



ENFORCEABLE UNDERTAKING

Australian Securities and Investments Commission Act 2001

SECTION 93AA

The commitments in this enforceable undertaking are offered to the Australian Securities and Investments Commission ("ASIC") by:

UniSuper Limited ACN 006 027 121
Level 37, 385 Bourke Street
Melbourne VIC 3000

1. Background

- 1.1 UniSuper Limited ACN 006 027 121 ("**UniSuper**" or "the Trustee") is the trustee of the UniSuper Fund ("the **UniSuper Fund**"). The UniSuper Fund is an industry superannuation fund that, as at 30 June 2002, had more than 422,000 membership accounts and assets of an estimated \$9.4 billion.
- 1.2 The UniSuper Fund was formed on 1 October 2000 as a result of a merger between the Superannuation Scheme for Australian Universities and the Tertiary Education Superannuation Scheme. UniSuper had, prior to the merger, been the trustee for the Superannuation Scheme for Australian Universities and TESS Superannuation Limited had, prior to the merger, been the trustee for Tertiary Education Superannuation Scheme. TESS Superannuation Limited was deregistered after the merger of the two schemes.
- 1.3 UniSuper is a public, not-for-profit company with 37 Australian Universities as its shareholders. The day-to-day administration of the fund is carried out by UniSuper Management Pty Limited ("**UniSuper Management**"), a wholly owned subsidiary of UniSuper. Both companies have their registered office at Level 37, 385 Bourke Street, Melbourne.

ASIC's Investigation

- 1.4 ASIC has been making enquiries into the UniSuper Fund since 3 January 2003 and has been investigating suspected contraventions of the Australian Securities and Investments Commission Act 2001 ("**ASIC Act**"), the Corporations Act 2001 ("**Corporations Act**") and the Superannuation Industry (Supervision) Act 1993 ("**SIS Act**") in relation to;
 - (a) the provision of member statements to UniSuper Fund members in receipt of Temporary Incapacity or Permanent Disablement ("**TI/PD**") benefits ("**TI/PD members**");
 - (b) the UniSuper Fund's inquiries and complaints handling systems and procedures; and

(c) other disclosure issues relating to the UniSuper Fund.

1.5 ASIC acknowledges that UniSuper has co-operated with ASIC during its investigation.

Concerns of ASIC

Disclosure to TI/PD Members

1.6 As a result of its investigation, ASIC was concerned that UniSuper contravened section 34(1) of the SIS Act by failing to provide member statements to all TI/PD members for the reporting periods included in the period 1 July 1998 to 30 June 2002 ("**relevant period**"), as required by SIS Regulations 2.22, 2.23 and 2.24.

1.7 The relevant regulations are operating standards under section 31 of the SIS Act and require trustees to provide members with all information that they reasonably believe a member reasonably needs for the purpose of understanding his or her benefit entitlements in the fund including their withdrawal benefits, member and employer contributions, fees, charges and expenses.

1.8 Prior to May 2003 (in respect of the six month period up to 31 December 2002), it was not UniSuper's practice to provide member statements to TI/PD members for the following reasons:

- (a) UniSuper believed it was not required to provide member statements to former contributing members, such as TI/PD members on the basis that they were 'life pensioners' under SIS Regulation 2.25 (1)(a); and
- (b) UniSuper's administration systems were unable to automatically produce member statements for these members.

1.9 ASIC is concerned that UniSuper failed to disclose these reasons in a letter sent to TI/PD members in, or around, May 2003 with member statements for the period 1 July 2002 to 31 December 2002.

1.10 ASIC acknowledges but does not accept as correct UniSuper's view that TI/PD members were 'life pensioners' for the purpose of SIS Regulation 2.25(1)(a).

1.11 Although ASIC acknowledges that UniSuper;

- (a) commenced providing TI/PD members with member statements in May 2003;
- (b) has provided manually generated historical member statements in circumstances where TI/PD members have requested member statements in respect of the period 1 July 1998 to 30 June 2002; and

- (c) continues to provide statements to TI/PD members in accordance with section 34(1) of the SIS Act,

ASIC is concerned that not all TI/PD members have been provided with member statements for the reporting periods from 1 July 1998 to 30 June 2002. Consequently, ASIC believes that these members have not received all the information they may reasonably need to understand their benefit entitlements in the UniSuper Fund for the period that they were not in receipt of member statements.

Statements to TI/PD members upon request

- 1.12 ASIC is concerned that UniSuper may have contravened section 34(1) of the SIS Act by failing to comply with SIS Regulations 2.39 and 2.40 and, from 11 March 2002, section 1017C of the Corporations Act.
- 1.13 The relevant SIS Regulations are operating standards for the UniSuper Fund under section 31 of the SIS Act.
- 1.14 SIS Regulation 2.39 states that the trustee of a fund must comply with a request to give information as soon as practicable and in any event must take reasonable efforts to comply with the request within one month of receiving the request.
- 1.15 ASIC has formed the view from its review of complaints material received from UniSuper pursuant to notices issued by ASIC that;
- (a) UniSuper received requests from 8 TI/PD members for statements;
 - (b) statements were manually prepared by UniSuper and provided to members in response to those requests; and
 - (c) in 5 cases, the statements manually produced by UniSuper in response to requests were given to members more than one month after the initial request was made. ASIC also believes that in some cases, statements did not contain reliable information.
- 1.16 ASIC is concerned that UniSuper's failure to comply with requests from members within one month constitutes a contravention of SIS Regulations 2.39 and 2.40, and section 1017C of the Corporations Act, and suggests that UniSuper did not, at the time, have systems in place that would enable it to comply with section 1017C in the future.
- 1.17 ASIC is also concerned that the provision of unreliable information in statements provided to some members constitutes misleading and deceptive conduct contrary to section 12DA of the ASIC Act and indicates that UniSuper did not, at the time, have in place systems that were adequate for the purpose of disclosing information to members.

- 1.18 UniSuper does not agree with ASIC's concerns set out in paragraphs 1.06, 1.12, 1.16 and 1.17 above.
- 1.19 UniSuper contends that despite not responding to member's requests within one month in 5 of the 8 instances, it did at all times take reasonable efforts to comply with each request within one month of receiving those requests and on that basis, believes it has systems in place that enable it to fully comply with section 1017C in the future.
- 1.20 While UniSuper agrees that in some cases the information provided to those members that requested statements was not accurate, it does not agree with ASIC that the inaccuracies constituted misleading and deceptive conduct contrary to section 12DA of the ASIC Act or that they indicate that UniSuper did not have in place systems that are adequate for the purpose of disclosing information to members.

Inquiries and Complaints Handling

- 1.21 As a result of its investigation, ASIC was concerned that UniSuper contravened section 101(1) of the SIS Act from 1 October 2000 by not taking all reasonable steps to ensure that there were at all times in force arrangements under which a member had the right to make an inquiry or a complaint and that such would be properly considered and dealt with within 90 days.
- 1.22 ASIC was also concerned that UniSuper may have contravened SIS Regulations 2.16, 2.23, 2.28 and 2.41B (as Operating Standards for the Fund) and s1017DA of the Corporations Act from 1 January 2001.
- 1.23 It formed these views following a review of complaint files and UniSuper documentation relating to inquiries and complaint handling procedures.
- 1.24 ASIC reviewed some 70 matters and found that there were 10 occasions on which UniSuper did not finalise a complaint within 90 days of the date of the complaint.
- 1.25 Consequently, ASIC was concerned that UniSuper did not have in place systems and procedures to effectively deal with inquiries and complaints in accordance with section 101(1) of the SIS Act.
- 1.26 UniSuper contends that on all but one of those occasions, it was not possible to deal with those complaints within 90 days because consideration of those complaints (some of which were disablement claims or death claims) required the involvement of external parties.
- 1.27 From its review of documentation, ASIC was concerned that UniSuper did not;
- (a) sufficiently document its complaints processes including having insufficient detail of the complaints handling process with the possible

effect that UniSuper staff may not have dealt with complaints in a consistent manner, at each stage of the complaints process;

- (b) provide members with sufficient information including;
 - (i) the name and direct telephone number of the contact person who is able to receive and deal with inquiries and complaints;
 - (ii) the date of any decision made with the effect that this may cause the member uncertainty about the timeframe for applying for review by the Superannuation Complaints Tribunal ("SCT");
 - (iii) advice that if dissatisfied with a decision, members had the right to have their complaint considered by the Trustee or to seek review by the SCT;
 - (iv) information about the conciliation and review functions of the SCT and that its determinations are binding;
 - (v) applying an *ad hoc* approach to deciding when to provide a member with information about the SCT;
- (c) have an adequate system for recording inquiries or complaints as ASIC formed the view that UniSuper;
 - (i) maintained 2 complaints registers, one for complaints considered by internal management and the other for those considered by the Trustee;
 - (ii) applied separate 90 day periods for each stage of review;
 - (iii) did not allow for complaints to be made orally;
 - (iv) did not record all inquiries or sufficiently describe their nature in its complaints register;
 - (v) did not record in the register the date on which an enquirer first made contact with UniSuper rather, only recorded the date the inquiry became a complaint; and
 - (vi) did not clearly identify the day that a decision was made in the complaint register.

1.28 UniSuper does not agree with ASIC's concerns and views set out in paragraphs 1.21, 1.22, 1.25 and 1.27 above.

1.29 UniSuper does not believe that it has ever applied separate or consecutive 90-day periods to its complaint handling process and while it agrees that it had 2

registers in the past, it does not agree that it did this in order to apply separate 90-day periods to those complaints that commenced with an internal review by management prior to being referred to the Trustee for reconsideration.

- 1.30 It also does not agree with ASIC's view that its former practice of maintaining separate registers suggests that UniSuper has not taken all reasonable steps to ensure that there are at all times in force arrangements under which inquiries or complaints will be properly considered and dealt with within 90 days after they were made.
- 1.31 UniSuper has conducted an internal review of its inquiries and complaints handling procedures commencing in March 2003, and as an outcome of that review, UniSuper:
- (a) has rewritten its complaints handling process flowcharts and supplemented these with a complete rewriting of its complaints handling procedures documentation, with the addition of mandatory management review of any matter that is continuing after 30 days;
 - (b) has consolidated its complaints registers so that all complaints are set out in a single register;
 - (c) has implemented new call centre software;
 - (d) has restructured its reporting to the UniSuper Board;
 - (e) has updated its member guides in relation to superannuation products and services and forwards these to all complainants;
 - (f) now advises all complainants when acknowledging receipt of their complaint, and at each stage of the complaint handling process, of their rights in relation to the SCT and the functions of the SCT;
 - (g) now includes the name and direct contact details for the complaints officer; and
 - (h) has included an additional on-going project in the internal auditor's program of work to ensure that UniSuper practices for recording and handling inquiries and complaints are in accordance with the SIS Act.

Other disclosure issues

- 1.32 As a result of its review of various UniSuper member publications, ASIC was also concerned that UniSuper may have contravened section 34(1) of the SIS Act by failing to comply with SIS Regulations 2.16, 2.23 and 2.28 from 1 January 2001 to 10 March 2002 and section 1017DA of the Corporations Act from 11 March 2002.

- 1.33 The relevant SIS Regulations are operating standards for the UniSuper Fund under section 31 of the SIS Act.
- 1.34 From its review of various UniSuper member publications, ASIC's view was that UniSuper;
- (a) did not provide the name and direct telephone number of a contact person who is available to receive and deal with inquiries and complaints of UniSuper members;
 - (b) did not provide sufficient details in outline terms of the conciliation function of the SCT; and
 - (c) did not advise members that determinations by the SCT are binding.
- 1.35 UniSuper does not agree with ASIC's concerns set out in paragraphs 1.32 and 1.34 above for the following reasons:
- (a) UniSuper has members in every large and many small regional centres in Australia, and has provided for their use a toll-free number and specific email address for via which members may make inquiries; and
 - (b) UniSuper made reasonable efforts to advise members in sufficient detail in outline terms of the SCT's functions, and to inform complaints of the review function of the SCT.
- 1.36 As part of the outcome of UniSuper's internal review of its inquiries and complaints handling procedures referred to in paragraph 1.31 above, UniSuper;
- (a) has updated its member guides and publications in relation to the SCT and now provides a contact name and number for complaints;
 - (b) now advises all complainants when acknowledging receipt of a complaint, and at each stage of the complaint handling process, of their rights in relation to the SCT; and
 - (c) included an additional on-going project in the internal auditor's program of work to ensure that UniSuper publications to members contain the information required under section 1017DA of the Corporations Act 2001.

Acknowledgement of concerns and resolution

- 1.37 While UniSuper does not agree with all aspects of ASIC's concerns as set out in this Enforceable Undertaking, it acknowledges those concerns and has implemented changes and modifications to its inquiries and complaint handling practices and member publications, referred to in paragraphs 1.31 and 1.36 above.

- 1.38 In addition, UniSuper has offered and ASIC has agreed to accept an enforceable undertaking in the terms set out in paragraphs 2.1 to 2.23 below.

2. Undertakings

- 2.1 UniSuper undertakes to ASIC the following for the purpose of section 93AA of the ASIC Act.

Disclosure to TI and PD members

Mail-out of historical member statements to TI and PD members who were members of the Investment Choice Plan during the relevant period

- 2.2 Within three months of the execution of this Enforceable Undertaking, UniSuper will;
- (a) prepare historical member statements for all current and exited TI and PD members who were members of the UniSuper Fund's Investment Choice Plan ("ICP") during the relevant period ("**relevant persons**"); and
 - (b) forward to each of the relevant persons;
 - (i) those historical statements; and
 - (ii) an accompanying disclosure statement in the form attached and marked '**Annexure A**' (the "**Disclosure Statement**");

in the manner set out in '**Annexure B**' ("**the Mail-Out**").

Prior to the Mail-Out, UniSuper will engage an external auditor or actuary ("**the Reviewer**") to review the systems and procedures associated with the preparation of the historical member statements for the purpose of ensuring that the information provided to each relevant person in each historical member statement is reliable and accurate. The Reviewer shall prepare a report on this review and provide that report to UniSuper and ASIC (at the address set out in '**Annexure C**' to this Enforceable Undertaking).

- 2.3 In situations where a relevant person has previously requested, and subsequently received, a manually generated historical member statement, UniSuper will be required only to forward a copy of the Disclosure Statement to those relevant persons as part of the Mail-Out.
- 2.4 Within 14 days of the Mail-Out, UniSuper will provide ASIC with a report evidencing the Mail-Out. The report will contain the names of persons to whom the Disclosure Statement and historical member statements have been

sent and the addresses to which they have been sent. The report is to be accompanied by a certificate prepared by a director of UniSuper, attaching a statutory declaration by a person who has personal knowledge of UniSuper's compliance with the provisions of paragraphs 2.2 and 2.3 which states that UniSuper has complied with those provisions.

- 2.5 UniSuper shall provide the report and certificate referred to in paragraph 2.4 to ASIC at the address set out in '**Annexure C**' to this Enforceable Undertaking.

Disclosure Statement to be published on UniSuper website

- 2.6 Within five days of the execution of this Enforceable Undertaking, UniSuper will publish the Disclosure Statement on UniSuper's website which is maintained under the domain name **www.unisuper.com.au** ("**the Website**").

- 2.7 The Disclosure Statement will be published on the Website for a period of not less than three months.

- 2.8 UniSuper will ensure that the Disclosure Statement is able to be accessed in the following manner;

(a) UniSuper will display an information box on the Website in the Members section containing the following text - "**Important information for Members**"; and

(b) If a person clicks at any place within the information box, the Disclosure Statement will be displayed directly and immediately.

- 2.9 UniSuper undertakes to provide ASIC with a certificate prepared by a director of UniSuper attaching a statutory declaration by someone who has personal knowledge of UniSuper's compliance with paragraphs 2.6 to 2.8, which states that UniSuper has complied with those provisions.

- 2.10 UniSuper shall provide the certificate referred to in paragraph 2.9 to ASIC at the address set out in '**Annexure C**' to this Enforceable Undertaking within 7 days of the publication of the information box.

Mail-out of Disclosure Statement to TI and PD members who were members of the Defined Benefit Plan during the relevant period

- 2.11 Within three months of the date of this Enforceable Undertaking, UniSuper will forward the Disclosure Statement to all current and exited TI and PD members who were members of the UniSuper Fund's Defined Benefit Plan ("**DBP**") during the relevant period.

- 2.12 UniSuper will forward the Disclosure Statement to all DBP members referred to in paragraph 2.11 in accordance with the requirements for the Mail-Out set out in '**Annexure B**' to this Enforceable Undertaking in so far as those requirements relate to the forwarding of Disclosure Statements.

- 2.13 Within 14 days of the Mail-Out, UniSuper will provide ASIC with a report evidencing the mail-out of the Disclosure Statement to DBP members identified in paragraph 2.11. The report will contain the names of persons to whom the Disclosure Statement has been sent and the addresses to which they have been sent. The report is to be accompanied by a certificate prepared by a director of UniSuper, attaching a statutory declaration by a person who has personal knowledge of UniSuper's compliance with the provisions of paragraphs 2.11 and 2.12, which states that UniSuper has complied with these provisions.
- 2.14 UniSuper shall provide the report and certificate referred to in paragraph 2.13 to ASIC at the address set out in 'Annexure C' to this Enforceable Undertaking.

Disclosure generally and inquiries and complaints handling

- 2.15 Within one month of the execution of this Enforceable Undertaking, UniSuper must engage an external auditor ("**Compliance Auditor**"), on terms to be approved by ASIC to review the manner (including the processes, practices, internal controls, compliance systems, supervision and resources) and the documentation by which UniSuper seeks to comply with its inquiries and complaints handling obligations and its member disclosure obligations generally under the SIS Act and the Corporations Act.
- 2.16 Within four months of the execution of this Enforceable Undertaking, the Compliance Auditor must provide to UniSuper, the registered company auditor appointed to the UniSuper Fund and to ASIC (at the address set out in 'Annexure C') its report on the review conducted pursuant to paragraph 2.15. The Report must confirm whether the processes, manner and documentation referred to in paragraph 2.15 above are appropriate to enable UniSuper to comply with its obligations under the SIS Act and the Corporations Act in relation to inquiries and complaint handling and member disclosure generally. To the extent that UniSuper's processes, manner and documentation do not comply with its legal obligations, the report should;
- (a) set out the deficiencies; and
 - (b) set out any recommendations as to what changes would enable UniSuper to rectify those deficiencies.
- 2.17 UniSuper must implement any recommendations made in accordance with paragraph 2.16 above within three months of the date of the delivery of the report and the Compliance Auditor shall after that period provide an update report of the implementation of any recommendations made in the report referred to in paragraph 2.16.

Requirements for the engagement of the Compliance Auditor

- 2.18 UniSuper must, in relation to the Compliance Auditor;

- (a) permit the Compliance Auditor, as reasonable, to have access to its books, to interview any present employee or to consult with ASIC;
- (b) give the Compliance Auditor any information or explanation reasonably requested by the Compliance Auditor of any matter in any way connected with the report required to be prepared by the Compliance Auditor under this Enforceable Undertaking; and
- (c) otherwise reasonably assist the Compliance Auditor in conducting the reviews and producing the report.

2.19 The Compliance Auditor will be engaged on the basis that the report will;

- (a) set out the steps that the Compliance Auditor has taken to fulfil his or her task, including but not limited to identifying;
 - (i) the personnel that have been interviewed or have otherwise provided assistance to the Compliance Auditor; and
 - (ii) the documents that have been delivered and those that have been reviewed;
- (b) set out the testing of the procedures of UniSuper undertaken by the Compliance Auditor to complete the report;
- (c) set out any limitations or qualifications to the report;
- (d) list those documents or extracts of documents most relevant (in the view of the Compliance Auditor) in producing the report; and
- (e) otherwise comply (to the extent applicable) with those paragraphs of the Federal Court of Australia Practice Direction entitled "Guidelines for Expert Witnesses in proceedings in the Federal Court of Australia" that fall under the sub-heading "The form of the expert evidence" in that Practice Direction.

Requirements for Service Agreements

2.20 UniSuper must ensure that it has in place appropriate written agreements ("**Service Agreements**") with all related entities (within the meaning of the Corporations Act 2001) that provide services to UniSuper and the UniSuper Fund ("**Service Providers**"). Any such agreement must:

- (a) contain terms that ensure the Service Providers give to UniSuper sufficient, appropriate and timely information to enable it to comply with its disclosure and inquiries and complaints handling obligations under the SIS Act and Corporations Act; and
- (b) require the Service Providers to properly train and supervise their staff in the provision of information to UniSuper in a manner that will assist it in

the discharge of its disclosure and inquiries and complaints handling obligations under the SIS Act and Corporations Act.

Reporting obligations and assistance

- 2.21 Without derogating from any other obligation upon UniSuper to report to ASIC, in the event that UniSuper forms a view that it has breached a term of this Enforceable Undertaking, it must notify ASIC in writing as soon as practicable but in every case within 3 clear business days of it forming the view that a breach has occurred and of it understanding the nature and effect of that breach. It must also provide particulars of that breach.
- 2.22 UniSuper agrees to provide to ASIC information it may reasonably require in relation to the performance of the undertakings contained in this Enforceable Undertaking.
- 2.23 Any report or notification to be provided to ASIC in accordance with this Enforceable Undertaking is to be delivered to the address set out in 'Annexure C'.

3. Acknowledgment

- 3.1 UniSuper and ASIC each acknowledge and agree that the other may;
- (a) issue a media release on execution of the Enforceable Undertaking referring to the terms of concern of ASIC which lead to the execution of the Enforceable Undertaking;
 - (b) from time to time refer publicly to this Enforceable Undertaking; and
 - (c) make a copy of the executed Enforceable Undertaking available on a Public Register or on the Internet or communicate it by written or electronic means to any person.
- 3.2 Further, UniSuper acknowledges that;
- (a) this Enforceable Undertaking in no way derogates from any right or remedy available to any person arising from any conduct described in this Enforceable Undertaking;
 - (b) ASIC's acceptance of this Enforceable Undertaking does not affect ASIC's powers to investigate and take appropriate action against UniSuper (subject to 3.3 below) for a contravention or contraventions of the corporations legislation (as defined in section 9 of the Corporations Act 2001) or any other contravention of a law of the Commonwealth, or of a State or Territory, being a contravention that concerns the management or affairs of UniSuper, or involves fraud or dishonesty and relates to UniSuper or financial products, arising from future conduct; and

(c) the Enforceable Undertaking has no effect until accepted by ASIC.

3.3 Nothing in this Enforceable Undertaking prevents ASIC from further investigating or taking further action against UniSuper in respect of the matters, issues, concerns, actions or inactions referred to in this Enforceable Undertaking.

The Common Seal of UniSuper Limited is affixed in accordance with its Constitution in the presence of:



Brian W. Smith
Signature of director

John Mitchell
Signature of director/company secretary*
*delete whichever is not applicable

BRIAN W. SMITH
Name of director (block letters)

JOHN MITCHELL
Name of director/company secretary*
(block letters)
*delete whichever is not applicable

ACCEPTED BY THE AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION PURSUANT TO SECTION 93AA OF THE AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION ACT 2001 BY ITS DULY AUTHORISED DELEGATE

Mark Stewart
[Name/Title] *MARK STEWARD, Deputy Executive Director*

Date: *4/11/2004* *Empire*

'ANNEXURE A'
DISCLOSURE STATEMENT

In May 2003 we sent a letter to UniSuper Fund members who received either temporary incapacity ("TI") or permanent disablement benefits ("PD") announcing that they would from then on begin to receive benefit statements. The trustee of the UniSuper Fund, UniSuper Limited ("**UniSuper**"), had not, in the past, provided statements to these members.

We also explained in the letter to TI and PD members that the reason why statements had not previously been given to TI and PD members was that we were not able to automatically produce these for those members.

While that statement was true, the Trustee also believed at that time that the SIS regulations did not require statements to be forwarded to TI and PD members on the basis that they were "life pensioners". After much discussion with the Australian Securities and Investments Commission ("**ASIC**"), UniSuper concedes that ASIC's view of the SIS Regulations is different to that held by it. ASIC has expressed concerns regarding the conduct of the Trustee of the UniSuper Fund in not providing TI and PD members with statements until May 2003, for the reporting periods up to and including that which ended 30 June 2002. ASIC is concerned that this conduct may have constituted a contravention of the law and denied TI and PD members all the information that they might have reasonably needed in order to understand their benefits in the UniSuper Fund.

ASIC has also informed the Trustee of other concerns it has about disclosure to members relating to the UniSuper Fund, and its handling of inquiries and complaints made by members of the UniSuper Fund.

In order to address all of ASIC's concerns, the Trustee has entered into an Enforceable Undertaking with ASIC. The undertakings provided by the Trustee include the preparation of historical member statements for some members (set out below), the preparation and publication of this Disclosure Statement and engaging an external

expert to review the manner in which UniSuper discharges its disclosure, inquiries and complaints handling obligations.

Statements to members in Investment Choice Plan

Significantly for TI and PD members of the Investment Choice Plan ("**ICP**") product, the Trustee has undertaken to generate and distribute historical member statements to those who did not receive the same for the periods 1 July 1998 to 30 June 2002 ("**the relevant period**"). The Trustee has also undertaken to publish this Disclosure Statement on the UniSuper Fund website for the purpose of providing corrective disclosure to members.

The historical member statements will be distributed to members by 15 December 2004.

The information contained in these member statements will provide TI and PD members with more complete information in relation to their member benefits during the relevant period.

The Trustee will continue to provide member statements to all TI and PD members in ICP in the future.

Statements to members in Defined Benefit Plan

The Trustee and ASIC acknowledge that the nature of the information contained in statements to TI and PD members in the Defined Benefit Plan ("**DBP**") product relates predominantly to potential future benefits, rather than actual benefits in the UniSuper Fund. As such, the Trustee will not be required to generate and provide historical member statements to these members unless specifically requested by the member. The Trustee will still be required to provide these members with a copy of this Disclosure Statement.

The Trustee will continue to provide member statements to all TI and PD members in the DBP in the future.

Who to contact if you have any queries about this Disclosure Statement

If you have any questions in relation to this Disclosure Statement, please contact Florian Greene at the UniSuper Fund on (03) 9691 4100.

This Disclosure Statement has been published pursuant to the terms of an Enforceable Undertaking entered into between UniSuper and ASIC.

'ANNEXURE B'
REQUIREMENTS FOR MAIL-OUT

1. UniSuper must send the historical member statements and/or Disclosure Statement by ordinary pre-paid post to the most recent address UniSuper has recorded in its database for each relevant person.
2. In the case of those relevant persons whose mail-out is returned, UniSuper must update the addresses it has for those persons by using the "National Change of Address" database provided by Australia Post. If Australia Post's "National Change of Address" database reveals a different address for those persons, UniSuper will send the historical member statements and/or Disclosure Statement by ordinary pre-paid post to that different address.
3. Where Australia Post notifies UniSuper that a person has changed address, but has not given their consent to Australia Post to the release of their new details, UniSuper will use the "Re-Connect" service provided by Australia Post to seek to obtain that new address. Prior to doing so, UniSuper will consult with ASIC and Australia Post on the content of any correspondence to be sent to persons using the "Re-Connect" service. Australia Post's "Re-Connect Service" is a service whereby Australia Post writes to relevant persons advising them that UniSuper is trying to contact them, and asking for their consent to the release of their new address. In the event that:
 - 3.1 The person consents to the release of their new address, UniSuper will send the historical member statements and/or Disclosure Statements by ordinary pre-paid post to that different address.
 - 3.2 The person does not consent to the release of their new address, UniSuper is required to follow the procedure set out in clause 4 of this Annexure.
4. If Australia Post's "Change of Address" database and Australia Post's "Re-Connect" service reveal no different addresses for those persons whose mail-out

is returned, UniSuper will carry out an Internet search of the Telstra White Pages On-Line at the domain name www.whitepages.com.au. In the event that:

- 4.1 An entry which includes an address is found and that entry appears on reasonable grounds to correspond with the person sought, UniSuper must send the item by ordinary pre-paid post to that address.
- 4.2 No entry is found that includes an address which appears on reasonable grounds to correspond with the person sought, UniSuper is not required to take any further action with regard to contacting that relevant person.

'ANNEXURE C'

ADDRESS FOR ASIC

Specialist Assistant Director – Financial Services
Enforcement Directorate
Australian Securities and Investments Commission
Level 18
1 Martin Place
Sydney NSW 2000