

Dear Beneficiary,

Your superannuation investment option XYZ Balanced Fund in the Wealth Personal Superannuation and Pension Fund (Wealth Fund) has failed the annual performance test at least 2 years in a row. We are now banned from accepting new members into this investment option until it passes a future test. You should think about moving your money to a different super investment option or fund.

The Australian Government tests your super fund's investment options every year to make sure your savings are well managed for when you retire. Funds that fail this test are required by law to tell you.

You had \$600,000 invested in Wealth Fund on 30 June 2024 and paid a total of \$1,625 in fees in the last financial year. You had the following amount invested in failing investment options:

- XYZ Balanced Fund \$150,000 invested as at 30 June 2024

Your money will stay in this failing investment option in the Wealth Fund unless you move it.

Finding a better super investment option could be worthwhile for your future. You could save thousands of dollars more for when you retire by switching to a better investment option or super fund. Super is a long-term investment. By earning 1% more each year for 30 years, you could retire with 20% more in savings; for example, your super could increase from \$100,000 to \$120,000.

This letter does not take your personal situation into account. Before switching investment options, you should think about your investment plans and personal situation, such as investment goals and values, as well as insurance, fee and tax impacts. You may wish to speak to a financial adviser about your personal circumstances if you are unsure.

Your questions answered

What is the annual performance test?

The annual government test checks how much your super investment option has earned for you (after costs) over time. It compares your investment option's earnings with those of a similar investment option over the same period. The test is done at the investment option level. There may be a range of fees associated with an investment option. The test does not account for your personal situation, fees or tax.

Super funds with investment options that fail this test are required to tell you.

You can find out more about super at moneysmart.gov.au.

What things should I consider when deciding to switch super investment options or funds?

The performance test does not take into account your individual circumstances. You should think about your investment plans and personal situation, such as investment goals and values, as well as insurance, fees and tax impacts, when switching. You may wish to speak to a financial adviser about your personal circumstances.

How can I find a new super investment option or fund?

You may find it helpful to use the Australian Government's YourSuper comparison tool. You can use the tool to compare the fees and earnings of simple, low-cost MySuper investment options. Note that the investment options listed above are not MySuper investment options. You should think about whether a MySuper investment option is right for you. Go to ato.gov.au/yoursuper or use the QR code below:



How do I consolidate my super?

If you open an account with a new super fund, contact the new fund or use myGov to consolidate your money, saving on fees by avoiding charges on multiple accounts.

What happens if a super investment option fails two or more years in a row?

If a super investment option fails the test at least two years in a row, it cannot accept new members until it passes a future test. You should think about the impact of this on the investment option's ability to improve.

Your money will stay in the failed super investment option unless you move it.