



How we manage your money

This Fact Sheet is dated 1 July 2010 and incorporates by reference additional information into the Rollover and Account-Based Pension Plan PDS dated 1 July 2010.

Local Investment Fund (LIF)

The LIF is a wholesale investment trust and the majority of the assets of Local Government Super are invested through LIF. The trustee of LIF is LIF Pty Limited and is a wholly owned subsidiary of the trustee of LGSS.

The trustee of LGSS, through its ownership of LIF Pty Limited, is responsible for selecting and managing the range of investment managers which collectively manage the portfolio of each strategy within LIF. The Trustee also invests a minor proportion of the assets into direct investments, namely the Property Fund.

LGS adheres to the guiding principle that several carefully selected investment managers will over any reasonable period produce:

- More consistency.
- Lower volatility and risk.
- Better results.

Having a single investment manager is not likely to be as effective.

What is an investment strategy?

An investment strategy is a set of rules or guidelines used in constructing an investment portfolio. It will usually set ranges for different classes of assets designed to target different levels of overall investment risk. The ranges for each asset class will be determined by the investment objective of that investment strategy.

In selecting an investment strategy, you are instructing the Trustee to invest the amount nominated into a pool of assets constructed by the Trustee, to give effect to the objectives of that strategy.

When making investment decisions for the investment strategies, the Trustee takes into account labour standards, environmental, social or ethical considerations in the following manner:

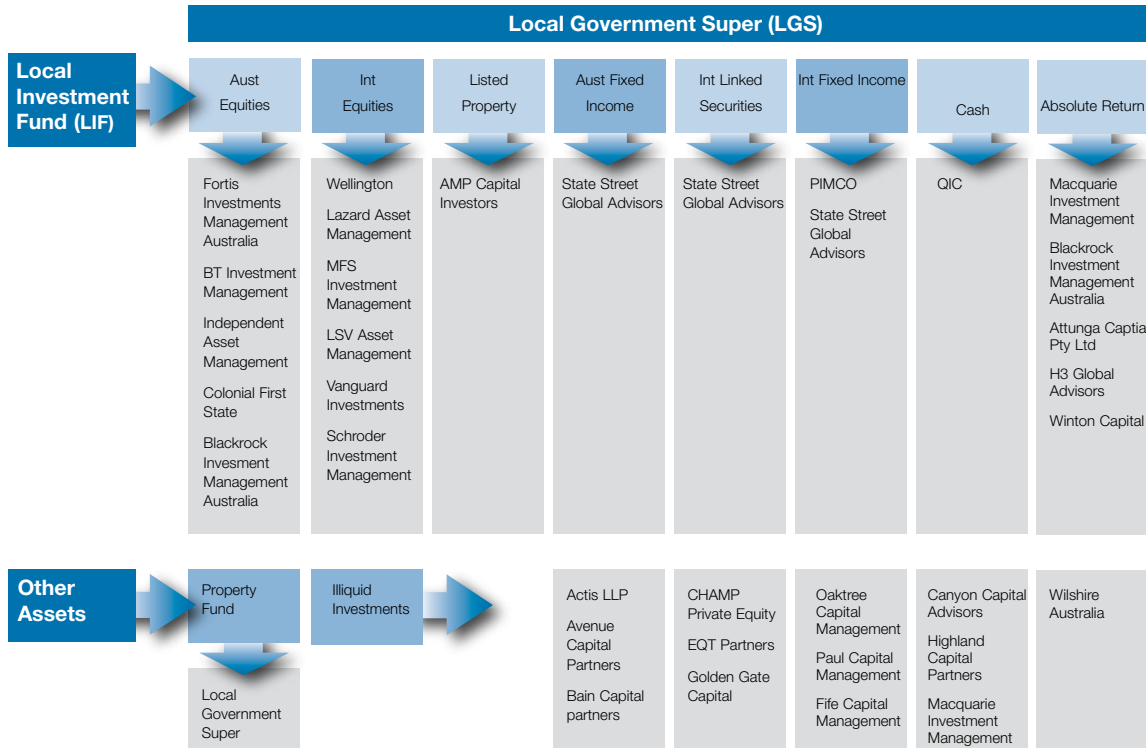
- Such issues that may affect an investment. Any such financial effect would influence our investment decisions.
- The investment managers for the underlying portfolios in LIF may have various policies regarding the extent to which they take into account such matters when investing. The Trustee does consider such factors when selecting third party investment managers.
- As set out in the section titled 'Sustainable investing' in the PDS.

Your investment in the Plan is not guaranteed. The value of your investment can rise or fall.



Diversification

Local Government Super's assets are allocated to a range of investment managers. This is to ensure diversification of both investments and investment managers.



Please note that investment managers and/or their weightings will change from time to time and that updated details will be provided in the Plan's Annual Report. The listing of investment managers here is as at May 2010.

Investment returns in recent years

Up-to-date information in relation to the annual effective net earnings for each of the most recent five financial years for each investment strategy are set out in the Plan's latest Annual Report, along with other related investment performance information.

You should note that the net earning rate reported in the Annual Report may not be the same as the rate experienced by members because of the timing differences and the reserving policy of Local Government Super.

You should also be aware that past net earning rates are not a reliable indicator of future net earning rates.

More information regarding recent performance can also be found on the website or by contacting Member Services.

Please note that the information contained in this document is of a general nature only and does not constitute personal advice as it does not take into account your personal objectives, financial situation or needs. Any advice in this document is provided by FuturePlus Financial Services Pty Limited (ABN 90 080 972 630) as an Australian Financial Services Licensee (AFSL 238445) on behalf of the Trustee of Local Government Super, LGSS Pty Limited (ABN 68 078 003 497). LGSS Pty Limited is an APRA Registrable Superannuation Entity Licensee (ABN Pool A - 74 925 979 278 and ABN - Pool B 28 901 371 321). A reference to Local Government Super refers to Local Government Superannuation Scheme Pool A and Pool B as the context requires. Local Government Super is a registered business name of LGSS Pty Limited. Members should not rely solely on this information and should consider their own personal objectives, financial situation and needs before acting on this information. Prior to making any investment decision you should obtain and consider the relevant Product Disclosure Statement (PDS) pertaining to your membership and seek professional investment advice. Date issued: 1 July 2010.