

The *Protecting Your Super Package* - Important Changes to Your Super Significant Event Notice pursuant to s. 1017B of the *Corporations Act*.

We are writing to you today to inform you of significant legislative changes to superannuation and how these changes affect you and your super. These changes may impact your insurance cover, your fees, and/or the continued existence of your member account(s).

Changes to Life / TPD and income protection insurance cover

From **1 July 2019**, super funds are no longer permitted to maintain Life, Total & Permanent Disablement, and Income Protection insurance coverage with respect to member accounts that have not received a contribution or rollover for sixteen months or more (the **inactivity threshold**). As such, any members whose accounts meet this inactivity threshold will no longer have the benefit of insurance cover through that super account, and will no longer have insurance premiums deducted from that account for such cover.

Member whose accounts have been inactive for six months or more will have already received a notice sent out on 18 April 2019 outlining these changes. If you have received such a notice, this change is likely to affect you.

If you have previously opted out of your insurance cover, these changes do not impact you and therefore no action is required.

What to do if your account is reaching or over the inactivity threshold

If your account is reaching or nearing the inactivity threshold, and you would like to maintain your insurance cover, you have two options for doing so:

1. Make a contribution or rollover into your account

Making a rollover or contribution into your account will mean it is no longer inactive. This will reset the inactivity period on your account.

2. Write to us electing to maintain insurance cover

If your account has been inactive for more than 6 months, you will have received an insurance election form (or webform). If you wish to maintain insurance cover on your account without making a contribution, please fill in the form and return it to us.

If you wish to let your insurance cover lapse at the inactivity threshold, you do not need to take any action. If you wish to cancel your insurance cover now, you may do so by contacting fund Member Services.

Further information and disclaimer

For more information on the insurance cover attached to your account, please consult the Insurance Guide.

Please note that the contents of this Notice are general information only and have been prepared without taking your objectives, financial situation, and needs into account. Before making any decision with respect to your insurance benefits, you should consider how appropriate they are given your individual circumstances, and consider seeking independent professional advice.

Consolidation of inactive low-balance accounts with the ATO

On **31 October 2019**, super fund trustees will be required to transfer the balance of 'inactive low-balance accounts' to the Australian Taxation Office (**ATO**).

This means that, if your account has a balance below \$6,000, and you haven't interacted with it in sixteen months or more, the Trustee will be required to transfer it to the ATO to hold on your behalf on that date.

What to do if you wish to maintain an inactive member account

'Activity' in this case extends beyond making a contribution or rollover; in addition to either of those, you may also:

- Change your insurance coverage; or
- Make an investment choice; or
- Nominate a binding beneficiary to your account.

Alternatively, you may authorise the Trustee to instruct the ATO that you do not wish for your account to be consolidated. To do so, you can fill in [this form](#) and return it to the Trustee, who will engage with the ATO on your behalf.

Further information and disclaimer

For more information on your member account, please consult the PDS and Reference Guide.

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Fee caps on low-balance accounts & removal of exit fees

From the 2019-2020 financial year onwards, fee caps will apply to accounts with a balance below \$6,000. This means that on such accounts, the total administration fees, investment fees, and indirect costs charged must not exceed 3% of the account balance.

As 2019-2020 is a transitional year, fees charged on such accounts may inadvertently exceed this threshold. In the event that this occurs, affected members will be refunded the excess back into their super account within three months of the end of the 2019-2020 Financial Year.

Furthermore, from 1 July 2019, exit fees will be banned on all super accounts, meaning that members will not be charged a direct fee for rolling over their account between funds. However, transaction costs such as buy/sell spreads may still apply.

For further information as to the fees and costs that apply to your member account, please consult the PDS and Reference Guide.

If you have any questions about the information provided above, please contact Member Services.

This notice contains general information only. Before deciding to acquire or continue to hold this product you should consider the Product Disclosure Statement which is available from good.com.au. Before making decisions you should consider how appropriate they are given your own objectives, financial situation and needs, because this notice has been prepared without taking these into account.

Issued on 1 July 2019 by Tidswell Financial Services Ltd ABN 55 010 810 607 Australian Credit Licence 237628, AFSL 237628, RSEL L0000888, as Trustee of the Good Super division of the Max Super Fund ABN 22 508 720 840. RSE R1067897.