



SIGNIFICANT EVENT NOTICE TO MEMBERS

Energy Super & LGIAsuper are merging on 1 July 2021

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19 May 2021

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This Significant Event Notice (*Notice*) provides you with all the information you need to know about the upcoming merger between Energy Super and LGIAsuper.

Please take time to review this *Notice* to help you understand how the merger may impact you and any key dates you need to be aware of prior to the merger.

The merger between Energy Super and LGIAsuper is planned to go ahead on 1 July 2021 and will see the two funds continue to operate under their existing brands for a period of time, managing more than \$20 billion in retirement savings for around 120,000 members.

What happens when we merge?

The merger between Energy Super and LGIAsuper will be by way of a Successor Fund Transfer (SFT). As part of this SFT process, comprehensive due diligence and an independent review is undertaken by both funds, to ensure the SFT is in the best interest of members overall. In this case, Energy Super's award winning products will form part of LGIAsuper and you will not see any significant change to how your account is managed.

Importantly in this process, the combined fund must provide members with equivalent (although not identical) rights in respect of their benefits to those which they had under the Energy Super Trustee, (Electricity Supply Industry Superannuation (QLD)).

On 1 July 2021, the merger between Energy Super and LGIAsuper will result in your benefits in Energy Super (ABN 33 761 363 685) being transferred to LGIAsuper (ABN 23 053 121 564) (the Fund). The Trustee of LGIAsuper is LGIAsuper Trustee (ABN 94 085 088 484) and Energy Super products will be issued by the Trustee on behalf of the Fund.



CEO and Team Update

From 1 July 2021, the merged organisation will be led by Kate Farrar, current LGIASuper CEO. Robyn Petrou, current Energy Super CEO, will continue to lead the Energy Super business through to transition until early July.

We have also announced the Board and Executive team. You can learn more about the team at energysuper.com.au

What happens next?

On the last business day before transfer (expected to be Wednesday, 30 June 2021), Energy Super will value your account using unit prices for the investment options in which your account is invested for that date. This amount – your transfer balance – will be transferred to LGIASuper and will be your opening account balance in your Energy Super account issued by LGIASuper.



You'll receive a Benefit Statement issued by the Trustee of Energy Super – this will be around August or September of this year. This will show the transactions on your account between 1 July 2020 and 30 June 2021 and your final balance at 30 June 2021.



You'll also receive further communication from the Fund confirming your account balance and benefits following the merger, as well as a copy of the updated Energy Super Product Disclosure Statement (PDS) that is relevant to you, which you should consider carefully for your personal circumstances.



You'll have the same log on details and access to the Member Portal, and if you receive contributions from your employer into Energy Super, these will automatically continue in the Fund.

Our same friendly Energy Super team members will be on hand to help you in the Member Contact Centre, at employer visits and through our Key Member and Financial Advice services.

Are there any changes to my super or pension account?

You are not required to do anything however there are a few things you need to know about our products after the merger.

Your administration and investment fees

Our current administration and investment fees for accounts will either remain as is, or reduce from 1 July 2021, however as we progress the amalgamation of administration systems, we expect to be able to reduce fees.

For pension members, we're pleased to confirm the reduction of the following fee:

- The Indirect Administration Fee will reduce from 0.22% p.a. to 0.18% p.a. on the balance of your account. This percentage fee is deducted from your investment returns.

For all eligible members, our caps of fees for accounts with a balance over \$500,000 will remain.

We are also pleased to confirm the removal of the following fees:

- Investment Switches using a *Change of Investment Choice* form after your first investment switch each financial year – you'll no longer be required to pay the \$28 switching fee if you submit a paper form for subsequent investment switches in the financial year. You'll continue to have access to your account online through the Energy Super website, where you can make an investment switch online free of charge.
- For Superannuation and Family Law cases, our Request for Information Fee, Final Payment Split fees and Other Fees will be removed.

Please refer to the Energy Super PDS at energysuper.com.au for more information on administration fees and for details of the investment and other fees applicable.

Your investment option

Your current Energy Super investment options will automatically continue in the merged fund, with the exception of MySuper.

If you are invested in the MySuper option immediately prior to the merger date, your MySuper balance will be automatically transferred to a new MySuper product that has been created for both Energy Super and LGIASuper members.

MySuper is the Fund's default investment option and is a diversified option which means it invests in a number of different asset classes. The default option applies if you did not select one or more investment option(s) for the investment of your account in Energy Super.

From 1 July 2021, you will receive a new unit price and you may receive a change in the number of units you hold for your MySuper account, however the value of your investment will remain the same. Please see the *Important Information* section below for details on a delay in publishing unit prices between 1 and 12 July 2021.

Your insurance

Your current insurance arrangements with Energy Super will continue in the merged fund. These changes will not impact the premium rates charged by the insurer for your cover.

For more information on your insurance, log into the Member Portal or visit our website at energysuper.com.au or contact us on **1300 436 374**.

Your nominations

All binding, non-binding and reversionary death benefit nominations provided to us prior to 30 June 2021 will continue to be valid and effective following the merger.

However, we do encourage you to take this opportunity to review your nominations to make sure they are up to date. If you would like to change or update your existing nomination, please visit our website at energysuper.com.au or contact us on **1300 436 374**.

Third party nominations

If you have made a third party authority nomination to a financial adviser, providing access to information on your account, these nominations will continue to be recognised. All other third party nominations will expire on 30 June 2021. We recommend you take the opportunity to review and renew your nomination with the LGIASuper Trustee, the issuer of Energy Super products.

You can review and change your nomination after 1 July 2021 by completing an *Authority to Release/Revoke Information* form available on our website.

Your pension payments

Your income stream payments will continue to be paid as normal. If you would like to make any changes to your pension payments, please log in to the Member Portal or call us on **1300 436 374**.

Your voluntary contributions

If you make voluntary contributions to your Energy Super account via Direct Debit you will need to complete a new *Member Direct Debit Request* form. Visit our website at energysuper.com.au/forms to locate this form.

As mentioned above, all other contribution arrangements you have in place will automatically continue. This includes Superannuation Guarantee contributions from your employer, Salary Sacrifice arrangements, and any member voluntary contributions made via your employer.

Claiming a tax deduction for personal contributions

If you intend to claim a tax deduction for personal contributions you paid to the Fund, you will need to send us your *Notice of intent to claim* form by 25 June 2021. Notice of intent forms received after this date may not be processed and you will need to complete a new Notice of intent form addressed to LGIASuper Trustee, the issuer of Energy Super products.

Splitting contributions with your spouse

If you intend to split your concessional contributions to your spouse's superannuation account for the current or previous financial year, you will need to notify Energy Super prior to 30 June 2021.

Notifications received after 30 June 2021 will not be processed for periods prior to 1 July 2021. You can notify Energy Super to process a contribution split to your spouse's superannuation account by completing the *Contribution Split* form available on our website.



Important information to be aware of

There are some important dates that you need to be aware of in the lead up to the end of the financial year and the merger date on 1 July 2021.

Member services during the transition

In the lead up to the merger date, some service and processing interruptions will occur. We understand this may be an inconvenience to you, however we will do our utmost to ensure these interruptions are as limited as possible, and we are available to help you understand these timeframes.

Please visit our website for ongoing updates to any service interruptions.

Suspension of transactions on 1 July 2021

For 1 July 2021 only, no transaction processing will occur. Any transactions received for that day will be held over and processed with an effective date of 2 July 2021. This one day suspension is to enable the transfer of accounts and membership details.

Delay in unit prices and processing of transactions

Between 1 July and 12 July 2021, we will not be publishing unit prices in the Member Portal or on our website as a result of the transition taking place. This is to allow time to ensure an orderly transfer of assets, and all reconciliations are completed. All unit prices will be applied retrospectively and you will be able to view these from 12 July 2021.

During this period, only urgent transactions, such as financial hardship payments and pension income payments will be made.

All other transactions will be held until unit prices become available. Once unit prices are available, processing will resume and any transactions received during the period of 1 July 2021 and 12 July 2021 will receive the unit price applicable to when the transaction was received. This is with the exception of those transactions received on 1 July 2021, which will be applied effective 2 July 2021 and withdrawals and rollovers out, which will be processed using the unit price available at the time of processing.

Any work in progress such as Insurance Claims, Complaints Management and Family Law matters will continue as usual (noting any service interruptions above) and we'll be in touch with you as normal. Should you have any questions or concerns please don't hesitate to contact us.



We'll still be here for you!

During and after the merger, we'll still be continuing operations as Energy Super and our same friendly team will be on hand for all of your questions. That means you can continue to contact the Energy Super Member Contact Centre after 1 July 2021 by:



Calling our current number **1300 436 374** on Monday to Friday 8:00am to 6:00pm (AEST).



Emailing us at our current address **feedback@energysuper.com.au**

To keep up to date with everything about the merger, please visit the Energy Super website at **energysuper.com.au**

Here you can check out all of the information in this *Notice*, as well as Questions & Answers, further details where relevant and prior communications.

We look forward to welcoming you to the combined Fund, and building a bigger and stronger fund for the future, so we can deliver the best outcomes for your retirement.

Sincerely,

A handwritten signature in black ink, appearing to be 'R Flanagan', with a long horizontal line extending to the right.

Richard Flanagan
Chairman

Issued by Electricity Supply Industry Superannuation (Qld) Ltd (ABN 30 069 634 439) (AFSL 336567) as Trustee of Energy Super ABN 33 761 363 685, Tel 1300 436 374. The information provided in this Notice is of a general nature only. It is not intended as financial advice. If you require financial advice about your superannuation or about savings, you are encouraged to discuss your particular circumstances with a licensed financial adviser. Therefore, before acting on any advice, you should consider it in light of your own objectives, financial situation or needs. Financial advice is provided by ESI Financial Services Pty Ltd (ABN 93 101 428 782) (AFSL 224952). ESI Financial Services Pty Ltd is a wholly owned entity of Energy Super (ABN 33 761 363 685).