

Transfer of The ARA Retirement Fund to the HUB24 Super Fund

Dated: 4 November 2022

This Significant Event Notice (SEN) dated 4 November 2022 provides important information about the upcoming transfer of members from The ARA Retirement Fund (ARA Fund) (a Sub Plan of the Aracon Superannuation Fund) to the HUB24 Super Fund on or around 6 December 2022 (SFT date).

If you have any questions about these changes or would like more information, please contact your financial adviser. You can also contact the HUB24 Client Services team by calling 1300 854 994 or emailing admin@hub24.com.au.

This SEN has been issued by Equity Trustees Superannuation Limited (ABN 50 055 641 757, AFSL 229757 RSE License No. L0001458) (ETSL) as Trustee of the Aracon Superannuation Fund (ABN 40 586 548 205).

A new Product Disclosure Statement (PDS) for the ARA Fund offering in the HUB24 Super Fund (ARA Super) and other information that forms part of the PDS will be available by the SFT date from an online portal, InvestorHUB. For more information about the arrangements that will be applicable to you on transfer to the HUB24 Super Fund, you should refer to the ARA Super PDS that will be issued by the Trustee of the HUB24 Super Fund.

Why are you receiving this SEN?

You are receiving this SEN because, as a consequence of a request from ARA Consultants Limited (ABN 78 102 304 692, AFSL 224150), the promoter of the ARA Fund, ETSL has made an “in principle” decision to transfer your account in the ARA Fund to the HUB24 Super Fund via a “Successor Fund Transfer” (SFT). This transfer is part of a broader consolidation being conducted by ETSL that will see all members being moved to other arrangements before the Aracon Superannuation Fund is wound up. ETSL has decided to adopt this course because it considers it is in the best interest of all members.

A SFT involves the transfer of a member’s benefits from one superannuation fund to another superannuation fund (the **successor fund**) where the consent of the individual member isn’t required. To effect such a transfer, the trustees of both funds need to agree that the successor fund will provide rights in respect of the transferred benefits in the HUB24 Super Fund that will be equivalent to the rights that the members have in respect of those benefits immediately before the transfer.

ETSL must also satisfy itself that the transfer is in the best financial interests of ARA Fund members.

Subject to the completion of due diligence and the receipt of legal advice, both ETSL and the Trustee of the HUB24 Super Fund have made an “in principle” decision that:

- the HUB24 Super Fund will qualify as a “successor fund” to the ARA Fund,
- the transfer is in the best financial interest of the ARA Fund members, and
- the transfer will occur on or around 6 December 2022.

You will receive another communication if the transfer does not proceed for any reason.

If you do not wish to be transferred to the HUB24 Super Fund, you can choose to rollover or transfer to another super fund of your choice.

If you wish to rollover or transfer to another super fund, we must receive your instructions no later than 5pm 18 November 2022. Your adviser can assist you with completing and submitting the relevant forms.

Summary of changes

Your ARA Fund account in the Aracon Superannuation Fund will be closed and a new account will be opened for you in the HUB24 Super Fund.

In the HUB24 Super Fund, you and your adviser will have access to:

- innovative platform technology
- a broader range of investment options
- enhanced transaction and reporting functionality.

The table below contains a summary of the changes that will occur as a consequence of the SFT to the HUB24 Super Fund, which is expected to occur on or around 6 December 2022. For more details, you should refer to the relevant sections (with corresponding headings) later in this SEN.

See below for more information	
The ARA Fund product closure	We're closing the ARA Fund product and transferring your account to the HUB24 Super Fund.
Change of Super Fund and Trustee	<ul style="list-style-type: none">• Your account will be automatically transferred to the HUB24 Super Fund.• The Trustee of the Aracon Superannuation Fund is Equity Trustees Superannuation Limited.• The Trustee of the HUB24 Super Fund is HTFS Nominees Pty Limited (ABN 78 000 880 553, AFSL 232 500, RSE Licence No. L0003216).• Equity Trustees Superannuation Limited and HTFS Nominees Pty Limited are both in the Equity Trustees group of companies.

<p>Investments</p>	<ul style="list-style-type: none"> • The investments you hold won't change, although the structure of your investments will change. • In the HUB24 Super Fund, you will have a cash account (which holds, at least, a minimum cash balance from which fees are deducted). Transactions relating to your account in the HUB24 Super Fund will be processed through your cash account. • You will have the option to choose from a range of managed funds and term deposit investment options. <p>For more information refer to the 'Investments' section later on in the SEN.</p>
<p>Insurance</p>	<ul style="list-style-type: none"> • Where you hold an individual insurance policy through the ARA Fund, this will be transferred to the HUB24 Super Fund. • You can also apply for insurance cover through the HUB24 Super Fund under a group or individual insurance policy.
<p>Administration fees and costs</p>	<p>There will be no change to the administration fees and costs that you pay from your account.</p>
<p>New activity fees</p>	<ul style="list-style-type: none"> • A break fee of \$55 applies for breaking a term deposit before its maturity date. • An insurance administration fee of 24.75% of the insurance cost applies if you decide to take up a group insurance policy within the HUB24 Super Fund. • A fee of \$55 may be charged for any dishonoured payment. • A negative cash account fee will apply to any negative balance in your cash account. For more information refer to the 'Activity fees' section later on in the SEN.
<p>New advice fee options</p>	<p>You will have available to you the following advice fee options in the HUB24 Super Fund:</p> <ul style="list-style-type: none"> • Advice implementation fee (initial and ongoing) • Adviser service fee • One-off advice fee • Portfolio management fee. <p>These fees are only payable if you choose to obtain advice and other related services from an adviser and you agree to the deduction of the applicable advice fee from your account in the HUB24 Super Fund, for payment to that adviser.</p>

Account minimums	Minimum transaction sizes and minimum contribution and withdrawal amounts will change.
Online access and tools	<ul style="list-style-type: none"> You'll have access to a new online portal and mobile app. There will be new online tools available to support your adviser with managing your investments.
Pension payment dates and defaults	New pension payment dates will apply and where you do not make an annual pension election, the default will apply, which will be the minimum pension amount.
Term-Allocated Pensions	<ul style="list-style-type: none"> If you have an existing Term Allocated Pension (TAP) account in the ARA Fund, your TAP will be transferred to the HUB24 Super Fund. No new TAP accounts will be accepted once you are in the HUB24 Super Fund.
Standing instructions and elections on your account	<p>Any regular contributions being made into your account, including employer contributions, will need to be remade or updated.</p> <p>Where you are receiving pension payments, your nominated bank account for pension payments will be retained.</p>
Temporary transaction freeze	There will be a temporary freeze on transactions between 18 November 2022 and 15 December 2022.
Other important information	<p>Further important information is set out in the sections of this notice headed:</p> <ul style="list-style-type: none"> "TFN" "Final Fee Deductions"

The ARA Fund product closure

Your ARA Fund account will close on the SFT date, and a new account will be opened for you in the HUB24 Super Fund. After this process is complete, you'll receive a welcome email that will include:

- your new account number in the HUB24 Super Fund
- details of how to log in to the online portal, InvestorHUB, where you can access your new account in the HUB24 Super Fund
- Information on how you and your employer can make contributions to your account (you will need to notify your employer if you want the employer to contribute to your account in the HUB24 Super Fund in the future)
- a copy of the ARA Super PDS issued by the Trustee of the HUB24 Super Fund. This will be available to you via your online portal, InvestorHUB.

Your new account will be set up with your current personal details. Any death benefit nomination (or reversionary beneficiary in relation to a pension) will be recognised in the HUB24 Super Fund. The adviser you've nominated on your ARA Fund account will also be linked to your account in the HUB24 Super Fund.

Any investments you currently hold will be transferred to your account in the HUB24 Super Fund, although the way your investments are structured will change (see the section of this notice headed "Investments" for more detail).

For more information, you can refer to the new ARA Super PDS which will be available to you via your online portal, InvestorHUB by the SFT date.

Change of Super Fund, Trustee and Administrator

Role	Current (ARA Fund)	New (HUB24 Super Fund)
Sub-Plan	The ARA Retirement Fund USI 40586548205001	Not applicable
Super Fund	Aracon Superannuation Fund ABN 40 586 548 205 RSE R1001020	HUB24 Super Fund ABN 60 910 190 523 RSE R1074659 USI 60910190523001
Trustee	Equity Trustees Superannuation Limited ABN 50 055 641 757 AFSL 229757 RSE License No. L0001458	HTFS Nominees Pty Limited ABN 78 000 880 553 AFSL 232500 RSE License No. L0003216
Administrator	DIY Master Pty Ltd ABN 41 123 035 245 AFSL 312431	HUB24 Custodial Services Ltd ABN 94 073 633 664 AFSL 239122

Investments

All investments you hold in your ARA Fund account immediately prior to the SFT will be transferred to your new account with the HUB24 Super Fund.

Once your account has transferred to the HUB24 Super Fund, you'll have access to certain investments. This means you will be able to access a broader range of investment options than those currently available to you. A new Investment Booklet setting out the investment menu applicable to your membership of the HUB24 Super Fund will be available to you by the SFT date via InvestorHUB.

To enable the ARA Fund investment options to continue to be available to you after the SFT in the HUB24 Super Fund, the investment structure will change.

After the SFT, the ARA Fund investment option(s) you hold in the ARA Fund immediately before the SFT date will become a direct holding (by the Trustee of the HUB24 Super Fund, on your behalf) of investment options in the ARA Investment Fund, a registered managed investment scheme (**Scheme**) accessible through your account in the HUB24 Super Fund. The ARA Investment Fund investment options will be issued by the Scheme's Responsible Entity, Fundhost Ltd (ABN 69 092 517 087, AFSL 233 045) and are subject to the Scheme's terms and conditions as set out in the ARA Investment Fund's PDS. You can access The ARA Investment Fund PDS and Target Market Determination online at www.araconsultants.com.au/disclosure-documents.

Although the structure of your investment will change, you will continue to have exposure to the same underlying investments. Cash held by the ARA Fund investment option pools will be converted into an individual cash holding value for your account in the HUB24 Super Fund.

Below is an illustration of the change in investment structure based on a \$50,000 investment in an ARA Fund investment option.

Current (ARA Fund)		New (HUB24 Super Fund)	
ARA Fund Investment Option (includes a \$1,000 cash holding within the Investment Option pool in the ARA Fund)	\$50,000	ARA Investment Fund (Scheme) Investment Option	\$49,000
Cash account in ARA Fund	N/A	Cash account in HUB24 Super Fund	\$1,000
Total account balance	\$50,000		\$50,000

New types of investments available to you

You will also have access to a broader range of investments in the HUB24 Super Fund, including:

- Managed funds offered by a range of Australian and international fund managers.
- Term deposits offered by a range of banks and financial institutions, with terms of three, six and twelve months available.

The full list of available investments will be set out in the Investment Booklet, which will be available by the SFT date via InvestorHUB. Investment related fees and costs and investment limits apply, depending on the investment.

Your cash account

A cash account will be opened for you when you move to the HUB24 Super Fund. A minimum cash account balance applies – see ‘Account Minimums’ later on in this SEN for details.

The cash account represents the cash holding in your account and does not include any cash held via an underlying investment option. The cash account is used to settle all transactions in relation to investments held within your account in the HUB24 Super Fund and to pay any fees and costs associated with those investments.

Your cash account in the HUB24 Super Fund will earn interest calculated daily, credited to your cash account monthly in arrears based on the monthly cash interest rate applicable from time to time. Information about the applicable rate will be available on InvestorHUB.

You should consider, in conjunction with your adviser, online tools available to help manage your cash account (and your investments) including how to deal with excess cash in your cash account and maintain a minimum cash account balance. See the ‘Online access and tools’ section below for more information.

Insurance

Where you hold an individual insurance policy through the ARA Fund, this will be transferred to the HUB24 Super Fund. Your insurance premiums will continue to be deducted annually in advance and paid to your insurer, however in the HUB24 Super Fund they will be deducted from your cash account.

You can also apply for insurance cover through the HUB24 Super Fund under a group or individual insurance policy, subject to the applicable insurance fees.

Administration fees and costs

There will be no change to the administration fees and costs that you pay from your account.

The administration fees and costs are outlined in the following table.

Type of fee or cost	Current (ARA Fund)	New (HUB24 Super Fund)								
Administration fee	<p>A percentage-based fee applied on the total balance of your account as detailed below.</p> <table border="1"> <thead> <tr> <th>Account balance</th> <th>Fee rate</th> </tr> </thead> <tbody> <tr> <td>All account balances</td> <td>0.1045% p.a.</td> </tr> </tbody> </table> <p>A maximum of \$992.75 p.a. applies to the percentage-based fee.</p> <p>The administration fee is calculated daily on your total account balance and deducted from your account balance monthly in arrears.</p>	Account balance	Fee rate	All account balances	0.1045% p.a.	<p>A percentage-based fee applied to the total balance of your account (including your cash account balance) as detailed below.</p> <table border="1"> <thead> <tr> <th>Account balance</th> <th>Fee rate</th> </tr> </thead> <tbody> <tr> <td>All account balance</td> <td>0.1045% p.a.</td> </tr> </tbody> </table> <p>A maximum of \$992.75 p.a. applies to the percentage-based fee.</p> <p>The administration fee is calculated daily on your total account balance and deducted from your cash account monthly in arrears.</p>	Account balance	Fee rate	All account balance	0.1045% p.a.
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Family group fee discount	For a family group, a maximum of \$992.75 p.a. applies to the total aggregate percentage-based fees for the accounts in the family group.	For a family group, a maximum of \$992.75 p.a. applies to the total aggregate percentage-based fees for the accounts in the family group.								

Under the Aracon Superannuation Fund trust deed, the following fee restrictions apply to existing members of the ARA Fund, and will continue to apply to your account in the HUB24 Super Fund following the SFT:

- The total amount of fees charged as a percentage may not exceed 1.5% of a member's account as at the last day of each calendar month¹,
- The total amount of fees charged as a fixed dollar amount may not exceed \$350 p.a. (indexed annually to Average Weekly Ordinary Time Earnings) for each member's account, to be charged on the last day of each calendar month¹, and
- The trustee may not charge fees in respect of a contribution split applied for by a member, where the request is made within two years from the SFT date.

¹ Where your account is identified as having exceeded these limits, the amount in excess of the limit will be rebated to you annually, generally following the end of the financial year, or at the time you exit the Fund.

Activity fees

The following table outlines the new activity fees that will apply in the HUB24 Super Fund when the relevant activity occurs.

Activity type	Fee amount	How and when paid
Withdrawing a term deposit before maturity	A break fee of \$55 per term deposit will be charged when a term deposit is broken before maturity, on your instruction through your adviser. Additional fees or interest penalties may be charged by the underlying term deposit provider. ¹	The break fee is deducted from your cash account at or around the time you break the term deposit.
Group insurance cover	An insurance administration fee of 24.75% of the insurance cost.	This fee is included in the insurance cost for group insurance cover, where applicable. It is paid when the insurance cost is deducted from your cash account each month.
Dishonour fee	A fee of \$55 may be charged for any dishonoured payment.	Any fees relating to dishonoured payments will be deducted from your cash account at or around the time the dishonour occurs.
Family law fee	Reasonable fees and any costs and expenses incurred in relation to the administration of Family Law Act requirements may be passed on.	You will be notified of any fees that may be charged to your account should your account be affected by Family Law Act requirements.

Activity type	Fee amount	How and when paid
Negative cash account fee ²	The amount of the fee is equal to the interest rate applicable to positive cash account balances.	The negative cash account fee is calculated daily on your negative cash account balance. It is payable monthly in arrears (where a negative cash account balance has occurred during the month) and is deducted from the interest payable in relation to any positive cash account balance, before that interest (if any) is credited to your cash account. Otherwise is deducted from the cash held in your cash account, where necessary.

¹ The break fees or costs or interest penalties (if any) that may be charged by the underlying term deposit provider may be significant and therefore are a risk to be considered in deciding whether to withdraw a term deposit before its maturity. The underlying term deposit provider may provide an estimate of break fees or costs or interest penalties upon request.

² Your cash balance may become negative in limited circumstances. At its discretion, the Administrator may permit the processing of certain transactions including the payment of taxes, pension payments and/or fees and other costs which may bring your cash account balance into negative. In addition to this, you (via your adviser) may purchase investments using proceeds from the sale or redemption of an investment, where the sale or redemption has been made but the receipt of proceeds to your account has not been finalised.

Advice fee options

There are a range of advice fee options available to you in the HUB24 Super Fund if you choose to obtain advice and other related services from a financial adviser related to superannuation and you consent to the adviser being paid for their services from your account in the HUB24 Super Fund. The amount and type of advice fees you pay is negotiable between you and your adviser, subject to certain limits. You can find a detailed explanation of the advice fee options, including information about fee amounts and how and when they are paid, in the 'Additional explanation of fees and costs' section in Part II – Information on fees and other costs of the new ARA Super PDS which will be available by the SFT date via InvestorHUB.

Account minimums

Following the transfer of your account balance to the HUB24 Super Fund, the following minimums will apply.

Minimums	Current (ARA Fund)	New (HUB24 Super Fund)
Minimum ongoing account balance	No minimum	\$10,000 (does not apply to the transfer of your account balance under the SFT)
Minimum additional / regular contribution	No minimum	\$100 per contribution
Minimum withdrawal ¹	No minimum	\$100 per withdrawal
Minimum cash balance	No minimum (however, the underlying ARA Fund Investment option pools hold a 2% minimum cash balance)	At least 0.75% ² of your account balance must be held in your cash account at all times On transfer to the HUB24 Super Fund under the SFT, the cash account established for you will hold more than the required minimum.
Minimum trade size	No minimum	\$250 for trading in Managed Funds

¹ Subject to meeting a condition of release.

² If the balance of your cash account falls below the minimum, investments in your account may be sold to restore the cash balance to the minimum requirement, without seeking your instruction or consent. A negative cash balance fee may also apply in limited circumstances.

Online access and tools

Once your account has transferred to the HUB24 Super Fund, you'll receive a welcome email that will include your InvestorHUB login details. InvestorHUB is your new online portal where you can view your account information.

The welcome email will also explain how to download the MyHUB mobile app, if you wish to do so.

The new portal will also provide your adviser with online tools to support them managing your investments (including your cash account balance), such as:

- Automatic cash top up: manages the minimum cash account balance,
- Automatic investment drawdown: specify what investments are sold down when certain payments are needed (i.e. pension payments, insurance premiums),
- Automatic investment plan: periodically reinvest the excess cash in your cash account,

- Adhoc investment plan: automatically invest (generally within 5 business days) any additional (ad hoc) contributions made into your cash account once the money has cleared.

Pension payment dates and defaults

If you're currently receiving pension payments in the ARA Fund, regular pension payments will cease to be made from the ARA Fund after the 14th of November 2022, except in limited circumstances.

In addition, your pension account in the ARA Fund will be assessed to ensure the minimum pension payments for the period 1 July – 6 December 2022 have been paid. If your account is identified as not having met the minimum prorated pension payment requirement for this period, a supplementary pension payment from the ARA Fund will be made to you before the SFT date (on or around the 14th of November 2022).

Once your pension account has transferred to the HUB24 Super Fund, your regular pension payments will be made on the 10th day of the month or the prior business day (depending on the payment frequency you selected in the ARA Fund

Please note that due to the impact of the SFT, your first pension payment in the HUB24 Super Fund will be paid on the 14th of December 2022. Going forward all future pension payments will align with the regular schedule of the 10th day of the month or the prior business day.

The HUB24 Super Fund also has a different approach to pension payment amount defaults. Once your pension account is in the HUB24 Super Fund, if you do not make an annual pension payment election, the default will apply, which is to receive the minimum pension payments as prescribed in government legislation.

Term Allocated Pensions (TAPs)

If you have a TAP account, this will be transferred to the HUB24 Super Fund. The TAP will continue for the remainder of the term you have selected, or earlier if the funds in your account are depleted. You should contact your financial adviser to discuss the implications of the transfer of the TAP account on you personally, depending on your circumstances.

Following the SFT, TAPs will no longer be able to be rolled into the HUB24 Super Fund.

Standing instructions and elections on your account

If your employer makes Superannuation Guarantee (SG) contributions to the ARA Fund in respect of you, you'll need to give your employer a completed Super Choice Fund Nomination Form if you want the contributions to be made to the HUB24 Super Fund in the future. For any other type of contribution, you will need to ensure your new account details are used. Your welcome email will include a link to the relevant form, which will

have the HUB24 Super Fund unique superannuation identifier (USI) pre-populated for you.

Where you are receiving pension payments, your nominated bank account details for pension payments and nominated payment frequency will be retained.

Temporary transaction freeze

Before and during the transfer of your account to the HUB24 Super Fund, there will be a temporary freeze on some types of transactions between 18 November 2022 and 15 December 2022, unless otherwise notified by us.

Transactions impacted by the temporary freeze include:

- cash withdrawals
- pension payments (however see the 'Pension payments and defaults' section above for further details about how regular pension payments are impacted)
- buy and sell investment transactions
- account closures
- super to pension transfers.

Any instructions for the above transaction types received after 18 November 2022 will be processed after 15 December 2022.

During the temporary freeze period, you'll still be able to make contributions to your account. However, these contributions won't be invested until 15 December 2022 (i.e. you will not receive earnings or interest on the contributions until then).

TFN

If you have not provided your Tax File Number (TFN), your employer contributions, and any other concessional contributions, are subject to 32% additional income tax on top of the 15% tax paid. If you have not already provided your TFN, you should provide it as soon as possible.

Final fee deductions

On 21 November 2022, all fees payable for the period 1 November to 18 November 2022 will be debited from your ARA Fund account. The value of your account on 18 November 2022 will be used to calculate the fees payable from your ARA Fund account for the period up until the SFT date, which is the last day you will be in the ARA Fund, before it transfers to the HUB24 Super Fund. This is a change to the timing of the deduction of fees and will not result in an increase in the fees you pay from your account.

Other

You should talk to your adviser if you wish to split your superannuation contributions with your spouse or withdraw excess contributions prior to the SFT.

New contact details

From the SFT date, please contact the HUB24 Client Services Team using the details below for any matters relating to your account.

Phone number	1300 854 994
Email address	admin@hub24.com.au
Mailing address	GPO Box 529, Sydney NSW 2001

General advice warning

The information contained in this SEN is general information only and doesn't take into account your personal objectives, financial situation, needs or circumstances. You should consider obtaining professional advice about your particular circumstances before making any financial or investment decisions based on the information in this notice. You should also consider the ARA Super PDS, and other information incorporated by reference, which is referred to in the ARA Super PDS as well as the Target Market Determination (TMD) for ARA Super issued by the Trustee of the HUB24 Super Fund. The ARA Super PDS, the documents incorporated by reference into the ARA Super PDS and the TMD will be available by the SFT date, free of charge from your adviser, by contacting the Administrator or via the online portal, InvestorHUB.

Important information

This notice has been issued by Equity Trustees Superannuation Limited (ABN 50 055 641 757, AFSL 229757 RSE License No. L0001458) as Trustee of the Aracon Superannuation Fund (ABN 40 586 548 205).