

A (Tony) Tuohey

Senate Economics Legislation Committee

PO Box 6100

Parliament House

Canberra ACT 2600

Dear Honourable Senators,

By way of background, I was a Trustee of Vision Super and the Chair of the Investment Committee at the time of the failed merger between Vision and Equip Super.

I respond to assertions by the Financial Services Council (FSC) in Money Management(October 2nd) that the Trustees did not act in member's best interests and by implication breached their fiduciary duties, is not only factually incorrect, but malign the integrity of the Vision Super Trustee and indeed the Australian Prudential Regulatory Authority (APRA).

I bring to the attention of Honourable Senators, the Vision Super Trustee, after considerable due diligence and discussion to ensure the proposed merger was in member's best interests, resolved to proceed with the merger. The fact Equip Super withdrew from the merger should be noted by your committee.

At the time of the withdrawal, there remained an outstanding issue about the independence of the proposed Chair of the merged fund as that person concurrently held the position of

Chair of an employer in the Vision Super Defined Benefits Fund. APRA determined this matter required the consensus of both Boards in order to satisfy the successor fund that the Chair was indeed independent.

The assertion the ASU benefited from the failed merger is a matter for the Union to respond. I ask the committee to note at no stage have I served as a full time employee or paid officer of the union. I was an honorary official resigning as Joint National President in 1993. In the intervening time up to the merger and my retirement from the fund, I received all Board fees and acted without direction from the Union. Further as one of the two "surviving trustees" if the merger had proceeded, the trustee board fees were payable to myself not the ASU. I ask the Committee to note part of the merger discussions were to provide parity with Board fees payable noting Equip Trustee fees were significantly higher than those payable to Vision counterparts.

During the merger process, APRA at a Senior level was involved in discussions and did not make any adverse comments as Vision Super Trustees resolved to merger however the decision to withdraw was made by Equip Super.

I am happy to present in person to your committee, if required.

Yours faithfully

A(Tony) Tuohey (13/10/15)