested is a very important factor in determining how much superannuation you'll have when you retire. IT Super offers a choice of seven investment options and you can choose to invest in one option or in any combination of the options – this is known as your investment strategy. Before choosing or changing the investment strategy for your superannuation, it is important to understand the basic concepts of investment risk and return, investment timeframe and some of the main investment risks.

2.2 Risk and return

Understanding the relationship between risk and return is important when choosing how your superannuation will be invested. Generally, the higher the expected investment return over the long term, the higher the risk of fluctuations in returns over the short term. Shares and property are generally regarded as being higher risk and are referred to as growth assets. Growth assets provide the potential for higher returns over the long term and carry a higher level of risk than defensive assets. Defensive assets include cash and fixed interest. The value of these assets will generally fluctuate less than higher risk assets, particularly in the short term.

2.3 Investment timeframe

Everyone's investing needs are different so it's important to make sure your superannuation is invested in the right way for your individual circumstances. When choosing the investment options for your superannuation, it is most important to consider how long you will be invested for. In the case of superannuation, this is likely to be up to and potentially all the way through your retirement.

ARC Investment Options

Cash	Defensive	Conservative	Moderate	Growth	High Growth	Australian Shares

LOW — GROWTH ASSETS — HIGH

Short (less than 5 years): an investment option with a low allocation to growth assets could be appropriate

Medium (between 5 and 10 years): an investment option with a moderate allocation to growth assets could be appropriate

Long (more than 10 years): an investment option with a high allocation to growth assets could be appropriate

2.4 Risks of investing

The major risks of investing in a superannuation fund are shown below. The performance of the investment options is affected by market movements. This means that your investment can go up and down and you may receive less than the amount you put in.

Understanding investment risks

All investment decisions involve some degree of risk. Risk could include not achieving your financial goals, the potential for loss of capital, or that the returns on your investment may not keep pace with inflation.

Below are some specific risks you need to be aware of when deciding to invest. While none of these risks can be completely eliminated and all risks are not relevant to every type of investment, our investment manager manages these risks to an appropriate level within the investment strategy and objectives of each investment option.

Market risk
This risk applies to markets as a whole. Movements in the relevant market mean that the value of your investment can go down as well as up. Markets, such as share, property or fixed interest markets, are affected by many factors such as economic conditions, political events, regulatory issues and investor sentiment.

Interest rate risk
Interest rate movements have a direct impact on the value of the fixed interest investments and the level of income generated. A rise in interest rates generally results in a fall in value of fixed interest investments and a fall in interest rates generally increases the value of these investments.

Credit risk
Credit risk relates to the risk that a borrower (for example, the issuer of the fixed interest security) will not be able to meet loan payments, interest payments or other obligations when they fall due. The market value of an investment can also fall significantly when the perceived risk of the issuer of a note or bond defaulting increases or its credit rating declines.

Inflation risk
Inflation can erode the real value and purchasing power of your investment if it fails to earn a return equal to or above the CPI.

International investments risk
International investments are exposed to different conditions such as economic cycles, political and regulatory environments. They may also be affected by currency movements and liquidity issues that may not affect Australian investments to the same extent. Returns from overseas investments may be affected by changes in exchange rates if the assets are not hedged. For example if currency exposure is not hedged, an investment with international exposure may be negatively affected if the Australian dollar rises relative to the other currency.

Liquidity risk
Liquidity refers to the ability to convert an asset into cash with minimum delay and little or no loss of value. In certain market conditions, particular investments may not be bought or sold as quickly as required. This may lead to delays in processing withdrawal requests.

Derivative risk
A derivative is a financial contract whose value is derived from the value of an underlying asset. Derivatives include instruments such as futures, forwards, options and swaps. Derivatives are mainly used to manage risks, although they may sometimes be used to generate higher returns. There is a risk that the derivative position may be difficult or costly to reverse, the counterparty may not be able to meet their obligations under the contract or the value of the derivative does not move in line with the value of the underlying asset.

Gearing risk
Gearing occurs when money is borrowed to purchase underlying assets. Gearing can magnify gains as well as losses, and may increase the volatility of the investment option.

Legislative risk
Your investment could be affected by changes to current laws and regulations, which can affect the tax-effectiveness or accessibility of your investment.

Other risks
There is always the risk that the investment you choose may change and may no longer be suitable for your needs and expectations. We reserve the right to vary, withdraw or terminate investment options. Therefore it is important for you and your financial adviser to continue to check that IT Super meets your needs and expectations on an ongoing basis.

How investment diversification reduces risk

One way in which you may reduce the risks associated with investing, and help smooth returns, is to diversify your investment, reducing the risk of placing all your eggs in one basket. Diversification is achieved by combining different kinds of investments (i.e. different asset classes, different investment managers and/or different sectors) as part of your investment strategy. By diversifying your investments, you may decrease (but not eliminate) your investment risk.

IT Super's diversified investment options provide diversification by offering a mix of asset classes and investment styles. IT Super's single sector investment options do not provide the same level of overall diversification.

2.5 Investment options available

IT Super's investment options are managed by Mercer Investments (Australia) Limited (Mercer) ABN 66 008 612 397.

IT Super offers two types of investment options.

Diversified options

Diversified investment options are designed to suit a range of investors and provide exposure to a range of investments, through allocations to selected asset classes using one or multiple investment managers, within pre-determined asset allocation ranges. The asset classes are split into two types of investments: growth investments and defensive investments. The asset allocations are based on the objectives for each diversified investment option.

Single Sector options

Single Sector investment options invest in a single asset class using one or more investment managers.

Investment option structure

The investment options invest into one or more managed investment schemes selected by the Trustee after considering advice from Mercer (Scheme). In this regard, Mercer may recommend that the Trustee invest in Schemes issued by it or a related party. The Responsible Entity of each Scheme appoints one or more underlying investment managers (Underlying Managers) to manage all or part of the Scheme's assets.

Helping you read the investment option profiles

The investment option profiles on the following pages describe the characteristics of each investment option. The information below is provided as a guide to help you understand the information in these profiles.

Investor profile

The Investor profile describes the characteristics of a typical member invested in each investment option. Please see Section 2.3 for more information.

Investment objectives

The investment objectives outline the results each investment option aims to achieve over a particular timeframe. Investment objectives may change in the future, and any changes will be available on our website.

Investment strategy

The investment strategy describes how assets are invested to meet the investment objectives. It may specify the types of assets invested in, the benchmarks against which performance may be measured or the investment style to be used.

Standard risk measure

The standard risk measure is a common risk descriptor used by superannuation funds. It is based on industry guidance to allow members to compare investment options that are expected to deliver a similar number of negative annual returns over any 20 year period.

The standard risk measure is not a complete assessment of all forms of investment risk. For instance, it does not take into account the impact of administration fees and tax on the likelihood of a negative return. Members should still ensure that they are comfortable with the risks and potential losses associated with their chosen investment option(s). The standard risk measure should not be considered personal advice.

Standard risk measure descriptors

Each investment option has a standard risk measure. The table below sets out the risk bands and risk labels for the IT Super investment options.

Risk band	Risk label	Estimated number of negative annual returns over any 20 year period
1	Very low	Less than 0.5
2	Low	0.5 to less than 1
3	Low to medium	1 to less than 2
4	Medium	2 to less than 3
5	Medium to high	3 to less than 4
6	High	4 to less than 6
7	Very high	6 or greater

Investment timeframe

This is the suggested minimum period of time a member should consider holding an investment in a particular investment option to maximise the likelihood of a positive return.

When choosing investment options, you should consider your investment time horizon (when you expect to draw on your superannuation) and whether the investment timeframes of the options are appropriate. We suggest you consult a financial adviser to decide on an investment strategy that best suits your circumstances and needs.

Investment fee and indirect cost ratio

See section 3.2.

Asset allocation
The actual exposure to each asset class is referred to as the asset allocation. The target asset allocation is the long-term target asset allocation in each asset class. The minimum and maximum asset allocation percentages are the lower and upper limits within which Mercer may invest. The actual asset allocation at any point in time for an investment option may vary from the target asset allocation shown in the investment option profiles. Investment strategies and asset allocations may change in the future and any changes will be made available on our website.

The asset classes comprise a number of subclasses for which the Trustee may set individual asset allocation ranges that total, but may not exceed, the maximum asset allocation for the asset class.

Asset class	Current subclasses
Australian shares	Australian core equities
	Australian core equities – passive
	Australian small cap
International shares	Developed market equities (unhedged)
	Developed market equities (hedged)
	Developed market equities (passive) (unhedged)
	Global low volatility (unhedged)
	Global small cap (unhedged)
	Emerging market (unhedged)
Property	Global Listed Property (hedged)
Australian fixed interest	Australian sovereign bonds
	Australian inflation plus
International fixed interest	Global sovereign bonds (hedged)
	Global credit (hedged)
	Global absolute return bonds (hedged)
Cash	Cash

Diversified options

ARC Defensive				
Investment objective	To achieve an investment return (after fees and taxes) that exceeds CPI increases by at least 0.5% pa over rolling 5 year periods.			
Investment strategy	The investment option may invest in one or more Schemes that: • invest in a diversified portfolio mix with exposure to growth investments around 15% and defensive investments around 85% • individually or collectively achieve the asset allocation, and • may use derivatives to implement investment strategies.			
Standard risk measure	• Risk band: 3 • Risk label: Low to medium • Estimated number of negative annual returns over any 20 year period: 1 to less than 2			
Investment timeframe	3+ years			
Investment fee	0.89% pa			
Indirect cost ratio	0.20% pa			
Asset allocation	Asset sector	Benchmark %	Minimum %	Maximum %
	Australian shares	8	0	15
	International shares	5	0	10
	International listed property	2	0	10
	Australian fixed interest	23	10	30
	International fixed interest	26	5	45
	Cash	36	30	50
	Total portfolio	**100**		

ARC Conservative				
Investment objective	To achieve an investment return (after fees and taxes) that exceeds CPI increases by at least 1% pa over rolling 5 year periods.			
Investment strategy	The investment option may invest in one or more Schemes that: • invest in a diversified portfolio mix with exposure to growth investments around 30% and defensive investments around 70% • individually or collectively achieve the asset allocation, and • may use derivatives to implement investment strategies.			
Standard risk measure	• Risk band: 4 • Risk label: Medium • Estimated number of negative annual returns over any 20 year period: 2 to less than 3			
Investment timeframe	3+ years			
Investment fee	0.92% pa			
Indirect cost ratio	0.21% pa			
Asset allocation	Asset sector	Benchmark %	Minimum %	Maximum %
	Australian shares	12	5	20
	International shares	11	0	20
	International listed property	7	0	15
	Australian fixed interest	20.5	10	30
	International fixed interest	22.5	0	45
	Cash	27	20	40
	Total portfolio	**100**		

ARC Moderate				
Investment objective	To achieve an investment return (after fees and taxes) that exceeds CPI increases by at least 2% pa over rolling 5 year periods.			
Investment strategy	The investment option may invest in one or more Schemes that: • invest in a diversified portfolio mix with exposure to growth investments around 50% and defensive investments around 50% • individually or collectively achieve the asset allocation, and • may use derivatives to implement investment strategies.			
Standard risk measure	• Risk band: 5 • Risk label: Medium to high • Estimated number of negative annual returns over any 20 year period: 3 to less than 4			
Investment timeframe	4+ years			
Investment fee	0.98% pa			
Indirect cost ratio	0.25% pa			
Asset allocation	Asset sector	Benchmark %	Minimum %	Maximum %
	Australian shares	22	10	35
	International shares	20	5	30
	International listed property	8	0	15
	Australian fixed interest	17	0	30
	International fixed interest	21	0	30
	Cash	12	5	25
	Total portfolio	**100**		

ARC Growth	
Investment objective	To achieve an investment return (after fees and taxes) that exceeds CPI increases by at least 3% pa over rolling 7 year periods.
Investment strategy	The investment option may invest in one or more Schemes that: • invest in a diversified portfolio mix with exposure to growth investments around 70% and defensive investments around 30% • individually or collectively achieve the asset allocation, and • may use derivatives to implement investment strategies.
Standard risk measure	• Risk band: 6 • Risk label: High • Estimated number of negative annual returns over any 20 year period: 4 to less than 6
Investment timeframe	7+ years
Investment fee	1.04% pa
Indirect cost ratio	0.27% pa
Asset allocation	

Asset sector	Benchmark %	Minimum %	Maximum %
Australian shares	32	20	45
International shares	30	15	65
International listed property	8	0	15
Australian fixed interest	12	0	25
International fixed interest	13	0	30
Cash	5	0	15
Total portfolio	**100**		

ARC High Growth	
Investment objective	To achieve an investment return (after fees and taxes) that exceeds CPI increases by at least 4% pa over rolling 5 year periods.
Investment strategy	The investment option may invest in one or more Schemes that: • invest in a diversified portfolio mix with exposure to growth investments around 85% and defensive investments around 15% • individually or collectively achieve the asset allocation, and • may use derivatives to implement investment strategies.
Standard risk measure	• Risk band: 6 • Risk label: High • Estimated number of negative annual returns over any 20 year period: 4 to less than 6
Investment timeframe	6+ years
Investment fee	1.12% pa
Indirect cost ratio	0.29% pa
Asset allocation	

Asset sector	Benchmark %	Minimum %	Maximum %
Australian shares	43	30	60
International shares	37	15	70
International listed property	5	0	10
Australian fixed interest	4	0	20
International fixed interest	8	0	20
Cash	3	0	10
Total portfolio	**100**		

Single sector options

ARC Cash				
Investment objective	To achieve an investment return (before fees and taxes) that exceeds the Bloomberg AusBond Bank Bill Index.			
Investment strategy	The Investment Option may invest in one or more Schemes that: • invest in a portfolio of short term securities and cash • individually or collectively achieve the asset allocation, and • may use derivatives to implement investment strategies.			
Standard risk measure	• Risk band: 1 • Risk label: Very low • Estimated number of negative annual returns over any 20 year period: Less than 0.5			
Investment timeframe	Up to 1 year			
Investment fee	0.36% pa			
Indirect cost ratio	0.14% pa			
Asset allocation	Asset sector	Benchmark %	Minimum %	Maximum %
	Cash	100	100	100

ARC Australian Shares				
Investment objective	To achieve an investment return (before fees and taxes) that exceeds the S&P ASX 300 Accumulation Index			
Investment strategy	The Investment Option may invest in one or more Schemes that: • invest in shares and unit trusts listed or about to be listed on the Australian Securities Exchange • individually or collectively achieve the asset allocation, and • may use derivatives to implement investment strategies.			
Standard risk measure	• Risk band: 6 • Risk label: High • Estimated number of negative annual returns over any 20 year period: 4 to less than 6			
Investment timeframe	7+ years			
Investment fee	1.04% pa			
Indirect cost ratio	0.30% pa			
Asset allocation	Asset sector	Benchmark %	Minimum %	Maximum %
	Australian shares	100	100	100

2.6 Managing your investment options

How do I change my investment options?

You can change your investment strategy by switching your investment options at any time. You can:

- choose to invest your total superannuation account balance in one or more options, or
- choose the same or separate investment options for your current account balance and your future contributions.

You can change your investment options online through the ARC Member Portal or by completing a Change of Details form available online at www.arcmt.com.au in the 'Member Resources' section or by contacting us.

How do I monitor my investments?

You can view unit prices and performance for each investment option online at www.arcmt.com.au in the 'Investment Option' section at any time. It is important to remember that superannuation is a long term investment and the returns of the investment options may fluctuate in the short term. Past performance should not be relied upon as an indication of future performance.

Changes to the investment options

We review the Investment Menu to ensure the investment options offered continue to meet members' needs and expectations. We reserve the right to vary, withdraw or terminate investment options. If we cease to offer an investment option in which you have your superannuation invested, we will generally give you advance notice of the change and of the replacement investment option(s) we select, into which your superannuation will automatically be transferred on a nominated termination date unless you select an alternative investment option before then. If, for any reason, it is not practicable to advise you in advance, we will invest your moneys in a comparable investment option we determine and advise you as soon as practicable.

Sustainable investment and the consideration of Environmental, Social and Governance (ESG) factors

Mercer builds sustainability principles into the Schemes that look beyond traditional factors to consider the potential investment impacts of corporate governance as well as environmental and social issues – such as an ageing population, energy and resource constraints and climate change. Indeed, Mercer's overarching investment beliefs call out climate change specifically as posing a systematic risk.

Sustainability is one of five key pillars in Mercer's investment beliefs. Along with the climate change belief above, Mercer believes ESG risks can affect long-term risk and return outcomes, and that a broader perspective can improve risk management and lead to opportunities.

The Underlying Managers appointed to the Schemes are encouraged to consider relevant ESG factors (such as those shown in the table below) when assessing investment risk and opportunities.

The table below provides some examples of the sorts of ESG factors considered within ESG assessment, though this list is not exhaustive:

Evronmental	Social	Governance
Climate change	Employee labour standards (including wages, working hours and diversity)	Community engagement
Energy efficiency	Occupational health and safety	Corporate citizenship
Pollution control	Employee regulations	Anti-bribery and corruption
Resource scarcity	Human rights	Remuneration
Renewable energy	Supply chain labour practices (including child and forced labour)	Board balance and diversity
Water management	Talent attraction and retention	Operational and risk management

Sustainable investing and exclusions

Mercer is committed to investing responsibly and as an overarching principle prefers an integration and engagement-based approach, as outlined above and in its Sustainable Investment Policy, to an exclusions-focused approach. However, Mercer recognises that there are a limited number of instances in which exclusions may be considered necessary as a last resort. When considering any potential exclusions, Mercer undertakes an assessment using the exclusions criteria outlined in its Sustainable Investment Policy.

Having considered these issues in addition to the ESG considerations listed above, and in accordance with its formal exclusions approach, Mercer has decided that the Schemes will not invest in companies that manufacture tobacco products or controversial weapons.

3 Fees and costs

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your fund balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from $100,000 to $80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You, or your employer, as applicable, may be able to negotiate to pay lower fees. Ask the Fund or your financial adviser.

To find out more
If you would like to find out more, or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission (ASIC) website (www.moneysmart.gov.au) has a superannuation calculator to help you check out different fee options.

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your account, from the returns on your investment, or from the assets of the superannuation entity as a whole.

Other fees, such as activity fees, advice fees for personal advice and insurance fees may also be charged, but these will depend on the nature of the activity, advice or insurance chosen by you. Entry fees and exit fees cannot be charged.

Taxes are set out in section 5 of this Member Booklet.

You should read all the information about fees and other costs in this Member Booklet because it is important to understand their impact on your investment.

The fees and costs for the ARC Growth investment option offered by the superannuation entity are set out below. For more information on the fees and costs payable for each investment option offered, refer to sections 3.2, 3.3 and 3.4.

Type of fee or cost	Fee amount	How and when paid
Investment fees[1]	1.04% pa	The Investment fee for each investment option is deducted when daily unit prices are calculated.
Administration fee[1]	0.27%pa	The Administration fee is calculated daily and is deducted from each investment option's unit price.
Buy-sell spread	0.17%	Estimated transaction costs are deducted from each investment option's unit price, which is calculated on a net seller basis.
Switching fee	N/A	There is no switching fee.
Advice fees relating to all members invested in an investment option	N/A	There are no advice fees charged by us.
Other fees and costs[2]	For details of the Family Law and Member fees that may apply and how and when they are paid, please refer to the 'Additional explanation of fees and costs' section.	
Indirect Cost Ratio (ICR)[1]	0.27% pa	ICRs are generally calculated and deducted daily when unit prices are determined. This will be reflected in your super account balance.

Notes for Table
[1] If your account balance is less than $6,000 at the end of the Fund's income year, the total combined amount of administration fees, investment fees and indirect costs charged to you for the year is capped at 3% of the account balance. We will reduce the fee cap amount where you hold an account for less than the income year. We will refund any amount charged in excess of that cap.
[2] Refer to the 'Additional explanation of fees and Costs' in this document.

3.1 Example of annual fees and costs

This table gives an example of how the fees and costs in the ARC Growth investment option for this superannuation product can affect your superannuation investment over a 1 year period. You should use this table to compare this superannuation product with other superannuation products.

ARC Growth investment option		Balance of $50,000
Investment fees	1.04%	For every $50,000 you have in the ARC Growth investment option you will be charged $518.53 each year.
Plus administration fees	0.27%	And for every $50,000 you have in the ARC Growth investment option you will be charged $135.29 each year.
Plus indirect costs	0.27%	And, indirect costs of $136.84 each year will be deducted from your investment.
Equals cost of fund	If your balance was $50,000, then for that year you would be charged fees of $790.66 for the superannuation product.	
Note: Additional fees may apply. Also, totals may vary slightly to the sum or product of the various components due to rounding in some of the components		

3.2 Additional explanation of fees and costs

Annual fees and indirect costs

The total annual cost for each investment option comprises:

- an administration fee paid to TAL Life
- an investment operations fee paid to TAL Life
- the fee charged by the issuer(s) of the relevant Schemes, and
- its indirect cost ratio.

The amounts shown in the following table include all direct and indirect annual fees and costs as at the date of the Member Booklet. The indirect cost ratio is based on information available and, where applicable, estimates as at the date of the Member Booklet. Any updates from time to time which are not materially adverse to members will be available on our website www.arcmt.com.au.

Other fees and costs, such as Family Law fees and buy/sell spreads may also apply.

General definitions for the different types of fees that may be payable are provided in section 3.4. Please note that not all of these fees may apply to IT Super.

Investment Option	Administration Fee (pa)[1,7]	Investment Fee (pa)[1] Investment Operations Fee[7]	Investment Manager Fee	Estimated Indirect Cost Ratio (pa)[2] Estimated Performance Related Fees[3]	Estimated Expense Allowance[4]	Estimated Transactional & Operational Costs[5]	Estimated Total Annual Cost (pa)[6]
ARC Defensive	1.65%	0.65%	0.25%	0.00%	0.13%	0.07%	2.74%
ARC Conservative	1.65%	0.65%	0.27%	0.00%	0.14%	0.07%	2.78%
ARC Moderate	1.65%	0.65%	0.33%	0.01%	0.14%	0.10%	2.88%
ARC Growth	1.65%	0.65%	0.39%	0.02%	0.14%	0.11%	2.96%
ARC High Growth	1.65%	0.65%	0.47%	0.03%	0.14%	0.12%	3.06%
ARC Cash	1.41%	0.29%	0.07%	0.00%	0.13%	0.01%	1.92%
ARC Australian Shares	1.65%	0.65%	0.39%	0.05%	0.14%	0.11%	2.99%

Notes for Table

[1] These amounts are deducted directly from the investment option's assets and reflected in its unit price.

[2] These amounts are additional to the administration and investment fees. They are incurred indirectly and reflected in the unit prices of the investment options.

[3] These estimated amounts are based on performance-related fees charged for the financial year ended 30 June 2019 by some of the Underlying Managers. **Past performance and these estimates are not indicative of future returns**. Performance-related fees payable in the future may vary depending on the Underlying Managers' actual investment returns. See 'Performance related fees' in section 3.2 for more information.

[4] The Trustee, the issuers of the Schemes and their Underlying Managers are entitled to be reimbursed for any expenses they incur in the proper performance of their duties and obligations. These estimated amounts are based on the expense recoveries charged in/by these entities for the financial year ended 30 June 2019.

[5] These estimated amounts include items such as brokerage, settlement costs (including custody costs), clearing costs, stamp duty on investment transactions, property management costs, buy-sell spreads, and costs associated with investing in derivatives. These amounts are incurred in the Schemes and by the Underlying Managers.

[6] Totals may vary slightly to the sum of the various components due to roundings in some of the components.

[7] The Fund receives a tax deduction for these fees which reduces the amount charged to members' accounts by up to 15%. Similarly, any refund of GST is credited to members' accounts. See 'Reduced charges for tax-deductible fees and costs' in section 3.3 for more information. It's important to note that the amounts shown in the table are the gross amounts paid by the Fund and do not incorporate this reduction.

Administration Fee

The Administration Fee relates to the administration and operational support provided by TAL Life as the administrator appointed by the Trustee. All members are charged a fee of 1.65% pa. However, a reduced administration fee applies to IT Super (currently 0.27% pa) which is applied by crediting your account with a rebate which currently purchases additional units at the end of each month.

The Administration fee is subject to a minimum payment of $14.12 per month per member.

Buy/Sell Spreads

It is common practice by superannuation funds to charge a fee for applying for or redeeming units. This fee is incorporated into the unit price which generally means the unit price used for redeeming units is different to the unit price used for applying for units. The entry price for the issue of units in a Scheme is different to the exit price for the redemption of those units. The difference between these prices is commonly called a buy/sell spread.

The buy/sell spread aims to ensure that non-transacting investors in the Scheme are not impacted by the transaction costs incurred when other investors buy or sell units in the Scheme. This outcome is achieved by appropriately allowing for transaction costs in the calculation of the entry and exit prices.

The Trustee has adopted a net seller approach to unit pricing for the investment options because it nets off purchases and redemptions of units in the investment options each day and redeems the net amount of cash required from the relevant Scheme(s). Accordingly, the Trustee calculates a single, net seller, unit price each day which is used for both application and redemption transactions. These redemption prices have been reduced by the allowance for transaction costs (i.e. sell spread) in the following table.

Investment Option	Sell spread applied in the redemption prices for the relevant Scheme(s)
ARC Defensive	0.06%
ARC Conservative	0.09%
ARC Moderate	0.13%
ARC Growth	0.17%
ARC High Growth	0.20%
ARC Cash	0.00%
ARC Australian Shares	0.28%

These transaction costs are an additional cost to you but are not additional fees paid to the issuer of the Scheme. These costs are retained in the Scheme to cover the actual transaction costs as they are incurred.

Family Law fees

Flagging or splitting
A fee of $93.75 is charged when we implement a flagging or splitting agreement or court order in relation to splitting a member's superannuation account or benefit, as permitted under the Family Law Act 1975 (Family Law). Generally this fee is split equally between your account and your spouse's account when implementing the flagging or splitting agreement or court order.

Request for information
A fee of $93.75 is charged when a member's spouse or other person planning to enter into an agreement under the Family Law requests information about your superannuation account, as permitted under Family Law. This fee is payable by the person making the request for information. It is not deducted from your account.

For further information please refer to section 6.15.

Indirect cost ratio

The indirect cost ratio of each investment option is the ratio of total indirect costs to the total average net assets of the investment option and includes:

- expense recoveries made by the Trustee, the issuers of the Schemes and their Underlying Managers
- any performance-related fees charged by the Underlying Managers, and
- transactional and operational costs (see below).

Expense recovery
The Trustee recovers the cost to the Trustee of corporate services, seconded staff and human and other resources made available to the Trustee by TAL Services Limited, to enable the Trustee to perform its duties as trustee of the Fund. This expense recovery is approximately 0.09% of the value of the Fund's assets and is included in the Indirect Cost Ratio.

Expense recoveries may also be made by the issuers of the Schemes and their Underlying Managers, which are also included in the Indirect Cost Ratio.

Performance-related fees
An Underlying Manager may charge performance-related fees. These fees are reflected in the unit price of the relevant Scheme and accordingly form part of the Indirect Cost Ratio of the relevant investment option.

Underlying Managers that charge a performance-related fee will generally only apply that fee when performance is greater than an agreed target and they have met any other relevant conditions for a defined period of time. Accordingly, performance-related fees will generally only arise when higher returns, relative to a specified target for a particular Underlying Manager, are achieved.

Transactional and operational costs
Costs such as brokerage, settlement costs (including custody costs), clearing costs and government charges may be incurred as a result of changes to the investment option's portfolio of Schemes, changes to a Scheme's portfolio of investments managed by its Underlying Manager(s), or when an investment option experiences cash flows in or out of it. These costs are an indirect cost to you.

When an investment option incurs costs from changes to an investment portfolio, these costs are paid from the investment option's assets, but are offset by any transaction cost allowances that are included in the calculation of the Scheme's unit prices, as relevant, as described under 'Buy/sell spread' above.

Estimated net transactional and operational costs are borne by all members, being the estimated percentage by which investment returns have been reduced by these costs.

No part of any transactional or operational cost is paid to the Trustee, Mercer, the issuer of a Scheme or any Underlying Manager, and the allowance for transactional and operational costs is not subject to GST.

An Underlying Manager may use derivatives to obtain or reduce exposure to securities and markets, to implement investment strategies and to manage risk (otherwise known as hedging). The estimated costs of these derivatives are included in an investment option's transactional and operational costs.

Investment fees

Investment fees apply to each investment option and typically vary depending on the type of assets the option invests in and the style of management (e.g. active or passive). These fees include the fee paid to Mercer for managing the investment options' assets and the Investment Operations Fee paid to TAL Life.

Investment Operations Fee
The Investment Operations Fee covers the cost of operational management of the investment options, and making them available to you. The operational activities include maintenance and validation of unit prices on a daily basis, the preparation, maintenance and provision of investment option disclosures, and other activities associated with the management of the investment options.

Performance fees
The Trustee does not directly charge any performance fees. Accordingly, no performance fees are included in the investment fees charged to you by the Trustee. However, performance-related fees may be charged by the Underlying Managers, which are included in the Indirect Cost Ratio (see above).

Member fee

A member fee of $7.22 is deducted monthly from your account. Members with an IT Super account balance of $26,342 or more are not charged this fee.

3.3 Other information about fees

Reduced charges for tax-deductible fees and costs

A tax deduction is claimed for the Administration and Investment Operations Fees paid from the Fund.

All other fees and costs shown in the table in section 3.2 are charged by the issuer of the relevant Scheme and reduce the net asset value of the Scheme. These fees and costs are not directly incurred by the Fund and may not be tax deductible to the Fund.

Where a fee or cost is tax deductible to the Fund, the Trustee charges a lower amount to members to pass the benefit of the tax deduction to members. The reduced charges are shown in the following table.

Fee	Amount paid by the Fund	Payment source	Deductible to the Fund	Reduced amount charged to members, where applicable
Administration Fee (ARC Cash)	0.04% pa	The Fund	Yes	0.03% pa
Administration Fee (after the reduction detailed in section 3.2)	0.27% pa			0.23% pa
Investment Operations Fee (ARC Cash)	0.29% pa			0.25% pa
Investment Operations Fee (all other investment options)	0.65% pa			0.55% pa
Family Law Fees	$93.75			$79.69
Member Fee	$7.22 per month			$6.14 per month

Goods and Services Tax

Where GST applies to a fee or cost in section 3, the amount is shown inclusive of GST and net of any Reduced Input Tax Credit.

Fee increases and alterations

Where fees may be indexed in line with any increase in the CPI to 30 September, this is done on 1 January each year.

Before the introduction of any additional fee(s) or before increases (other than CPI increases or increases which are not materially adverse) to the fees, costs and charges above, we will provide you with at least 30 days' prior written notice.

Updated details will also be available on our website and included in the Fund's Annual Report each year.

Low Balance Fee Cap

If your account balance is less than $6,000 at the end of the Fund's income year, the total combined amount of administration fees, investment fees and indirect costs charged to you for the year is capped at 3% of the account balance. We will reduce the fee cap amount where you hold an account for less than the income year. We will refund any amount charged in excess of that cap.

Adviser remuneration

Insurance premium remuneration
If you have insurance, IT Super's financial advisers may receive up to 20% (excluding GST) of premiums paid to TAL Life (i.e. up to $20 per $100 of premium).

Alternative forms of remuneration
Financial advisers may also receive other forms of remuneration including non-monetary benefits. Any alternative form of remuneration paid by us is not an additional cost to you.

To comply with the Financial Services Council Industry Code of Practice on Alternative Forms of Remuneration in the wealth management industry, TAL Life maintains a register of the alternative forms of remuneration that are paid or received by us. The register is publicly available for inspection and you can obtain a copy by contacting us. More information on your financial adviser's remuneration is contained in their Financial Services Guide and/or Statement of Advice.

3.4 Defined fees

Activity fees	A fee is an **activity fee** if: a) the fee relates to costs incurred by the trustee of the superannuation entity that are directly related to an activity of the trustee: i. that is engaged in at the request, or with the consent, of a member or ii. that relates to a member and is required by law, and b) those costs are not otherwise charged as an administration fee, an investment fee, a buy-sell spread, a switching fee, an advice fee or an insurance fee.
Administration fees	An **administration fee** is a fee that relates to the administration or operation of the superannuation entity and includes costs that relate to that administration or operation, other than: a) borrowing costs b) indirect costs that are not paid out of the superannuation entity that the trustee has elected in writing will be treated as indirect costs and not fees, incurred by the trustee of the entity or in an interposed vehicle or derivative financial product, and c) costs that are otherwise charged as an investment fee, a buy-sell spread, a switching fee, an activity fee, an advice fee or an insurance fee.
Advice fees*	A fee is an **advice fee** if: a) the fee relates directly to costs incurred by the trustee of the superannuation entity because of the provision of financial product advice to a member by: i. a trustee of the entity or ii. another person acting as an employee of, or under an arrangement with, the trustee of the entity, and b) those costs are not otherwise charged as an administration fee, an investment fee, a switching fee, an activity fee or an insurance fee.
Buy-sell spreads	A **buy-sell spread** is a fee to recover transaction costs incurred by the trustee of the superannuation entity in relation to the sale and purchase of assets of the entity.
Exit fees*	An **exit fee** is a fee, other than a buy-sell spread, that relates to the disposal of all or part of a member's interests in a superannuation entity.
Indirect cost ratio	The **indirect cost ratio (ICR)**, for a MySuper product or an investment option offered by a superannuation entity, is the ratio of the total of the indirect costs for the MySuper product or investment option, to the total average net assets of the superannuation entity attributed to the MySuper product or investment option. Note: a fee deducted from a member's account or paid out of the superannuation entity is not an indirect cost.
Investment fees	An **investment fee** is a fee that relates to the investment of the assets of a superannuation entity and includes: a) fees in payment for the exercise of care and expertise in the investment of those assets (including performance fees), and b) costs that relate to the investment of assets of the entity, other than: i. borrowing costs ii. indirect costs that are not paid out of the superannuation entity that the trustee has elected in writing will be treated as indirect costs and not fees, incurred by the trustee of the entity or in an interposed vehicle or derivative financial product, and iii. costs that are otherwise charged as an administration fee, a buy-sell spread, a switching fee, an activity fee, an advice fee or an insurance fee.
Switching fees*	A **switching fee** for a superannuation product other than a MySuper product, is a fee to recover the costs of switching all or part of a member's interest in the superannuation entity from one investment option or product in the entity to another.

*These fees do not apply to your superannuation in IT Super.

4 Insurance

Please note, from 1 July 2019, you will not be able to apply for new insurance cover or apply for increases to or reinstatement of any existing insurance cover. You may decrease or cancel your insurance at any time.

This section gives you important information about insurance under IT Super.

The insurance options in IT Super are:

- Death insurance – pays a lump sum amount in the event of your death including diagnosis of a Terminal Illness (as defined in the 'Terminal Illness benefit' section).
- Total and Permanent Disablement (TPD) insurance – pays a lump sum amount in the event of you becoming Totally and Permanently Disabled (as defined in the 'About TPD insurance' section).
- Income Protection insurance – pays a regular monthly benefit should you be Totally or Partially Disabled (as defined in the 'What does Total Disability mean?' and 'What does Partial Disability mean?' sections).

For more information regarding these types of insurance, please refer to the 'About Death insurance', 'About Total and Permanent Disablement insurance' and 'About Income Protection insurance' sections.

4.1 How insurance works

The Trustee has arranged insurance cover with TAL Life. The Trustee is the owner of the insurance policy. If you have been accepted for insurance, you are covered under this policy.

We will confirm the amount of your cover and premiums each year in your Annual Member Statement or you can contact us to confirm.

TAL Life pays all Death, TPD and Income Protection insurance benefits to the Trustee as the policy owner. After confirming that a Condition of Release under the superannuation law has been satisfied, the Trustee pays the corresponding benefit to you or your dependants.

4.2 IT Super insurance options

You may have one of the below two basic benefit designs of Death and/or TPD cover namely:

- Standard cover, or
- Tailored cover, wherein employers have set up a specific insurance design for their plan.

Under IT Super, you may have also applied for Income Protection cover and the optional Retirement Protection benefit.

For more information about your insurance cover, check the Member Benefit Certificate that you would have received when you joined IT Super, your annual statement or contact us.

Standard cover – Death and TPD

If you joined IT Super through your employer, you may have been automatically insured under Standard cover for the amounts of cover on the table below which also shows the current premium rates per week.

This is subject to confirmation on your Member Benefit Certificate.

Premium rates in this table include a 20% (excluding GST) adviser commission and are based on 'white collar' occupations. For other occupations, please refer to the Occupation classification table in section 4.6.

Age next birthday	Death & TPD cover	Premium per week
Less than 26	$250,000	$8.18
26 to 27	$300,000	$9.20
28 to 30	$350,000	$10.42
31 to 34	$350,000	$12.26
35 to 39	$350,000	$14.51
40 to 42	$300,000	$17.89
43 to 45	$300,000	$24.02
46 to 47	$250,000	$24.53
48 to 50	$200,000	$24.53
51 to 52	$140,000	$24.53
53 to 54	$125,000	$24.53
55 to 56	$100,000	$24.53
57 to 60	$75,000	$24.53
61 to 65	$40,000	$20.44
66 to 70	$20,000*	$16.35

* TPD after age 65 is subject to restricted Activities of Daily Living definition.

Tailored cover – Death and TPD

When your employer set up their employer plan, they may have agreed to tailor their insurance design to provide cover other than the Standard cover. Please refer to section 4.6 for more information.

Standard cover – Income Protection (IP)

If you joined IT Super through your employer, you'll generally be automatically insured under Standard cover for the amounts of cover on the table below which also shows the relevant premium rates.

Premium rates in this table are based on `white collar' occupations. For other occupations, please refer to the Occupation classification table in section 4.6.

Age next birthday	Monthly IP benefit $	Premium per week
Up to 35	$7,020	$3.39
36 to 40	$5,100	$3.39
41 to 45	$3,570	$3.39
46 to 50	$2,250	$3.39
51 to 55	$1,410	$3.39
56 to 60	$900	$3.39
61 to 65	$660	$3.39

If we are not provided annual salary for you at each 30 September Annual Review we will record your Income Protection benefit as the amount in the table above for purposes of Annual Member Statements. The benefit at time of claim will always be the lesser of 75% of Salary or the amount you are insured for.

4.3 About Death Insurance

Death insurance pays a lump sum amount in the event of your Death or diagnosis of a Terminal Illness.

When is a Death insurance benefit not payable?

A Death insurance benefit will not be payable for insurance you applied for voluntarily or that was accepted after health assessment by TAL Life if your death was caused by suicide within 13 months of any of the following occurring, as applicable:

- the commencement date of insurance under the Fund
- the date of an increase in cover (but only in respect of the amount of the increase), or
- the most recent date TAL Life agreed to reinstate insurance.

When does Death insurance cease?

Any Death insurance will cease upon the earliest of any of the following occurring:

- your account balance is insufficient to pay premiums (we will send you written notice if this is the case)
- your account in the Fund has been inactive for a continuous period of 16 months unless you have made an Insurance Election^
- an insured benefit is paid upon your death or upon your Terminal Illness except where your Terminal Illness benefit amount is lower than your Death cover, in which case Death cover will be continued but is reduced by the amount of the Terminal Illness benefit paid
- an insured benefit is paid upon your TPD except where your TPD cover is lower than the amount of Death cover, in which case the remaining Death cover will be reduced by the amount of the TPD benefit paid
- 60 days after you cease to be a member of IT Super
- at 30 September in the year prior to you turning age 70
- you cancel your Death insurance, or
- the policy terminates.

^ An Insurance Election is a written and enduring confirmation from you to maintain the insurance cover in your account.

Terminal Illness benefit

If you have Death insurance, a Terminal Illness benefit may be payable once evidence has been received by TAL Life that you have been diagnosed with a Terminal Illness where:

- that illness stops you from working, and
- in the opinion of a medical practitioner* you are not expected to live more than 12 months.

The maximum amount payable under the Terminal Illness benefit is the lesser of:

- your insured benefit, and
- $2.5 million.

Your Death insurance will be reduced by the amount of any Terminal Illness benefit paid.

* TAL Life requires a medical practitioner who is legally qualified and registered to the equivalent Australian standards (and includes an appropriate specialist) who is not the employer, the member, their spouse, relative or business associate.

4.4 About TPD insurance

TPD insurance pays a lump sum amount in the event of you becoming Totally and Permanently Disabled. If you are a member of IT Super, TPD insurance was provided automatically with Death insurance. Check your Member Benefit Certificate you received upon joining IT Super.

What does Totally & Permanently Disabled mean?

To be Totally and Permanently Disabled, in TAL Life's opinion, you:

i) are unlikely, because of ill-health (whether physical or mental) to engage in gainful employment for which you are reasonably qualified by education, training or experience, and

ii) meet either Definition (1) or (2) below.

Definition (1)
If you are under 65 and are gainfully employed (as a self-employed person or permanent employee) for at least 20 hours per week on average over the previous six months prior to ceasing work as a result of disability, you will be considered Totally and Permanently Disabled if:

a) because of sickness or accident, you have been absent from active employment for six continuous months and you are unlikely ever to be able to follow your usual occupation or any other occupation for which you could be reasonably considered qualified by education, training or experience, or

b) you have suffered the total and irrecoverable loss of the use of one of the following:

- both hands
- both feet
- one hand and one foot
- the sight of both eyes
- one hand and the sight of one eye, or
- one foot and the sight of one eye.

OR

Definition (2)
If neither part (a) or (b) of Definition (1) above applies (ie. regardless of your age and the number of hours you work per week), you will be considered Totally and Permanently Disabled if you are permanently unable to perform at least two of the five activities of daily living without the physical assistance of another person.

The five activities of daily living are:

- Bathing – the ability to shower and bathe
- Dressing – the ability to put on and take off clothing
- Feeding – the ability to get food from a plate into the mouth
- Toileting – the ability to get on and off and use, the toilet, and
- Mobility – the ability to get in and out of bed and a chair.

If you have Tailored Cover, all TPD cover is reduced to Nil at age 70. If the benefit does not otherwise reduce with age, from age 60, any TPD cover reduces by 10% each year until ceasing at 30 September in the year prior to you turning age 70.

When is a TPD insurance benefit not payable?

A TPD insurance benefit will not be payable for insurance you applied for voluntarily or cover that was accepted after health assessment by TAL Life, where your disablement was caused (directly or indirectly) by a self-inflicted injury within 13 months of the first of the following occurring:

- the commencement date of insurance cover
- the date of an increase in insurance benefits (but only in respect of the amount of the increase), or
- the most recent date TAL Life agreed to reinstate insurance cover

When does TPD insurance cease?

Any TPD insurance will cease upon upon the earliest of any of the following occurring:

- your account balance is insufficient to pay premiums (we will send you written notice if this is the case)
- your account in the Fund has been inactive for a continuous period of 16 months unless you have made an Insurance Election
- upon your death or Terminal Illness
- an insured TPD benefit is paid
- 60 days after you cease to be a member of IT Super
- at 30 September in the year prior to you turning age 70
- you cancel your Death and/or TPD insurance, or
- the policy terminates.

4.5 About Income Protection insurance

Income Protection insurance pays you a regular monthly income should you be unable to work due to a sickness or injury up to the lesser of:

- 75% of your salary or the relevant amount provided in the 'Standard cover - Income Protection (IP)' table in section 4.2 if you're an IT Super member, and
- 75% of Salary or the amount accepted by TAL Life in writing

Income Protection insurance provides protection against both Total Disability and Partial Disability.

The IT Super Standard Income Protection benefit has a 90 day waiting period and a maximum payment period of two years.

Salary means Income, which is defined as follows:

For employees:

If you are an employee who is not either directly or indirectly involved in the ownership of the business, income means the annual total remuneration package minus any expenses incurred by you earning the income (if applicable) paid by the employer to you for your personal exertion. Income does not include commissions, bonuses or overtime unless TAL Life agrees in writing that it is included.

For business owners/self-employed:

Where you own (either directly or indirectly) all or part of the business, including all or part ownership through another legal entity, income shall mean the regular income earned from your personal exertion after the deduction of all attributable business expenses incurred from earning the income. Income does not include investment income, profit distributions or similar payments that may continue in the event of disability.

Salary used to calculate your benefit will be determined immediately prior to the event giving a rise to a claim, but in the case of a contractor, will be qualified to mean average salary over the past 12 months.

What does Total Disability mean?

For the purpose of the Income Protection insurance cover, you will be considered Totally Disabled if you were gainfully employed (as a self-employed person or permanent employee) for at least 20 hours per week, on average over the previous six months prior to ceasing work and, as a result of an accident or sickness, you are:

- unable to perform at least one of the income producing duties of your occupation
- not working in any occupation, or
- under the care of a medical practitioner.

What does Partial Disability mean?

You are considered to be Partially Disabled where, following a period of Total Disablement for which at least one day's Total Disability benefit has been paid:

- you return to work (or are capable of returning to your own or any occupation)
- you are under the care of a medical practitioner, and
- as a result of the disability your post-disability **Salary** is less than 80% of your pre-disability **Salary**.

In this case, the Partial Disability benefit is equal to:

Total Disability benefit x (Pre-disability **Salary** – Post-disability **Salary**)/Pre-disability **Salary**

For example, if your:

- Pre-disability **Salary** was $5,000 per month
- Total Disability benefit is 75% of **Salary** (i.e. $3,750), and
- Post-disability **Salary** reduced to $3,000 per month (60% of your pre-disability Salary).

In this case, the Partial Disability benefit payable would be $1,500 per month, as follows:

$3,750 x ($5,000 – $3,000)/$5,000 = $1,500 per month

Optional Retirement Protection benefit

In addition to insuring your income, you may have insured your superannuation contributions so that contributions will continue to be paid to IT Super on your behalf while you are disabled. The Retirement Protection benefit pays an additional amount of up to 10% of your pre-disability **Salary** into your IT Super account to cover lost superannuation contributions while you are disabled. Up to the lesser of:

- your requested Retirement Protection benefit
- an amount equivalent to the average monthly superannuation contributions paid to the Fund by you (or your employer) over the 12 months prior to disability , or
- $3,666 per month

Any Retirement Protection benefit payable while you are Partially Disabled is reduced in proportion to the amount of **Salary** you receive while Partially Disabled. The Retirement Protection benefit will be included in the calculation of the maximum benefit amount of $25,000.

When is Income Protection insurance not payable?

An Income Protection insurance benefit will not be payable where your disability arises directly or indirectly from any of the following:

- a self-inflicted injury
- the misuse of drugs
- attempted suicide
- warfare (whether declared or not), or
- pregnancy (unless the disability continues for more than three months after the end of the pregnancy (in which case disability will be considered to have started at the date the pregnancy ends).

If you become disabled, when do your Income Protection payments start and finish?

In order to qualify for an Income Protection benefit (and, if selected, Retirement Protection benefit), you must be unable to work for the duration of your 'waiting period'. The waiting period is the number of days you must be Totally Disabled before Income Protection payments commence. Income Protection payments commence after the expiry of the waiting period and are payable monthly in arrears until the first of any of the following occurs:

- you cease to be Totally or Partially Disabled
- the conclusion of the benefit payment period (including partial disability benefit)
- your death, and
- you turn age 65.

Is an Income Protection insurance benefit reduced by any other income you receive while disabled?

As Income Protection insurance has been designed to cover lost earnings while you are Totally or Partially Disabled, your Income Protection benefit will be reduced by other amounts received while disabled, from any of the following sources:

- any benefit arising from social security, worker's compensation, motor accident compensation or other similar compensation under State or Federal legislation
- any **Salary** paid or payable by your employer during sick leave, or
- any other income protection (or salary continuance) benefit.

What happens if you return to work and then suffer a recurrence of the disability?

If, within six months after your entitlement to receive a Total or Partial Disability benefit ceases, you suffer a recurrence of Total or Partial Disability which, in the opinion of TAL Life has arisen from the same or related causes as the earlier Total or Partial Disability, then the waiting period will be waived and the successive period of Total Disablement or Partial Disablement will be regarded as one continuous period for the purposes of the payment period.

When does Income Protection insurance cease?

Any Income Protection insurance cover (and, if selected, Retirement Protection cover) will cease upon the earliest of any of the following occurring:

- if your account balance is insufficient to pay premiums (we will send you written notice if this is the case)
- your account in the Fund has been inactive for a continuous period of 16 months unless you have made an Insurance Election
- if you die
- if you become TPD
- 60 days after you cease to be a member of IT Super
- at 30 September in the year prior to reaching age 65, except where you are eligible for your claim on your reaching age 65
- if you are on employer approved leave or located overseas, upon reaching the end of the period that TAL Life has agreed to provide you with cover (refer to the 'Cover while you are on leave' and 'Overseas protection' sections)
- you retire
- if you cancel your Income Protection insurance, or
- the policy ceases.

4.6 How much does insurance cost?

Standard cover – Death and TPD

If you have the standard cover scale, the premium per week as set out in the table in section 4.8 depends on:

- your age, and
- your occupation.

Occupation classification

Depending on your occupation TAL Life may charge different levels of insurance premiums, as indicated by the 'Multiple' in the table below which is applied to the basic premium rates.

Occupation Group				
Type of work		**Death (Multiple)**	**TPD (Multiple)**	**Income Protection (Multiple)**
White Collar	Clerical, administration and managerial occupations involving office and travel duties. No manual work (for example, administrator, book-keeper, computer operator). Includes occupations with tertiary qualifications that involve very light physical work (for example, osteopath, physiotherapist).	1.00	1.00	1.00
Light Blue	Certain qualified tradespeople (for example, electrician) who engage in light manual work only. Includes business owners in non-hazardous industries involved in light manual work (for example, coffee shop owner) and those who may supervise medium blue collar workers (no more than 25% of their work time). Includes occupations that are not limited to an office, where travel is an essential part of the job (for example, field surveyor).	1.25	1.50	1.50
Medium Blue	Qualified skilled tradespeople in non-hazardous industries wholly involved in manual duties (for example, carpenter, plumber, plasterer, mechanic).	1.50	2.00	2.25
Heavy Blue	Heavy manual workers in non-hazardous industry performing high risk occupations (for example, interstate bus driver, warehouse worker, labourer, bricklayer, house removalist).	2.00	3.00	3.50

Tailored Cover

The cost of insurance cover generally depends on your age, gender, occupation and the type of insurance selected, and for that reason, cannot be set out in this Member Booklet. Discounts and/or loadings may apply to insurance premiums and stamp duty is also applicable on Income Protection insurance premiums. For more information, contact us.

4.7 Deduction of premiums

Premiums are deducted from your IT Super account on a monthly basis. The premiums will continue to be deducted (even if regular contributions to IT Super cease) until such time as you have insufficient money in your account to pay premiums. If this occurs, your insurance will cease (we will notify you in writing if this is the case).

The amount you pay for insurance is normally recalculated each year at the annual review date (ie 30 September) and may increase or decrease depending on your amount of cover and premium rates applicable for your age. Please note that TAL Life reserves the right to change premium rates at any time, however, you will be given 30 days' notice if the change will result in either an increase in premiums or a reduction in your amount of cover.

The premium amount for any insurance you have will be confirmed each year in your Annual Member Statement. Information about your amount of cover is also available through your access to the ARC Member Portal at www.arcmt.com.au.

4.8 General information about insurance

Cover while you are on leave

If you are on employer - approved leave (but not for health reasons):

- your Death and TPD cover may continue indefinitely, subject to the terms of the policy. However, after the first year, your TPD cover will be subject to TPD Definition 2 (Activities of Daily Living – refer to section 4.4), and
- your Income Protection cover will cease after the first year unless otherwise agreed by TAL Life.

In the event that you become eligible to claim a benefit for TPD where the event giving rise to the claim occurred during a period of unpaid leave, the applicable six month waiting period in respect of that benefit will be deemed to commence from the date a medical practitioner certifies you to be unable to work due to injury or sickness.

In the event that you become eligible to claim a benefit for Total Disability or Partial Disability during a period of unpaid leave, the applicable waiting period will be deemed to commence from the date a medical practitioner certifies you to be disabled. However, benefit payments won't commence until the date you were expected to return to work (as documented in your leave advice). If you go overseas while on leave, your cover will be subject to overseas cover rules.

Overseas protection

You are covered 24 hours a day, seven days a week while in Australia and, subject to certain conditions, while overseas.

For Non-Australian Residents, cover continues while overseas for up to 3 months. Cover beyond 3 months is subject to the approval of TAL Life.

For insured members who are Australian Residents, cover is provided for up to 3 years while overseas, however, after 3 months, if they are in a country that attracts a Department of Foreign Affairs and Trade (DFAT) 'do not travel' warning, they will not be covered.

If you wish for your cover to continue beyond the initial periods outlined above, you must obtain TAL Life's written approval prior to expiry of the initial period.

If you are an Australian Resident who is not covered due to being located in a country attracting a DFAT 'do not travel' warning and the said warning is subsequently lifted, your cover will be reinstated automatically, provided the relevant premiums are paid. Your cover will not be affected by a DFAT 'do not travel' warning subsequently issued to a country where you are already located. No prior written approval by TAL Life is required under these conditions.

In the event of a claim while temporarily employed or travelling overseas, TAL Life may require you to return to Australia for medical assessment and treatment. TAL Life will not pay any costs related to your return to Australia. Any expenses incurred by TAL Life, outside Australia, in obtaining evidence of insurability or costs incurred during a claim, must be reimbursed by you. If you are not an Australian resident, please contact TAL Life as different provisions for overseas protection apply to you.

What happens to your insurance if you leave your employer?

If you are a member of IT Super, and if we're advised by your employer that you have ceased employment provided you remain eligible for cover under IT Super, your cover will continue as long as you remain a member of the Fund and all other policy terms and conditions are satisfied.

What happens when you leave IT Super?

If you leave IT Super, you may be able to maintain your insurance benefits by transferring your cover to an individual insurance policy issued by TAL Life. This is known as a 'continuation option'. To be eligible for the Death, TPD or Income Protection continuation option, you must be under age 60, must not have joined (or intend to join) the armed forces of any country, must not be leaving the Fund due to ill health and must not be retired from the workforce.

Notification must be in writing and must be received by TAL Life within 60 days of your benefits being withdrawn or transferred from IT Super. You will also need to complete a Continuation Option Application Form available from your (or your employer's) financial adviser or by calling us. The continuation of Death, TPD or Income Protection Benefits insurance is subject to TAL Life's approval after reviewing the required information. No other medical evidence is required.

The amount of cover provided by the individual policy will be no greater than the level of cover attached to your IT Super account prior to your benefits being withdrawn or transferred, and will be subject to TAL Life's standard terms and conditions, including minimum cover and premiums current at that time. For the Income Protection Benefits insurance continuation option, the amount of cover will be on an indemnity basis with no options added and the waiting period must be the same as that held under IT Super.

Any restrictions, limitations or premium loadings which applied in respect of your cover under IT Super will also apply under the new policy.

Insurance Policy for IT Super

The insurance benefits offered through IT Super are subject to the terms and conditions of the insurance policy issued to the Trustee by TAL Life. The Trustee is the owner of the policy. Any benefit received by the Trustee under the policy will be paid to you in accordance with the terms and conditions contained in the Trust Deed and the requirements of the superannuation law.

Any insurance claims are subject to acceptance by TAL Life. The insurance information described in this section is a guide only to the insurance benefits available through IT Super. Full terms and conditions of the insurance cover available through IT Super are provided in the insurance policy document issued to the Trustee as the owner of the policy. If there is any inconsistency between this Member Booklet and the policy, the full terms and conditions in the policy will prevail to the extent of the inconsistency.

How do you make an insurance claim?

If believe you are eligible to make a claim, please contact us.

Cancelling your insurance

If, for any reason, you do not require any insurance cover, you have the right to prospectively cancel it at any time. To cancel your insurance, you will need to notify us in writing at the address on the cover of this Member Booklet.

5 How superannuation is taxed

The following information is general information only and is not intended to be a comprehensive statement of the tax laws applying to superannuation. The information provided below is based on the law that is in force at the time this Member Booklet was prepared. We recommend that you obtain independent, professional tax advice that takes into account your specific circumstances regarding the tax and superannuation implications of investing in or contributing to superannuation and the Fund.

Generally, superannuation is taxed:

- when concessional contributions are made
- on investment earnings, and
- if you take a benefit before retirement at age 60.

Superannuation benefit payments are tax-free once you reach 60 and have retired.

5.1 Tax on concessional contributions

Concessional contributions are included in the assessable income of the Fund. The taxable income of the Fund comprises total assessable income less allowable deductions. The taxable income of the Fund is generally subject to tax at 15% but the Fund will be liable for additional tax on contributions made in respect of members who have not supplied us with their Tax File Number (TFN).

You may pay additional tax on concessional contributions depending on your yearly 'earnings' (i.e. your personal adjusted taxable income). This is determined by the Australian Taxation Office (ATO) when you lodge your annual tax return. You may also pay additional tax where concessional contributions made by you or on your behalf for a financial year exceed the concessional contributions cap (currently $25,000 pa).

Liability	Employer contributions	Salary sacrifice contributions	Personal contributions for which you have notified the Fund that you intend to claim a tax deduction	Personal after-tax contributions	Government co-contributions
The Fund	15% of the amount contributed to the Fund if we have your TFN.	15% of the amount contributed to the Fund if we have your TFN.	15% of the amount contributed to the Fund.	None	None
Additional tax payable by you	15% of the amount contributed to the Fund if you earn $250,000 or more a year.	15% of the amount contributed to the Fund if you earn $250,000 or more a year.	15% of the amount contributed to the Fund if you earn $250,000 or more a year.		

Don't pay more tax than you have to. Provide your Tax File Number!

Providing your TFN to us is not compulsory. However, if you do not provide your TFN, the Fund's tax liability on any employer or salary sacrifice contributions made for you is increased by 32% to 47%; the current top marginal tax rate. Personal contributions cannot be accepted without a TFN.

5.2 Tax on investment earnings

Investment earnings are included in the assessable income of the Fund. The total assessable income of the Fund less allowable deductions comprises the taxable income of the Fund which is subject to tax at 15%.

5.3 Tax withholding

An amount referrable to tax on assessable contributions received by the Fund (including any additional tax that may be payable because a member has not supplied us with their TFN) is withheld from relevant members' accounts.

An amount referrable to tax on investment earnings is withheld in daily unit price calculations, which means investment earnings are shown net of tax.

Tax withholding rates for contributions and investment income are determined by the Trustee from time to time but will not exceed the maximum applicable rate of tax, currently 15%.

5.4 Important Information about tax surpluses

A tax deduction is claimed for most expenses incurred in running the Fund, including most fees and insurance premiums described in this Member Booklet. Generally, these deductions are offset against assessable income of the Fund to arrive at the Fund's taxable income. Allowable deductions may also include carried forward tax losses. Where the Fund has a positive amount of taxable income it is subject to tax on that taxable income at 15%. Where the tax withheld from members exceeds the amount of tax payable by the Fund after allowable deductions are taken into account, the Trustee has determined, in the best interests of members, that the surplus will be applied towards expenses it reasonably incurs in the performance of its duties as trustee of the Fund.

5.5 Tax on benefits – a general guide

Tax on benefits is a complex topic. Taxation considerations are general and based on present taxation laws. We recommend you discuss your own personal situation with a licensed financial adviser or a professional tax adviser, as the decisions you make about how and when to take your benefit can affect the tax payable and your age pension entitlements. For up-to-date tax information, visit www.ato.gov.au/super or call the Australian Taxation Office on 13 10 20.

Tax on retirement benefits and withdrawal benefits

If you are 60 or over and retired from the workforce, you will pay no tax on your benefit.

If you are between 55 and 60, your benefit will generally be made up of a tax free and a taxable component. The taxable component will be paid tax-free up to a lifetime limit of $210,000 (for the 2019/2020 year), with any amount above that limit taxed at 17% (including the Medicare Levy).

If you are under 55, the entire taxable component of your benefit will be taxed at 22%, (including the Medicare Levy).

If you are terminally ill, your benefit will be tax free.

We are required to withhold any tax you are liable to pay from benefits and remit it to the ATO which means benefit payments are net of tax.

Rollovers into a superannuation fund

Generally, no tax is payable, unless rolled in from an untaxed source.

Death benefit

Lump sum death benefits paid to dependants (as defined for tax purposes) are tax-free. If paid to a non-dependant, part of the benefit will be taxed.

TPD benefit

TPD benefits are taxed at different rates, depending on your age when you were disabled.

6 Other information

6.1 Ongoing electronic disclosure

Australian Securities and Investment Commission (ASIC) Regulatory Guide 221 Facilitating online financial services disclosure (RG221) enables financial product providers (including superannuation trustees) to provide ongoing disclosure to clients through electronic or digital delivery methods, including by:

- sending the information to an email address the client or their agent has provided to the financial product provider, and
- publishing or hosting the information on a website the financial product provider has nominated for that purpose.

As a result of this, we may communicate with you by:

- using any email address nominated by you or your employer, or
- making a communication or other information available to you on the online portal accessible from www.arcmt.com.au or any other relevant website, application or online portal used for IT Super in the future.

If you would like to update your email address please complete a Change of Details Form or contact us.

Any email address provided to us for these purposes should be an email address which you access regularly. You or your adviser must notify the Trustee if you change this email address. By providing your email address and/or registering for online access, you acknowledge that it is your responsibility to regularly check your emails or the online portal to access ongoing disclosure in relation to your account.

6.2 Keeping you informed

The Fund's financial year end is 30 September. Each year we will provide you with a Member Statement that shows:

- your opening balance
- all transactions that have occurred during the period, including any allocated contributions
- investment earnings applied
- any fees, taxes and insurance premiums deducted, and
- your closing balance at the end of the reporting period.

We will also provide written confirmation of individual contributions of $10,000 or greater, as well as all rollovers, investment switches, beneficiary changes and any change of personal details that you provide. Call us on 1800 155 600 if you need written confirmation of any other transactions.

The Fund's Annual Report and Member Update provide you with information about the management and financial condition of the Fund and the performance of the investment options. Annual Reports are available at www.arcmt.com.au in the 'Member Resources' section under the 'IT Super' tab or you can contact us to receive a printed copy.

A range of other information in respect of the Fund, including the latest unit prices for investment options, can be found at www.arcmt.com.au .

6.3 The ARC Member Portal

The ARC Member Portal lets you manage your IT Super account online.

Self-service features include:

- updating beneficiary and direct debit details
- real-time updating of contact information and investment switches, and
- calculating current and previous account balances.

To access your IT Super account online, go to www.arcmt.com.au, click on the LOGIN link in the top right hand corner of the IT Super homepage and follow the prompts.

In addition to managing your account online, the ARC website provides you with important information on the different investment options offered to members including unit prices, performance figures and actual asset allocation as well as forms and service documents, disclosure documents and annual reports and Superannuation news.

6.4 The Trust Deed

A legal document called the Trust Deed sets out the Fund's governing rules. The Trustee is responsible for ensuring that the Fund operates according to the Trust Deed and all relevant superannuation law. The Trust Deed may be amended by us, subject to certain restrictions. You are bound by these rules while you remain a member of the Fund. Members may view the Trust Deed at any time by arrangement with us.

6.5 The Trustee

The Trustee (and any company related to the Trustee) does not guarantee the performance of IT Super or the repayment of capital. Mercer, its Underlying Managers, their respective officers and holding companies and the trustees/responsible entities of the Schemes the investment options invest info do not guarantee the capital invested by investors, payment of income or the performance of the investment options.

The Trustee maintains an operational risk reserve on its balance sheet. In accordance with superannuation law, this reserve can only be used to rectify a loss to members caused by the materialisation of an operational risk.

The Trustee is covered under a professional indemnity insurance policy which meets the requirements of its Australian Financial Services Licence.

6.6 Deferred Tax Asset Adjustments

Your investment earnings consist of the performance of your investment options and any Fund tax adjustments. The Fund may accrue excess tax credits that arise from large tax losses. The losses may occur when the expenses of the fund exceed the income earned. The tax credits may exist in the fund for a long period of time before sufficient assessable income is earned to offset those losses. The tax credits are often referred to as Deferred Tax Assets (DTAs). Adjustments to DTAs within the Fund may be necessary to maintain fairness among members.

We apply these adjustments when necessary and the tax position is continually monitored to ensure ongoing member equity.

6.7 Money handling requirements

If we have insufficient information to allocate contributions or rollovers, we are required to hold this money in a trust account until we are in a position to apply them to a member's account. The Trustee is entitled to keep any interest that accrues in that account until monies are allocated.

We are required to return the money if we cannot allocate contributions or rollovers to a member within the period prescribed by law.

6.8 About unit pricing

The following section provides information about unit pricing. We reserve the right to alter our process at any time without notice.

How unit pricing works

When you invest money in an investment option, your money is pooled together with that of other members. Mercer then uses this pool of funds to buy assets which are managed on behalf of all members. All units within each investment option have an equal value. Unit prices for the investment options are determined daily (for each business day) by dividing the total net asset value of the investment option by the number of units on issue within that investment option Unit prices can be reviewed online at www.arcmt.com.au in the 'Investment Options' section under the 'IT Super' tab.

The net asset value of the investment option includes the market value of the assets (including any DTA – see above) and provisions for fees, taxes, transaction costs and any other expenses of the Fund. We use the most recent best estimate of these provisions in each day's net asset value. These estimates are updated regularly.

Benefit payments

Our current procedure is to calculate the withdrawal value using the unit price for the later of the date your benefit payment request is received, the date you satisfy the identification requirements in the 'Identification requirements' section, or the date that you satisfy a Condition of Release under superannuation law.

Adjustments

Unfortunately, from time to time administration or unit pricing errors occur that may affect the value of accrued benefits in the Fund. When a material error has been identified members' accounts will be adjusted:

- for members who are still current, we will adjust your investment to ensure it is in the position it should have been in had the error not occurred, and
- for members who have exited, compensation will be paid where the adjustment is $20 or more.

Where an exited member has been overpaid, TAL may seek to recover the overpayment from the exited member.

6.9 Processing of contributions and withdrawals

Subject to regulatory approval (where required) we may temporarily suspend or restrict the processing of some or all transactions where:

- market disruptions or extraordinary circumstances mean that it would not be fair and reasonable to continue processing transactions
- for whatever reason, we are unable to determine the unit price(s) at which transactions should be processed, or
- one or more investment options are illiquid in that they do not have sufficient assets that can reasonably be expected to be realised and converted into cash to satisfy redemption requests within the timeframe set by legislation or the Fund's Trust Deed.

Additionally, if we do not receive all the necessary information we may, at our absolute discretion, reject an application for units in whole or in part.

The temporary suspension or restriction of processing of transactions will be lifted when the risk to members has abated sufficiently to make it fair and reasonable to resume processing transactions.

If we believe that processing withdrawals would have a significant adverse effect on the financial position of the Fund or the interests of other members of the Fund, we may seek approval from APRA for a suspension of withdrawals lasting more than 30 days.

6.10 Privacy

We understand that the privacy of your information is important to you and we respect the confidentiality of the information that you provide to us.

The way in which we collect, use and disclose your personal and sensitive information (together 'personal information') is explained in the TAL Privacy Policy (Privacy Policy) available at www.tal.com.au/privacy-policy Alternatively, we would be pleased to provide a copy of these free of charge on request.

The Privacy Policy contains details about the following:

- the kinds of personal information that we collect and hold;
- how we collect and hold personal information (including sensitive information such as health and lifestyle information);
- the purposes for which we collect, hold, use and disclose personal information (including sensitive information);
- how you may access personal information about yourself which is held by us and how you can correct that information;
- our approach to direct marketing and how you can opt out of receiving direct marketing communications; and
- how we deal with any complaints that you may have regarding privacy issues.

Our information handling practices are based on relevant privacy laws and regulations, including, but not limited to the Privacy Act 1988 (Cth) and the 13 Australian Privacy Principles.

Additional information about relevant privacy laws and regulations and your privacy rights can be found at the website of the Australian Privacy Commissioner at

http://www.oaic.gov.au including how to make a privacy related complaint and sensible steps that you can take to protect your information when dealing with organisations and when using modern technology.

If you would like a copy of the Privacy Policy or if you have any questions about the way in which we manage your information, or wish to make a privacy related complaint, please contact us using the details below:

1800 155 600

1300 351 133

privacyoffice@tal.com.au

www.tal.com.au

TAL Life Limited
GPO Box 5380
Sydney NSW 2001

Collection, use and disclosure of information when providing our products and services

Your personal information will be collected to enable us to provide or arrange for the provision of our superannuation products and services. Examples of why your personal information will be collected include, but are not limited to, the following:

- to confirm your identity, for example when making paying benefits from the Fund;
- to provide you with ongoing customer service;
- to meet legal and regulatory requirements; and
- to review and develop our products and services, including research and surveys to meet ongoing member needs and expectations.

Typically, in providing our products and services to you we may collect and disclose information using online and paper forms, electronic transmission of data, telephone and other available technologies. We obtain your consent for the collection, use and disclosure of information including, but not limited to, your consent to liaise with relevant individuals and organisations such as your financial adviser and accountant .

If you do not supply the required consent, we may not be able to provide the requested product or service or pay a benefit.

Your personal information will managed and held securely and we have measures in place to protect your information. In processing and administering our products and services, we may need to disclose your personal information to other organisations and individuals. Examples of why your personal information will be disclosed include, but are not limited to, the following:

- to organisations assisting us in providing our products and services such as those providing mailing and information technology services;
- to our related bodies corporate and organisations with which we have a business alliance or contractual arrangement;
- in response to enquiries complaints and litigation, for example, disclosure to external complaints resolution bodies and lawyers;

- to meet our legal and regulatory requirements; and
- to response to a request from a government agency or law enforcement body.

In administering your superannuation and in operating this product, your personal information may be disclosed to service providers in another country. Our Privacy Policy provides information regarding relevant offshore locations where we have service providers.

Generally we do not use or disclose your information for a purpose other than providing our products and services unless:

- you consent to the use or disclosure of your information; or
- the use or disclosure is required or authorised under an Australian law or a court/tribunal order; or
- the purpose is related to improving our products and services and seeking customer input such as market research; or
- the use or disclosure of the information is reasonably necessary for one or more enforcement related activities conducted by, or on behalf of, a law enforcement body e.g. the police

From time to time we or our related bodies corporate and business partners may wish to contact you to provide you with information about other products and services in which you may be interested. If you prefer not to receive direct marketing communications from us (or our related companies) you can let us know using any of the communication methods above.

Accuracy of information and access to information we hold

We rely on the accuracy of the information you provide. If you think that we hold information about you that is incorrect, incomplete or out of date, please let us know using the communication methods above.

Under current privacy laws and regulations, you are generally entitled to access the personal information we hold about you. To access that information, simply make a request in writing. This process enables us to confirm your identity for security reasons and to protect your personal information from being sought by a person other than yourself. There are some limited exemptions where we would be unable to provide the personal information that we hold about you in response to your request.

If, for any reason we decline your request to access and/or update your information, we will provide you with details of the reasons and where appropriate, a list of the documents that are not being provided directly to you. In some circumstances it may be appropriate to provide you with access to information that you've requested via an intermediary, such as providing medical information to a treating GP rather than directly to yourself. If this is the case, we will let you know.

6.11 Anti-money laundering and counter-terrorism financing obligations

The Anti-Money Laundering and Counter Terrorism Financing Act 2006 (the AML/CTF Act) requires us to identify you and verify your identity when you withdraw benefits from your superannuation. Generally, you will need to provide information for us to meet those requirements and there are a variety of electronic and paper options for these identification checks to be carried out. If we are unable to collect and verify information about your identity we may not be able to process a benefit payment.

The AML/CTF Act also imposes reporting obligations on us if we form suspicions about the identity of someone we are transacting with or about the transaction itself. In these circumstances we may decide to delay or decline to process that transaction and report it to the regulator if we are concerned that the request or transaction may be in breach of the provisions of the AML/CTF Act or cause us to commit an offence under that Act. If we take this step we will not incur any liability to you.

6.12 Complaints

The Trustee has established a procedure to deal fairly with member complaints. All complaints will be handled in a courteous and confidential manner.

To lodge a complaint, contact us by phone, email, online or mail.

1300 209 088

CustomerResolutionTeam@tal.com.au

www.tal.com.au/Contact-TAL

TAL Complaints Manager,
GPO Box 5380,
Sydney NSW 20011

Australian Financial Complaints Authority
If an issue has not been resolved to your satisfaction, you can lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution service that is free to consumers.

1800 931 678

info@afca.org.au

www.afca.org.au

Australian Financial Complaints Authority,
GPO Box 3,
Melbourne VIC 3001

6.13 Nominating a beneficiary

Understanding who receives your superannuation benefit including any insurance in the event of your death is important. Under the rules of the Fund, the Trustee has the discretion to determine to whom and in what proportions any Death Benefit is payable. You may, however, nominate your legal personal representative and/or dependants as your preferred beneficiaries and the Trustee will consider your wishes in the event of your death.

How do I nominate a beneficiary for my Death Benefit?

In the event of your death, benefits will be paid to one or more of your dependants or to your legal personal representative as the Trustee determines. For superannuation purposes, the definition of a `dependant´ includes any of the following:

- a spouse, which includes a person (whether of the same or different sex) with whom the member is in a relationship that is registered under a law of a State or Territory, or a person who, although not legally married to the member, lives with the member on a genuine basis in a relationship as a couple
- a child of the member, including adopted child, step-child, ex- nuptial child or child of member's spouse (Note: for tax purposes this is limited to children under age 18)
- a person who is financially dependent on the member, or
- a person with whom the member has an `interdependency relationship´ (see below).

It is recommended that any nomination of dependants made by you be reviewed regularly, particularly if a change in circumstances has occurred (for example, marriage or divorce).

What is an interdependency relationship?
An interdependency relationship is defined as where two people (whether or not related by family):

- live together
- have a close personal relationship
- one or each of them provides the other with financial support, and
- one or each of them provides the other with domestic support and personal care.

An interdependency relationship can also exist where there is a close personal relationship between two people who do not satisfy all other criteria for interdependency because either or both of them suffer from a physical, intellectual, psychiatric or other disability.

6.14 Conditions of release

Please note that the Trustee cannot pay a benefit to you until one of the following conditions of release is satisfied:

- you retire permanently from the workforce after attaining your `preservation age´, as shown in the following table, and intend never to become gainfully employed (that is, for at least 10 hours per week) again

Date of birth	Preservation age
Before 1 July 1960	55
1 July 1960 to 30 June 1961	56
1 July 1961 to 30 June 1962	57
1 July 1962 to 30 June 1963	58
1 July 1963 to 30 June 1964	59
After 30 June 1964	60

- you reach your preservation age (as shown in the above table) and the benefit is to be paid as a non-commutable annuity or pension, or a non-commutable allocated pension or annuity
- you terminate an employment arrangement on or after age 60
- you suffer permanent or temporary incapacity (as defined, and subject to any conditions prescribed, in the superannuation law)
- you reach age 65
- you are experiencing severe financial hardship and have been in receipt of social security payments for a cumulative period of 39 weeks after reaching your preservation age and are not working 10 hours a week (some benefits may be available if you are under preservation age and have been on government support for a continuous period of 26 weeks) and your request is approved by the Trustee . This is subject to a single lump sum payment of $10,000 in any 12 month period if you are under the age of 55 years and 39 weeks. There is no lump sum limit if you are over the age of 55 years and 39 weeks and have satisfied the conditions.
- on specified compassionate grounds, as determined by the Australian Government's Department of Human Services
- you are an eligible temporary resident who has permanently departed Australia
- you have a preserved benefit of less than $200 and you terminate employment with the employer who contributed to the superannuation fund, or
- you have a terminal medical condition, which means that two medical practitioners (one of whom is practising in an area related to the illness or injury you suffer from) have certified that you suffer from an illness or injury that is likely to result in your death within 2 years of the certification. Please note this is a longer period than for the payment of a Terminal Illness benefit under ARC's insurance policy.

In the event of your death your benefits will generally be provided to one or more of your dependants or legal personal representative.

6.15 Superannuation and Family Law

Family Law may have a significant effect on your superannuation benefits. The provisions mean that your benefits may be split between you and your ex-spouse. For the purposes of these provisions, a spouse means a legal or de facto spouse or other person with whom you are in a relationship where you are living together on a genuine domestic basis as a couple. Under Family Law, your spouse or anyone you intend to enter into an agreement with under the Family Law Act may request that we provide them with information about your IT Super account in certain circumstances. We are prohibited by law from informing you that person has made such a request. We will not provide that person with your address or contact details.

If you and your spouse separate, you can sign an agreement that provides us with certain binding instructions to either flag the benefit (prevent us from paying the benefit in certain circumstances) or split the benefit. Splitting the benefit essentially means that your IT Super benefit is split between you and your ex-spouse. The split does not have to be in equal shares.

The Family Court may also make an order in relation to flagging or splitting your benefits in IT Super. Both the agreement and court order are binding on us.

These laws are both detailed and complex and you should seek specialist legal advice as to whether they apply to your circumstances.

6.16 Inactive low balance accounts

If your account balance is less than $6,000 and classed as inactive as at the unclaimed money day (currently 31 December and 30 June) it will be transferred to the Australian Taxation Office (ATO).

An account is classed inactive if:

- we have not received a contribution, rollover or other amount into the account for a continuous period of 16 months, and
- there have been no changes to your account, such as switching investment options or nominating a beneficiary, and
- you have not met any of the prescribed conditions of release.

You can write to ATO to declare that your account is to be exempt from these rules. This exemption will only be valid for 16 months.

If your account balance is transferred to the ATO, the ATO will try to identify if you have an active super account. If a match is found it will automatically transfer your balance into that active account. Please note if your account is transferred to the ATO you will no longer be a member of ARC Classic.

6.17 Eligible Rollover Fund

We are required by superannuation law to select an Eligible Rollover Fund (ERF) to which we may transfer your withdrawal benefit. We have established a policy setting out the circumstances under which we may transfer your withdrawal benefit to an ERF.

We will write to you in advance before rolling over your benefit to the Eligible Rollover Fund.

6.18 How to make contributions

Employer contributions, including superannuation guarantee, salary sacrifice and award contributions can only be made via Superstream.

Personal contributions can be made to the Fund at any time by:

BPAY

When using these facilities you will need the following information:

- the Biller Code: 116954 (for personal contributions) and
- Customer Reference Number (available by contacting us).

Once you've completed your payment, you will be issued with a receipt number by your financial institution confirming your BPAY payment.

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Direct debit

You are able to make regular personal contributions by direct debit from your nominated financial institution. You have flexibility to choose the day the money is deducted (either 1st, 8th, 15th or 22nd of the month). Please contact us for more information.

Cheque

You can choose to make personal contributions, regular or single by cheque at any time. Please make all cheques payable to: TAL Superannuation Limited – ARC [Member Name] and send them to us together with the contribution details.

6.19 Contacting TAL

If you have any queries about IT Super please contact:

- IT Super, GPO Box 5380, SYDNEY NSW 2001
- 1800 155 600
- itsuper@tal.com.au
- www.arcmt.com.au

Keep in touch

It's important that you tell us if you change address so that you continue to get all the information issued by TAL.

Call, email or write to us, or complete a Change of Details form available from our website.

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TAL Staff Superannuation Plan
Product Disclosure Statement 15 November 2019

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