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Brighter together for your brighter retirement

Lowering fees for the majority of members from 1 January 2025

Earlier this year, we delivered on our promise to streamline our investment options and lower fees for members. From **1 January 2025, we will be lowering the administration fees for the majority of members.**

This represents a significant milestone in realising the benefits of our mergers, ensuring we continue to help you grow your retirement savings while offering exceptional value and services. It is part of our commitment to being 'brighter together'.

Summary of changes taking effect 1 January 2025

Lower administration fee and lower fee cap

We want to keep your fees as low as possible, which is why we're reducing the percentage-based administration fee from 0.18% to 0.14% and further reducing the administration fee cap from \$900 to \$650 per financial year.

Account keeping fee being introduced

To cover the base costs of an account, we are introducing an account keeping fee of \$0.50 per account, per week, charged monthly.

Link up and save with partner linking

You will be able to link your partner's Brighter Super account so you can both benefit from the reduced administration fee cap of \$650. Partner linking allows the percentage-based administration fees to be calculated on the combined account balance, potentially lowering overall fees for both accounts.

Investment fees and costs and transaction costs

The estimated Investment fees and costs and transaction costs vary from year to year. From **1 January 2025** there will be minor changes for some fees with a movement of between -0.01% and 0.02%, depending on the investment option you are invested in.

Improvements to the way death benefits are paid

We understand the loss of a loved one is a difficult time for members' families, so we are amending our Trust Deed to provide clearer guidance and speed up decision making where we do not hold a valid beneficiary nomination. This will help to expedite claims decisions and minimise delays.

The notice below further explains the changes taking effect on **1 January 2025**. You can also access this and prior notices at brightersuper.com.au/sen.

For more information about the changes visit brightersuper.com.au/brighter-together, where you can also watch a short video featuring our retirement advocate, David Koch, talk about the difference low fees can make.

Detailed overview of fee changes

Lower administration fee and lower fee cap

Brighter Super works hard to keep fees and costs down. We are a not-for-profit industry fund and only charge our members for what it costs to run the fund.

To provide members with greater value we are reducing:

- the percentage-based administration fee from 0.18% to 0.14% per year.
- the percentage-based administration fee cap from \$900 to \$650 per financial year.

Reduction in costs paid from reserves

Additionally, the costs paid from reserves will be reducing from 0.03% to 0.01%. This reflects the costs paid from reserves in the 2024 financial year. This cost is not an additional cost to you; it is deducted from the Fund's General Reserves and not from your account balance.

Account keeping fee being introduced

From **1 January 2025**, to cover the base costs of an account, we are introducing an account keeping fee of \$0.50 per account, per week. This fee will be deducted directly from your account monthly and will be pro-rated if you exit the fund during the month. This fee is not based on your account balance.

The new fee structure will enable us to continue to provide a high standard of service and shares the cost of providing administration services and products across all accounts.

Example of what these fee changes could mean for you

As an example, the table overleaf illustrates how the new fee structure will affect different account balances from \$50,000 (prescribed example*) to \$550,000. Note that this example is for illustrative purposes and only includes administration fees, costs from reserves and any account keeping fees where relevant. Additional fees and cost will apply. Investment fees and costs vary depending on your investment option.

Total administration fees per year based on a balance of				
	\$50,000	\$100,000	\$250,000	\$550,000
Current structure 0.18% percentage-based administration fee (with a cap of \$900) Plus 0.03% paid from reserves per year ¹	\$90 Plus \$15 from the reserves TOTAL = \$105	\$180 Plus \$30 from the reserves TOTAL = \$210	\$450 Plus \$75 from the reserves TOTAL = \$525	\$990 capped at \$900 Plus \$165 from the reserves TOTAL = \$1,065
New structure 0.14% percentage-based administration fee (with a cap of \$650) Plus 0.01% paid from reserves per year ¹ Plus \$0.50 weekly account keeping fee	\$70 Plus \$5 from the reserves Plus \$0.50 per week ² account keeping fee TOTAL = \$101	\$140 Plus \$10 from the reserves Plus \$0.50 per week ² account keeping fee TOTAL = \$176	\$350 Plus \$25 from the reserves Plus \$0.50 per week ² account keeping fee TOTAL = \$401	\$770 capped at \$650 Plus \$55 from the reserves Plus \$0.50 per week ² account keeping fee TOTAL = \$731
Savings³	-\$4	-\$34	-\$124	-\$334

*The Australian Government prescribes the use of a \$50,000 account balance in examples of fees and costs for superannuation products to enable consumers to compare products. We have adopted this approach in the above example.

¹This amount is not deducted from your account balance but is deducted from the Fund's General Reserve.

²This fee is calculated based on 52 weeks per year. Due to rounding the total account keeping fee may be different some years.

³The figures displayed under 'Savings' include the amounts deducted from the Fund's General Reserve.

For members with an account balance under \$6,000, current legislation caps the total administration and investment fees charged at 3% per year of the account balance. This fee cap will be assessed either when members exit the fund or at 30 June each financial year, and any investment or administration fees charged on these accounts in excess of the cap will be refunded.

Changes to administration fees for KiwiSaver accounts

For existing and new members who have transferred a KiwiSaver scheme to Brighter Super and a new account has been opened, this account will be charged the percentage-based administration fee from **1 January 2025**. The account keeping fee will not be charged on this account.

What do you need to do?

You do not need to do anything, but if you would like to find out more about our fees, visit brightersuper.com.au/fees.

The amount of fees charged to your account will have an impact on the money available to you for your retirement. When comparing superannuation funds, you should consider overall performance, fees and costs. For more information on how our fees compare go to brightersuper.com.au/fees.

Link up and save with partner linking

Brighter Super members will be able to link their partner's eligible accounts to benefit from the reduced administration fee cap of \$650. Partner linking allows the percentage-based administration fees to be calculated on the combined account balance, potentially reducing the percentage-based administration fees charged to both members.

When two Pension members link accounts the percentage-based administration fee cap of \$650 will apply once the combined balance across the linked accounts exceeds \$464,286. Any fees that have been charged in excess of the cap during the financial year will be credited back to your linked accounts proportionately in the following year.

Accumulation and Transition to Retirement (TTR) members already receive a tax refund of 15% of their administration fee, resulting in a lower net administration fee overall. From **1 January 2025**, Accumulation and TTR members who link accounts will continue to benefit from the 15% tax refund. When two Accumulation or TTR members link accounts, the percentage-based administration fee cap of \$650 will apply once the combined balance across the linked members exceeds \$546,219. Any fees that have been charged in excess of the cap during the financial year will be credited back to your linked accounts proportionately in the following year.

What do you need to do?

You will be able to take advantage of partner linking from early **2025**. Simply complete the *Account Linking Request form* with your partner, which will be available at brightersuper.com.au/forms from early 2025. We will keep you up to date about this exciting new feature in our Member Update newsletters.

If you are already on an existing arrangement there's no need to complete a new form.

For more information about partner linking, refer to the *Investment and Fees Guide* relevant to your account available at brightersuper.com.au/pds from 1 January 2025.

Investment fees and costs and transaction costs

From **1 January 2025** some investment fees and costs and transaction costs will change as a result of changes we are making to the underlying investments. As a result the fees for Diversified Fixed Interest, Growth and International Shares will increase by 0.01% and for MySuper and Conservative Balanced will increase by 0.02%. The Australian Shares option will decrease by 0.01% and all other options remain unchanged.

To see the investment fees and costs and transaction costs for all investment options from **1 January 2025** visit brightersuper.com.au/fees.

For more information refer to the *Investment and Fees Guide* relevant to your account available at brightersuper.com.au/pds from 1 January 2025.

Improvements to the way death benefits are paid

We understand the loss of a loved one is an incredibly difficult time. Our aim is to streamline the steps needed to claim a death benefit and simplify the claims process. Recently, Brighter Super made changes to the Trust Deed to provide greater certainty to potential beneficiaries and improve timeframes for claims decisions where we do not have a valid binding or reversionary death benefit nomination from a member. Where a member's death occurs on or after **1 January 2025** and we do not have a valid nomination, a prescribed hierarchy will be used to determine the beneficiaries of the death benefit.

Where there is no valid nomination, the benefit will be paid as follows:

- To a qualifying spouse (or one or more qualifying spouses, where more than one person meets the relevant definition of qualifying spouse).
- If there is no qualifying spouse, then one or more qualifying children (this includes children under 18, as well as children over 18 with a financial dependency on the member, or in an interdependency relationship with the member, or with a prescribed disability).
- If there are no qualifying children, then the legal personal representative (executor of the member's Will or person who has letters of administration of the member's estate).
- If no legal personal representative is identified, or the estate is insolvent, then to other dependants.

Additional changes have also been introduced for the Trustee to exercise discretion on the payment of death benefits in some circumstances where there are indications of spousal abuse.

Further information and eligibility requirements can be found in the Brighter Super Trust Deed available at brightersuper.com.au. Valid nominations must be in the form of a Binding Nomination.

What do you need to do?

You don't need to do anything, however we encourage members to review their beneficiary nominations.

You can easily add or change your binding non-lapsing nomination via Member Online at any time. It takes less than 10 minutes and there's no need for anyone to witness your nomination. Simply register or log in to your Member Online account at brightersuper.com.au.

Alternatively, you can add or change a valid binding nomination by completing the *Binding death benefit nomination form* at brightersuper.com.au/forms.

Further information about how the Fund will determine how to pay death benefits, and on making a death benefit claim, is available at brightersuper.com.au/death-benefit. Or contact us directly at **1800 444 396**.

What do these changes mean for me?

You do not need to do anything; these changes will automatically take effect from **1 January 2025**.

These changes reflect our ongoing commitment to providing exceptional value and support for your brighter retirement, delivering on our merger commitment of being 'brighter together'.

For more information, please refer to the *Product Disclosure Statement, Target Market Determination and Investment and Fees Guide* for your account available at brightersuper.com.au/pds. The changes discussed in this notice will be reflected in a new Product Disclosure Statement available from **1 January 2025**.

For more information on your account, you can log in 24/7 to Member Online or access your account via the Brighter Super app.

We're here to help

As always, we're right by your side.

If you're looking to get more out of your super then talking to a financial adviser can help. If you already have a financial adviser, they can help you make informed decisions about your superannuation.

Brighter Super also offers a range of advice services to help you plan, protect and grow your retirement savings, some of which may be covered as part of your membership. To find out more, visit brightersuper.com.au/advice.

If you have any questions or would like to discuss the changes and how they relate to your account, please email us at info@brightersuper.com.au or call our team 8.00 am to 5.30 pm AEST Monday to Friday on **1800 444 396**.

Once again, thank you for being a valued member of Brighter Super.

Yours sincerely,



Kate Farrar

CEO, Brighter Super

We value all interactions we have with our members. Our employees are here to help and will always treat you with courtesy and respect. Thank you for respecting our team and helping us create a safe and healthy work environment for everyone.

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