

Important information – increase in fees and future notifications

Direct Investment Option

This Significant Event Notice is issued by Legal Super Pty Limited (ABN 37 004 455 789), (AFSL 246315) in its capacity as trustee of legalsuper (ABN 60 346 078 879) ('legalsuper').

Please be advised of the following changes that will apply to investments made via the Direct Investment option from 8 October 2016.

Introduction of 'Activity Fee – Administration fee' recovery

Other than insurance premiums which are deducted separately from member accounts, the costs of operating legalsuper are recovered by the charging of Member Administration fees.

All legalsuper members pay a 'Direct Administration fee' of \$1.30 per week (for each member account held). This fee is charged directly to that account and paid by way of deduction of units, on a monthly basis, from that part of a member's accounts not invested in the Direct Investment option.

Members with some part of their member account balance invested outside the Direct Investment option (i.e. any of legalsuper's other 12 investment options) have for some years been also charged an 'Indirect Administration fee'. The 'Indirect Administration fee' is currently 0.29% of a member's account balance per annum. It is deducted from each unitised investment option by way of being deducted when the unit price of each option is calculated.

Investments held in the Direct Investment option are not unitised by legalsuper and, to date, have not consequently been subject to this 'Indirect Administration fee'.

From 8 October 2016, the 'Indirect Administration fee' of 0.29% per annum will apply to all legalsuper members (including members in the Direct Investment option).

For members in the Direct Investment option, the 'Indirect Administration fee' will be calculated on their Direct Investment option balance as follows:

- Accumulation members – last Friday of each month
- Pension members – last day of each month

For all members, the 'Indirect Administration fee' will be paid monthly and shown in your account as an 'Activity Fee – DIO Asset Fee', charged directly to the legalsuper account balance from which you funded your investment in the Direct Investment option by way of the deduction of units.

From 8 October 2016 both the Direct Investment option account balance and the 'Activity Fee – DIO Asset Fee' will count towards the entitlement for the legalsuper member benefit fee cap rebate (subject to the conditions that apply to this rebate – please visit legalsuper.com.au for more information on this fee cap rebate).

Increase to 'Activity Fee – DIO Account Fee'

legalsuper members who are invested in the Direct Investment option incur an 'Activity Fee – DIO Account Fee' (**DIO Account fee**) of \$15 per month. The DIO Account fee has not changed since the Direct Investment option first became available.

With effect from 8 October 2016 the 'DIO Account fee' will increase to \$20 per month.

NB: The 'DIO Account fee' paid will be subject to the member benefit fee cap rebate.

Future Notification – Notices to be given electronically

A condition of registration and the General Rules that apply to members in the Direct Investment option is that you must have an email address and that all investment instructions must be issued using the online system through legalsuper's MemberAccess online portal.

From 8 October 2016 onwards, legalsuper will only issue Important Notices that impact solely on the Direct Investment option electronically. Such Notices will be sent by email to your email address registered for the Direct Investment option and by posting a Notice within MemberAccess.

By continuing to be registered for the Direct Investment option and by accessing the Direct Investment option platform you provide your consent and agreement to receive Notices.

If you do not want to receive Notices for the Direct Investment option solely by email you will need to transfer your investments to an alternative legalsuper option and close your Direct Investment option account.

Further information

If you have any questions about these changes please contact legalsuper on 1800 060 312 (superannuation members) or 1800 623 502 (pension members).

Alternatively you can email mail@legalsuper.com.au.