

20 June 2024

Dear Unitholder

**AIA Cancelled Insurance policies**

You will recall I wrote to you in June 2022 concerning, AIA unilaterally cancelling 11 life policies (TEPs) held by the Fund, without proper notice, nor compensation to the Fund.

Our view at the time, was that we believed that the Fund had a reasonably strong case for compensation for financial detriment.

We lodged a formal complaint against AIA in this respect with AFCA, The Australian Financial Complaints Authority.

AFCA was established as a binding arbiter for resolving disputes between parties, which avoids the need for matters to be heard by a court.

We and the Fund's trustee, One AR Pty Limited, have spent a significant amount of time on this matter, however unfortunately AFCA has determined the matter is outside of its jurisdiction and would be better resolved by a court.

While theoretically this decision could be challenged, the Fund's lawyers have advised the grounds of challenge are narrow, and there would be limited prospects of success.

Since receiving this disappointing news, we have worked with the Fund's trustee and other advisors as to next steps and have concluded that on balance it is not economically viable pursuing the matter through the courts.

The financial impact of this on the Fund was brought to account at the time the policies were cancelled, so there is not expected to be any further loss incurred by the Fund as a result of the cancellation of the 11 policies.

Please contact us or the trustee if you have any further questions.

**Brad Traynor**  
**Managing Director- Aussie TEP Management Pty Ltd**