

Changes to investments and the Administration fees and costs rebate eligibility.

Significant Event Notice

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Since 1989, legalsuper has been committed to supporting the legal community.

On 1 July 2021, we're making some important changes to your legalsuper account.

1. Changes to investments

- Strategic Asset Allocation and Return Objectives

2. Administration fees and costs rebate and Administration fees and costs refund

- Administration fees and costs for balances which exceed an average of \$450,000 indexed¹ in a financial year are capped. Administration fees and costs in excess of the average balance are rebated to your account. This is called the Administration fees and costs rebate.
- Administration fees and costs for balances below \$6,000 at the end of a financial year are capped. Administration fees and costs in excess of the cap are refunded to your account. This is called the Administration fees and costs refund.
- The eligibility for the Administration fees and costs rebate is being changed so that it will only apply if you do not also receive the Administration fees and costs refund.

¹The rebate threshold will be indexed annually from 1 July 2021, in accordance with the 'All Groups Consumer Price Index (CPI)'.

I. Changes to investments

Return Objective Changes—effective 1 July 2021

The return objectives of the following investment options have been updated.

Single asset class	Return Objective	
	Up to 30/06/21	From 1/7/21
Cash	To at least match Bloomberg Ausbond Bank Bill Index over rolling 5-year periods, net of fees.	To at least match Bloomberg Ausbond Bank Bill Index over rolling 5-year periods (before administration fees but after investment fees and costs).
Enhanced cash	To outperform Bloomberg Ausbond Bank Bill Index over rolling 5-year periods, net of fees.	To outperform Bloomberg Ausbond Bank Bill Index over rolling 5-year periods (before administration fees but after investment fees and costs).
Overseas shares	To outperform the return of the applicable composite overseas shares index, net of fees, over rolling 10-year periods.	To outperform the MSCI All Country World (ACWI) ex-Australia Index, 50% unhedged and 50% hedged into Australian dollars, net of fees, over rolling 10-year periods.

We're here to help

Further investment related information is available at legalsuper.com.au/investments

If you have any questions, contact us on **1800 060 312** Monday to Friday between 8am to 8pm AEST or email mail@legalsuper.com.au

Asset allocation changes—effective 1 July 2021

Asset allocation is the combination of different asset categories or classes, such as Australian shares, overseas shares, fixed interest and cash. The investment return and risk of an investment option are largely determined by its asset allocation.

The following changes will be made:

- Strategic asset allocation changes in line with current portfolio strategy.
- The permitted ranges for some asset classes have also been adjusted.
- For the MySuper Balanced, Balanced, Conservative, Conservative Balanced, Growth and High Growth investment options, the Alternatives asset class will be replaced by three new asset classes (including Infrastructure, Private Markets and Credit).

Details of these changes are below:

Investment option	Asset class	Asset allocation (%)		Permitted range (%)	
		Up to 30/06/21	From 1/7/21	Up to 30/06/21	From 1/7/21
MySuper Balanced / Balanced	Australian shares	27.0%	27.0%	10–40%	10–40%
	Overseas shares	27.0%	27.0%	10–40%	10–40%
	Infrastructure	N/A	9.0%	N/A	0–20%
	Private Markets	N/A	2.0%	N/A	0–20%
	Property	12.0%	12.0%	0–25%	0–25%
	Fixed Interest	11.0%	11.0%	0–20%	0–20%
	Credit	N/A	7.0%	N/A	0–20%
	Cash	3.0%	5.0%	0–20%	0–20%
	Alternatives assets	20.0%	N/A	10–30%	N/A

Investment option	Asset class	Asset allocation (%)		Permitted range (%)	
		Up to 30/06/21	From 1/7/21	Up to 30/06/21	From 1/7/21
Conservative	Australian shares	12.0%	12.0%	5–25%	5–25%
	Overseas shares	12.0%	12.0%	0–20%	0–20%
	Infrastructure	N/A	6.0%	N/A	0–20%
	Property	6.0%	8.0%	0–10%	0–10%
	Fixed Interest	20.0%	18.0%	10–40%	10–40%
	Credit	N/A	8.0%	N/A	0–20%
	Enhanced Cash	30.0%	26.0%	10–40%	10–40%
	Cash	10.0%	10.0%	0–20%	0–20%
	Alternatives assets	10.0%	N/A	0–20%	N/A

Investment option	Asset class	Asset allocation (%)		Permitted range (%)	
		Up to 30/06/21	From 1/7/21	Up to 30/06/21	From 1/7/21
Conservative Balanced	Australian shares	19.0%	19.0%	10–45%	10–45%
	Overseas shares	19.0%	19.0%	10–30%	10–30%
	Infrastructure	N/A	7.0%	N/A	0–20%
	Property	9.0%	10.0%	0–20%	0–20%
	Fixed Interest	20.0%	15.0%	10–50%	10–50%
	Credit	N/A	8.0%	N/A	0–20%
	Enhanced Cash	15.0%	15.0%	0–30%	0–30%
	Cash	6.0%	7.0%	0–30%	0–30%
	Alternatives assets	12.0%	N/A	0–20%	N/A

Investment option	Asset class	Asset allocation (%)		Permitted range (%)	
		Up to 30/06/21	From 1/7/21	Up to 30/06/21	From 1/7/21
Growth	Australian shares	34.0%	34.0%	10–50%	10–50%
	Overseas shares	34.0%	34.0%	20–50%	20–50%
	Infrastructure	N/A	6.0%	N/A	0–20%
	Private Markets	N/A	2.0%	N/A	0–20%
	Property	10.0%	11.0%	0–20%	0–20%
	Fixed Interest	7.0%	7.0%	0–20%	0–20%
	Credit	N/A	3.0%	N/A	0–20%
	Cash	3.0%	3.0%	0–20%	0–20%
	Alternatives assets	12.0%	N/A	0–20%	N/A

Investment option	Asset class	Asset allocation (%)		Permitted range (%)	
		Up to 30/06/21	From 1/7/21	Up to 30/06/21	From 1/7/21
High Growth	Australian shares	40.5%	40.5%	20–50%	20–50%
	Overseas shares	40.5%	40.5%	20–50%	20–50%
	Infrastructure	N/A	5.0%	N/A	0–20%
	Private Markets	N/A	2.0%	N/A	0–20%
	Property	6.0%	9.0%	0–20%	0–20%
	Cash	3.0%	3.0%	0–20%	0–20%
	Alternatives assets	10.0%	N/A	0–20%	N/A

Investment option	Asset class	Asset allocation (%)		Permitted range (%)	
		Up to 30/06/21	From 1/7/21	Up to 30/06/21	From 1/7/21
Balanced Socially responsible	Australian shares	29.1%	25.2%	10–40%	10–40%
	Overseas shares	29.1%	33.0%	10–40%	10–50%
	Property	3.9%	4.9%	0–20%	0–20%
	Fixed Interest	12.6%	14.5%	0–50%	0–50%
	Cash	10.8%	7.9%	0–20%	0–20%
	Alternatives assets	14.5%	14.5%	0–20%	0–20%

2. Administration fees and costs rebate and Administration fees and costs refund

Administration fees and costs rebate

If your average account balance^{*} at the end of a financial year (30 June) exceeds the Administration fees and costs rebate threshold of \$450,000 indexed[†] during the entire financial year, legalsuper caps (“fee cap”) the total combined amount of administration fees and costs (including the DIO Asset fee and DIO account fee (if applicable)) so that you are only charged administration fees and costs up to the average account balance.

^{*}The fee cap does not apply if your account with legalsuper is closed on or before 30 June during that financial year.

[†]The rebate threshold will be indexed annually from 1 July 2021, in accordance with the ‘All Groups Consumer Price Index (CPI)’.

Administration fees and costs refund

If your account balance is less than \$6,000 at the end of the financial year (30 June), the total combined amount of administration fees including the DIO Asset fee (if applicable), investment fees, indirect costs, DIO account fee (if applicable) and DIO Cash account fee (if applicable) charged to you is capped at 3% of the account balance.

Any amount charged in excess of that cap is refunded to your account.

Change from 1 July 2021

The Administration fees and costs rebate will not apply if you receive the Administration fees and costs refund for any of your legalsuper accounts.



Personal support from a Client Service Manager

As a legalsuper member, you have access to a highly experienced and qualified Client Service Manager who you can speak with in person (via zoom meetings) or over the phone, at no additional cost.

Your Client Service Manager can help with matters that relate to:

- Your super and retirement savings
- Your insurance options
- Retirement planning strategies

To arrange an appointment online with a Client Service Manager near you, visit legalsuper.com.au/Contact

We're here to help

If you have any questions, don't hesitate to call us on **1800 060 312** between 8.00am and 8.00pm AEST Monday to Friday or email us at **mail@legalsuper.com.au**



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