



Looking after you
and your super

LGsuper
Level 17, 333 Ann Street
Brisbane Qld 4000
GPO Box 264
Brisbane Qld 4001
Toll free 1800 444 396
Facsimile 07 3244 4344
info@lgsuper.org
www.lgsuper.org

The Queensland Local Government
Superannuation Board
ABN 94 085 088 484
AFS Licence No. 230511
Local Government
Superannuation Scheme
ABN 23 053 121 564

Dear member

MySuper changes and your LGsuper account

As part of the Australian Government's Stronger Super reforms, super funds must offer a MySuper product from 1 January 2014 for members who haven't chosen their investment option. These products must be simple, low-cost and meet certain legislative requirements.

Introducing the LGsuper MySuper Lifecycle option

At LGsuper, the MySuper changes simply reinforce our longstanding commitment to delivering simple products with solid investment returns at what are among the lowest fees in Australia¹.

As a result, **the launch of our new LGsuper MySuper Lifecycle option from 1 January 2014 means very little change for you.** That's because the LGsuper MySuper Lifecycle option invests your money the same way your existing investment option does² and will not impact the fees you pay or insurance cover you have with us. In fact the only change you will notice is a new name for your investment option when it becomes the LGsuper MySuper Lifecycle option.

The transition to LGsuper's MySuper Lifecycle option will be 'phased-in' in two stages. Stage 1 will take effect from 1 January 2014, while stage 2 will start on 1 April 2014.

In this pack you'll find a *MySuper transfer statement* that shows the amount to be invested in the LGsuper MySuper Lifecycle option from 1 April 2014, and how any contributions or transfers you make will be invested from 1 January 2014. If you prefer to stay in your current investment option rather than have the lifecycle strategy apply that's fine. See the enclosed *MySuper update* for how you can easily opt out.

Could you be an LGsuper member representative director?

LGsuper is seeking nominations for three member representative director positions from 1 July 2014. Any LGsuper member can nominate—see the enclosed *SuperNews* newsletter for more information.

Any questions?

At LGsuper we're here to help. If you have any questions about your super please contact our team on 1800 444 396.

Yours sincerely

A handwritten signature in black ink, appearing to read "David Todd".

David Todd
Chief Executive Officer

¹ SuperRatings –Fundamentals 30 June 2013, SuperRatings, www.superratings.com.au
² Based on the initial asset allocation for each lifecycle stage, but may change in future.



MySuper update



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We encourage you to take a few minutes to read this information along with your *MySuper transfer statement*. Keep in mind two key dates:

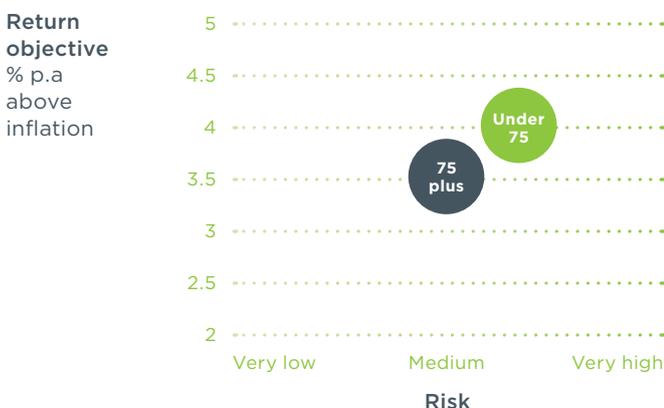
- 1 January 2014 – your future contributions strategy could change to the LGsuper MySuper option (unless you opt out)
- 1 April 2014 – your account balance will be invested in the LGsuper MySuper option (unless you opt out).

For full details on the LGsuper MySuper Lifecycle option, see the updated *Accumulation account, Retained Benefit account and Spouse account Product Disclosure Statement* (PDS) available from our website at www.lgsuper.org/pds or by calling us on 1800 444 396 after 1 January 2014.

How is the LGsuper MySuper Lifecycle option invested?

The MySuper Lifecycle option mainly invests in return-seeking assets (such as shares and property) and aims to achieve higher returns while you are under age 75, before investing more conservatively from your 75th birthday. The chart below shows the investment objective and level of risk for each lifecycle stage.

Risk and return



What's the difference between the Diversified Growth and MySuper Lifecycle option?

For members under 75, the Diversified Growth option and MySuper Lifecycle option will, at least initially, invest in exactly the same way and have the same fees applied. The difference is that when you reach age 75, MySuper Lifecycle option money automatically switches to a more conservative investment strategy while Diversified Growth investments do not change. The MySuper Lifecycle option investment strategy could also change at any time.

What do I need to do?

You do not need to do anything if you're happy for:

1. any contributions or transfers to your LGsuper account from 1 January to be invested in the way shown in the **Your future contributions investment strategy** section of your *MySuper transfer statement* and
2. your **LGsuper MySuper Lifecycle option transfer amount** to automatically move to the MySuper Lifecycle option from 1 April 2014.

If you would like to move to the MySuper Lifecycle option sooner you can complete an *Investment switch form* or log in to LGsuper online any time after 1 January 2014.

If you would prefer not to invest in the MySuper Lifecycle option, see *How can I opt out?* below.

How can I opt out?

We've made staying in your current investment option easy. You can:

- opt out online by visiting www.lgsuper.org/mysuper-opt-out, OR
- download or call us for a copy of the *MySuper opt-out form* and return it to us by 5pm 31 March 2014.

Keep in mind that we will need to receive your opt out by 31 December 2013 if you and/or your employer are contributing to LGsuper or if you intend to transfer other super to us and want to ensure none of your money is invested in the MySuper Lifecycle option. Even if you miss these dates there's no need to panic. With LGsuper, you can change your investment option for free at any time online or by completing an *Investment switch form*.

Is your future contributions strategy from 1 January 2014 Diversified Growth? See over the page for more information on what this means.

Members with a Diversified Growth future contributions strategy

This section is for members who can see Diversified Growth listed as their future contributions strategy from 1 January 2014 on their MySuper transfer statement .

At some point you have actively chosen to invest 100% of your money including all future contributions in the current default investment option, Diversified Growth. The Stronger Super legislation requires LGsuper to treat your account balance as an amount to be transferred to the MySuper Lifecycle option, however because you have chosen where to invest your future contributions, your future contributions will continue to be directed to your chosen option (Diversified Growth). This means:

- from 1 January 2014 your contributions will continue to be invested in your chosen option, Diversified Growth
- from 1 April 2014 your Diversified Growth balance (as at 31 March) will be transferred to the LGsuper MySuper Lifecycle option

If you are happy with this and do nothing you will see amounts invested in both options when you log into LGsuper online or get your statement each year.

If you would prefer to invest in just one of these investment options, you could:

Select the LGsuper MySuper Lifecycle option only by...

- completing a new *Investment switch form* or logging into LGsuper online to change your investment after 1 January 2014.

OR

Remain in Diversified Growth by doing the following by 31 March 2014...

- completing the online MySuper opt out at www.lgsuper.org/mysuper-opt-out
- completing and returning a *MySuper opt-out form*. You can download it from www.lgsuper.org or call us for a copy.

Any questions?

If you have any questions about the MySuper Lifecycle option or how to opt out we're here to help. Call us on 1800 444 396.

Disclaimer: This *MySuper update* has been produced by the Queensland Local Government Superannuation Board (ABN 94 085 088 484 AFSL 230511) (LGsuper) as Trustee of the Local Government Superannuation Scheme (ABN 23 053 121 564) and provides general information for LGsuper members. LGsuper recommends that you should, before acting on this information, consider your own personal objectives, financial needs and situation.

LGsuper recommends you consult a licensed financial advisor if you require advice that takes into account your personal circumstances. LGsuper has representatives that are authorised to provide personal advice on LGsuper products and superannuation in general.

The information in this document is up to date at the date of preparation. Some of the information may change following its release. Current information about investment performance and other issues will be published on our website and in our newsletters. We will send you a free printed copy at your request.

Where there is an inconsistency between this document and the Fund's rules as per the LGsuper Trust Deed and Government regulations, the rules in the Trust Deed and Government regulations shall prevail.

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