

25 January 2023

Dear Member,

Significant Event Notice Wind up of the Heidelberg Australia Superannuation Fund

We want to advise you of some important changes that will be happening to the Heidelberg Australia Superannuation Fund. Read on to learn more about what this means for you, what to expect in the coming months and the services that will be available to support you.

What is changing?

After a careful review, the company, Heidelberg Graphic Equipment Limited (Heidelberg) has made the decision to permanently close and wind up the Heidelberg Australia Superannuation Fund (the Fund). The planned closure date is **30 April 2023**.

Why is the Fund winding up?

The decision was not an easy one for Heidelberg and was made after careful consideration of the ongoing viability of the Fund. It has been necessary due to the increasing challenges of running a corporate superannuation fund. Over the years, the regulatory environment has become more complex, which has increased the demands, risks and costs associated with running a small, stand-alone corporate superannuation fund. The future entails further regulatory changes and it has become clear that a need for greater scale is paramount.

What do the changes mean for me?

Benefits

The benefit that you have built up in the Fund through to the closure date will be available for you to transfer to a superannuation fund of your choice. This includes any amounts you have in additional voluntary contribution or rollover accounts. It is anticipated that your benefit will be ready to transfer from the Fund in mid-May 2023, approximately two weeks after the Fund's planned closure date. Please note that the Fund's closure does not itself trigger a cash benefit payment to you. All benefits not otherwise payable must be transferred to another superannuation fund. This could be AustralianSuper, Heidelberg's default superannuation fund, or any other complying fund of your choice.

Upon the windup of the Fund, your defined benefit will be converted to an accumulation account. The Fund's actuary is currently preparing a *Benefit Comparison Statement* for each defined benefit member, which will help you to better understand the changes that are being made to your superannuation arrangements.

The *Benefit Comparison Statement* will provide a comparison between what your projected or future benefit might have been at different ages (under a particular set of reasonable assumptions about the future) had you remained a defined benefit member of the Fund, compared to being in an "accumulation arrangement" in another fund. In an accumulation arrangement, your future benefit depends on factors such as the contributions you and Heidelberg make, investment earnings (which may be positive or negative), and the taxes, insurance fees, and administration expenses that you pay.

The Trustee has been advised by the Fund actuary that the *Benefit Comparison Statement* is expected to illustrate, based on reasonable assumptions, that having your future retirement benefits provided in an accumulation arrangement should compare favourably with your defined benefits in the Fund.

You will receive your personalised *Benefit Comparison Statement* in March 2023.

Administration fees

Heidelberg currently pays the administration fees for employee members of the Fund and has committed to continue this support in your new superannuation fund after the closure date. You will receive more information on how this will work over the next few months.

Insurance

Currently, the Fund provides eligible employee members with insurance cover in the event of death and Total and Permanent Disablement (TPD) at no cost to you. The level of cover depends on a number of factors, including a member's category of membership and contribution status.

All insurance cover provided by the Fund will cease on the Fund's closure date. However, Heidelberg has advised the Trustee that it considers the maintenance of insurance cover for employee members to be very important. Heidelberg is making arrangements to secure insurance cover for employee members of the Fund, at the existing levels, after the Fund's closure date. It is expected that this cover would be provided under a new policy owned by Heidelberg outside of superannuation. As is currently the case, Heidelberg will continue to pay the cost of this cover.

We understand that these arrangements are well progressed, and more information will be provided to you over the next few months.

What happens next?

The Trustee will continue with the winding up process as set out in the Fund's Trust Deed which includes determining each member's benefit in the Fund, closing off accounts and settling taxes and expenses. The Trustee will also be making arrangements to help members transition out of the Fund.

We will write to you again in early March 2023 with an information pack which will include your *Benefit Comparison Statement* and outline the actions you will need to take. Although there is **no immediate action** required from you right now, we encourage you to start considering a financial adviser (see below).

What support will be available?

You will be invited to attend information sessions so you can hear more about the changes and ask any questions. Heidelberg has advised the Trustee that arrangements are also being made with AustralianSuper to hold information sessions so that you can learn more about AustralianSuper, which is Heidelberg's current default fund. Sessions will be held in March 2023.

Once you have received your information pack, you may wish to discuss your personal circumstances with a licensed financial adviser.

Heidelberg has committed a sum of **\$2,000 per employee member** towards the cost of independent financial advice. This is to support you to navigate the changes and make decisions about your future superannuation arrangements.

To locate a financial adviser in your area, visit the Financial Planning Association of Australia at www.fpa.com.au or call 1300 337 301.

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Questions?

If you have any questions in the meantime, please contact either:

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The Trustee On behalf of the Heidelberg Australia Superannuation Fund

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Issued by Towers Watson Superannuation Pty Ltd (ABN 56 098 527 256, AFSL 236049), as Trustee of the Heidelberg Australia Superannuation Fund (ABN 75 071 229 817). January 2023