



TOP RATED BY FOUR LEADING RATING AGENCIES
SUPERRATINGS, THE HERON PARTNERSHIP
SELECTING SUPER, CHANT WEST

 **legalsuper**



2010/11 Annual Report

The super fund for the
legal profession

2

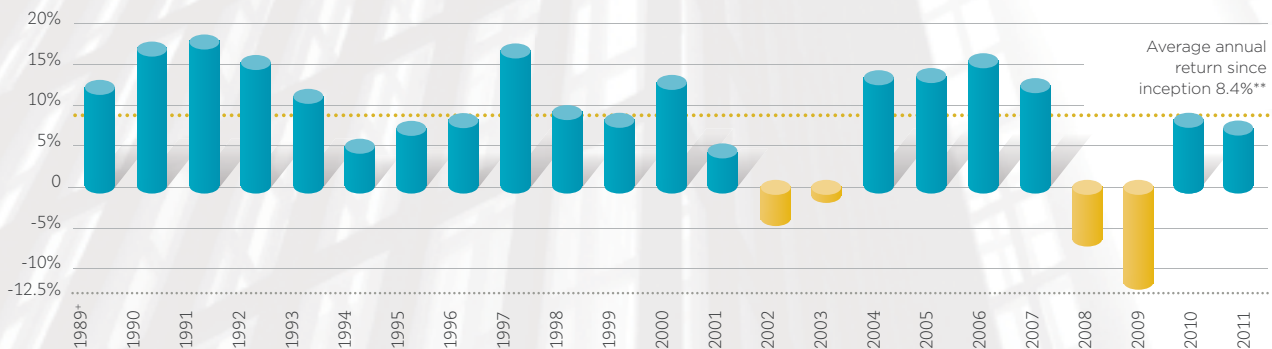
About legalsuper

- Established in 1989 and served the legal profession for 22 years
- An industry super fund
- Low fees and profits are returned to our members
- The Law Institute of Victoria and Law Society of New South Wales are the shareholders of our Trustee. They receive no dividends
- Our investment strategy is formulated to deliver strong long term returns – since our inception in 1989 we have delivered an average annual return of 8.4%
- Our members include Judges, Barristers, Lawyers and the management and staff of legal practices
- Manages more than \$1.6 billion on behalf of over 39,000 members
- More than 4,500 businesses pay super into legalsuper

legalsuper has been awarded the top rating of the four major rating agencies

22 years of strong growth

Growth *



* legalsuper's default investment option.

** Net of fees and taxes.

+ legalsuper (at the time of its inception, known as Legal Industry Superannuation Scheme, or LISS) commenced in March 1989. Crediting rates until 28 February 2005 are for LISS. On 1 March 2005, LISS changed its name to legalsuper.

Note: Past performance is not necessarily an indication of future performance.

3

About legalsuper	2
Chairman and Chief Executive's message	4
Key achievements in 2010/11	6
Superannuation portal for the legal profession	7
Investment performance	8
Member service and other benefits	9
legalsuper and the legal profession	10
Quick and easy administration for employers	11
Governance and the Board	12
Reports from the Board's Committees	16
Meeting attendance by Directors	17
Management team	18
Our advisers	19
Financial statements	20
Other regulatory items	21
Investment strategy and policy	23
Investment option objectives	24
How net earnings are allocated to accounts	25
Investment management process	26
How legalsuper is invested	27



David A Miles, AM, Independent Chairman

4 Chairman and Chief Executive's message

Welcome to legalsuper's Annual Report for the year ended 30 June 2011.

It was a year which saw many challenges and whilst investment markets were more settled and predictable following the global financial crisis, investing for the long term remained a significant challenge.

Natural disasters in Australia and other western economies and sovereign debt concerns in Europe and Ireland saw world markets wary and business uncertain about investment.

Against this background, it was pleasing to see investment returns back in the positive.

Our Growth option (where 60% of members' assets are invested) returned 8.2% for the year ended 30 June 2011, exactly matching the SuperRatings' all fund median return.

Through 2010/11 the Board continued to refine its investment strategy. Late in December 2010 the benchmark asset allocations of legalsuper's diversified investment options (i.e. Conservative, Balanced, Growth, Assertive and Aggressive) were re-balanced and allocations to equities were increased and allocations to fixed interest reduced. These changes were made on advice from our investment advisers with a view to delivering stronger returns over the longer term.

Improvements to members' insurance benefits came into effect from 1 August 2011. \$250,000 of automatic (i.e. with no underwriting) death and disablement insurance will be available for self-employed members. Before these changes, insurance was only available to self-employed members subject to satisfying underwriting requirements. Another change is that premiums for income protection insurance have been reduced.

Since year end we have seen dramatic fluctuation in equity markets which serves to demonstrate that investing for retirement is a long term exercise.

legalsuper has been awarded the top rating of the four leading rating agencies – Platinum from SuperRatings, 5 Heron Quality Stars from The Heron Partnership, AAA from SuperSelect and 5 Apples from Chant West. These awards acknowledge legalsuper's expertise and efficiency in managing its members' retirement savings.

The Federal Government has commissioned a number of reviews into different aspects of the superannuation industry and the recommendations have been the subject of extensive consultation with the industry. The Board continues to closely monitor developments. We will keep you informed of the implications of any changes either by way of our periodic newsletters or updates on our website (www.legalsuper.com.au).

legalsuper's history

1999/2000

- Law Institute of Victoria Staff Superannuation Fund merges into LISS
- \$254 million funds under management (\$116m LISS + \$138m LIST)

2001/2003

- Victorian Solicitors Superannuation Fund merges into LISS
- Legal Employees Superannuation Fund merges into LISS
- \$391 million funds under management (\$194m LISS + \$197m LIST)

2004/2005

- LIST and LISS merge to form legalsuper
- \$589 million funds under management
- 5 investment options
- Awarded Gold rating by SuperRatings

2006/2007

- NSW Barristers Superannuation Fund merges into legalsuper
- \$1 billion funds under management
- 11 investment options
- Finalist in Money Magazine's 'Best Australian super fund insurance'
- ASFA communications award for member communication
- Awarded Platinum rating by SuperRatings and SuperRatings Rising Star finalist



Andrew Proebstl, Chief Executive

Through 2010/11 legalsuper has continued to grow. Net assets increased 17%. Gross inflows rose 9%. Total membership increased 5%. These trends indicate growing support for legalsuper from the wide range of people engaged in providing legal services.

We regularly receive positive feedback from members and employers about the personal face-to-face service we provide. Super can be complex and a key focus of our staff is to make it easier to understand and manage. We are here to help out whether it be a work place seminar or a one-on-one meeting. To make a booking please email tcalleja@legalsuper.com.au.

This report provides you with information about key results and developments during the year, including the performance of all legalsuper investment options.

Once again, thank you for your support of legalsuper.

Andrew Proebstl
Chief Executive

David A Miles AM
Independent Chairman

2008/2009

- \$1.1 billion funds under management
- Victorian Bar Superannuation Fund merges into legalsuper
- Blake Dawson Partners' Superannuation Fund merges into legalsuper
- Hugh Macken, immediate past President of the Law Society of NSW, joins legalsuper Board
- Phil Kennon QC joins Board
- Emma Maiden, Lawyer, Slater & Gordon joins Board
- Dr Neville Hathaway appointed as Investment Expert
- Fee capping introduced
- Platinum SuperRatings rating retained

2009/2010

- Funds under management over \$1.3 billion
- More than 37,000 members
- Membership more than 30 per cent of the legal profession
- Secured AAA rating from Selecting Super
- Retained Platinum rating from SuperRatings
- Secured 5 Quality Stars rating from the Heron Partnership
- Awarded 5 Apples rating from Chart West
- Geoff Hone – a Partner of Blake Dawson – appointed to the Board
- Unit pricing implemented

2010/2011

- \$1.6 billion of funds under management
- More than 39,000 members, 40 per cent of the legal profession
- Retained AAA rating from Selecting Super
- Retained 5 Apples rating from Chart West
- Retained Platinum rating from SuperRatings
- Retained 5 Quality Stars rating from the Heron Partnership
- Insurance enhancements negotiated (launched 1 August 2011)
- Ongoing investment in Continuing Professional Development programs of law societies

6 Key achievements in 2010/11

✔ Total funds under management

Total funds under management climbed to \$1.6 billion, rising 17% since 30 June 2010.

✔ Investment returns

Growth investment option, where 60% of members' assets are invested, matched the median all fund return according to SuperRatings.

✔ Continued strong inflows

2010/11 inflows were 9% higher than the year before and higher than industry trends.

✔ Membership growth

Membership grew in the year ended 30 June 2011 by 5 per cent to more than 39,000.

✔ Top rated

Retained the top rating of the four leading rating houses (SuperRatings, SelectingSuper, The Heron Partnership and Chant West).

✔ Lower fees

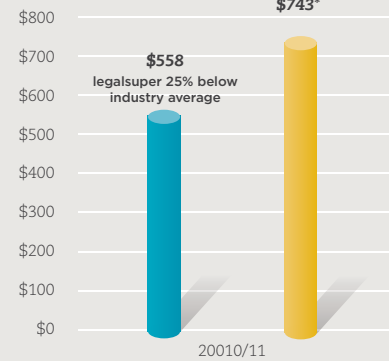
Prudent cost management has resulted in lower fees.

✔ Insurance enhancements

Negotiated insurance enhancements that provide additional units of death and total and permanent disablement insurance for reduced premiums and automatic coverage for new self-employed members.

These enhancements became available from 1 August 2011.

legalsuper fees stay low

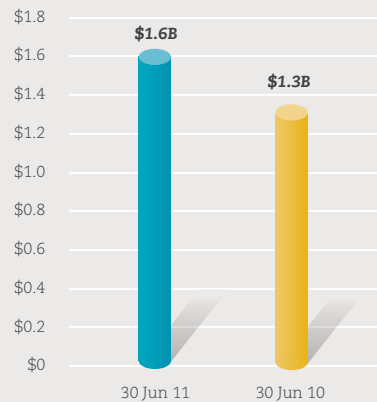


● legalsuper (default option)**
● Industry average

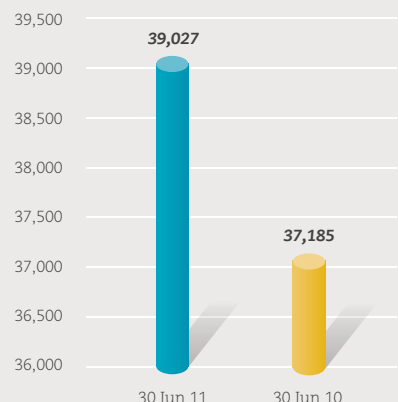
* Industry average fee as reported to legalsuper by SuperRatings for a \$50,000 balance.
** Growth.

Key operating indicators:

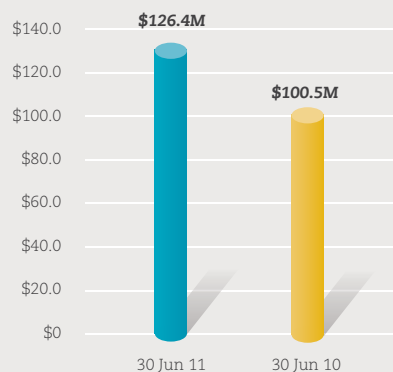
Total assets increased \$223M or 17%



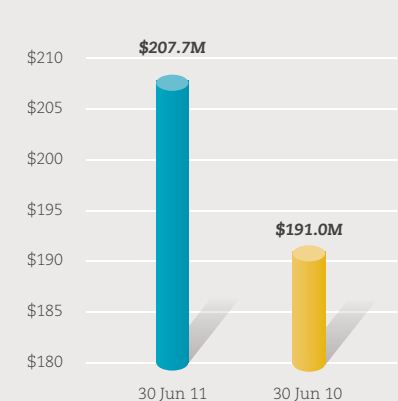
Total members increased 1,842 or 5%



Total investment gains/income increased \$26M or 26%



Total inflows increased \$17M or 9%



Superannuation portal for the legal profession

7

legalsuper.com.au

legalsuper's website has up-to-date information about super.

Our website has tools and reference materials that take the hard work out of super and it is regularly updated to keep our members abreast of changes in super.

Visitors to our website have ready access to up-to-date investment performance, forms to consolidate their super as well as regular fact sheets about topical areas of super.

By registering for online access, members can also access their account online at legalsuper.com.au. With online access members can review their account balance, insurance levels and contributions. They can also transact online including switching investment option or updating their address. Members can also pay personal contributions using BPAY.

Businesses that pay contributions into legalsuper can also pay contributions electronically (e.g. BPAY) and submit contribution details using the online portal via legalsuper.com.au.

Key statistics

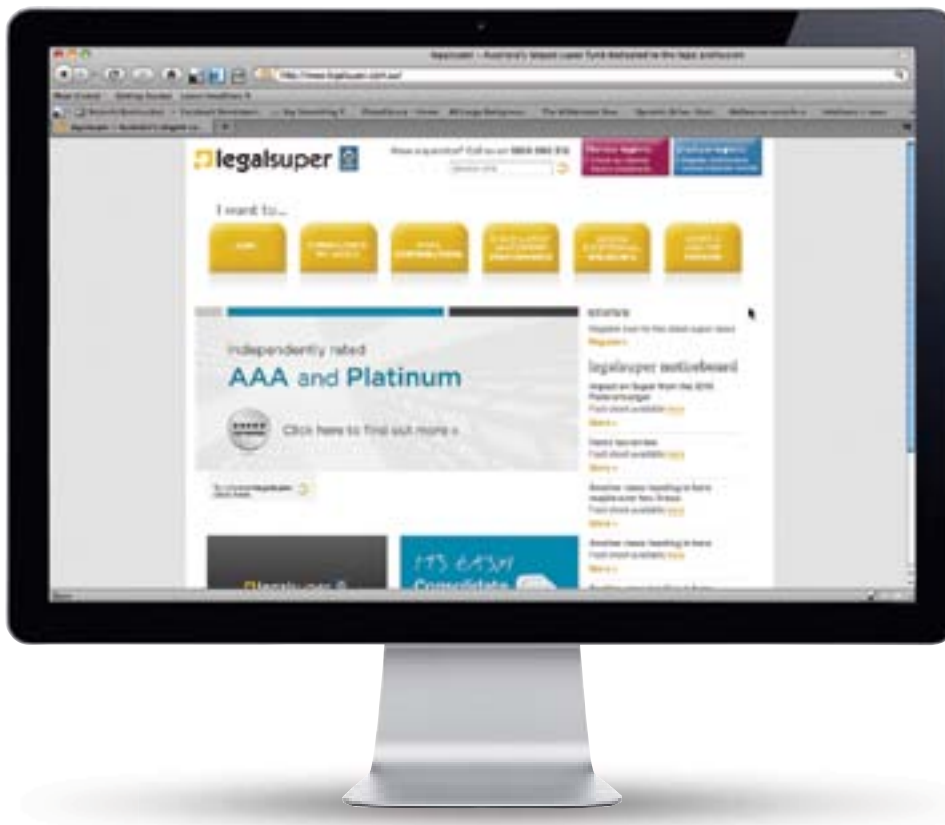
- More than 90,000 hits on our website over the twelve months to 30 June 2011
- The most visited pages on our website are the home page, member/employer access, investment performance and forms.

It's worth thinking about consolidating super

On average, each working Australian has three super accounts, and members can save fees by consolidating their super into one fund. If members decide to consolidate their super, they should check whether their other funds levy fees to pay

out their super and also whether there are any impacts for any death and total and permanent disablement insurance they may have.

It can be time consuming to consolidate super, so to help out legalsuper has a dedicated client service consultant. Dusan Petrovic can be contacted on dpetrovic@legalsuper.com.au or 03 9602 0110 to help with queries about the consolidation process. Members can either start the process online or by completing printed forms.



8 Investment performance

In 2010/11 super funds generated a positive return for the second consecutive financial year.

The last two financial years of positive returns followed two financial years when negative returns were generated by virtually all super funds due to the onset of the global financial crisis.

While world economies have in the main emerged from the impacts of the global financial crisis, some level of caution has remained in investment markets.

Return of the Growth option

More than 60% of assets invested with legalsuper are held in the Growth option.

The Growth option returned 8.2% in the current financial year, and importantly, this return is calculated after all fees and taxes have been deducted.

The Growth option's return matched the all fund median return of the SuperRatings' survey.

Return of other options

The Cash option had the lowest return in 2010/11 of 4%. The Australian shares option's return of 11.6% was the highest.

The gap of 7.6% between the lowest and highest performing investment option shows how the choice of investment option can make a very substantial difference in the return earned.

Super is a long-term form of saving

With the median age of legalsuper members being 37 years, it is appropriate for the vast majority of our members to take a long-term view of how their super is performing.

What this means is that for most members it is appropriate for them to evaluate the performance of their super over longer timeframes such as five years or longer.

Surveys of our members have confirmed that most members do adopt a long-term view of the performance of their super with more than 70% of respondents indicating that they evaluate the performance of their super over periods longer than one year.

The performance of legalsuper's investment options over one and five year periods to 30 June 2011 is shown below:

	Superannuation		Pension ¹	
	1 year	5 years	1 year	5 years
Growth*	8.2%	2.1%	9.2%	2.6%
Cash ²	4.0%	n/a	4.8%	n/a
Enhanced cash	5.1%	5.1%	6.0%	6.2%
Conservative	5.7%	3.3%	6.3%	4.0%
Balanced ²	7.2%	n/a	8.1%	n/a
Assertive	8.5%	0.7%	9.6%	1.1%
Aggressive	9.1%	0.1%	10.0%	0.5%
Australian shares	11.6%	1.5%	12.3%	2.7%
Overseas shares	6.9%	-1.9%	8.4%	-1.8%
Socially Responsible	6.8%	0.5%	9.2%	1.7%

* legalsuper's default investment option.

1. legalsuper's pension commenced on 1 July 2006.

2. These options commenced on 26 July 2008.

Note: An additional option is available to superannuation (ie. non-pension) members. This is the S&P ASX200 shares option. Past performance of this option depends upon the underlying shares selected by the member.

Member service and other benefits

An average of 10 service meetings were undertaken each working day through 2010/11 – workplace seminars and face-to-face member meetings continue to be popular.

During 2010/11 over 166 workplace seminars and 1,265 face-to-face member meetings were held. As well, we visited 1,297 legal firms to assist management with super.

27,244 people contacted our call centre at an average of 524 per week. 97.8 per cent of members queries were attended to within 10–20 seconds.

A number of communiqués were distributed to members this year to alert them to key areas of interest. e-news was issued periodically through the year to provide a general update about super, including the contribution caps and potential penalties where they are exceeded and also alerting relevant members to the potential for eligibility for the co-contribution scheme, whereby the government matches personal contributions for lower income earners.

A suite of easy-to-read fact sheets have been developed and are available from our website to brief members about super changes or other topics of interest. Some of the topics developed this year included a summary of impacts for superannuation from the Federal Government's 2011/12 Budget, an explanation of how unit pricing works and the rules around the Super Guarantee that employers need to be aware of.

Benefits of legalsuper membership

- Industry super fund that makes profits for its members – no dividends are paid to our shareholders.
- History of solid long-term investment returns.
- Choose how your super is invested from any combination of up to eleven investment options, including the ASX200 Australian shares investment option, whereby you can choose individual shares in which your super is invested.
- Low fees – administration fees are capped for \$350,000+ balances.
- Industry leading insurance – life and total and permanent disablement insurance cover of \$440,000 is available for employed members up to age 45. From 1 August 2011, \$250,000 of life and total and permanent disablement insurance cover is available for self-employed members.
- 24/7 online access to update or enquire upon member's account. Members can also check their account balance or investment option selections. Members can change investment options online.
- Customised calculators on our website that help members forecast their balance on retirement.
- No fee for face-to-face or over-the-phone contact with one of legalsuper's Client Service Managers.
- Workplace seminars.
- Quarterly e-news to keep members informed about their super.
- Bi-annual member statements and member newsletters.
- Competitive banking products via ME Bank (including home loans, savings account or credit cards).
- Health insurance cover at discount premiums – legalsuper members are eligible for an 8% discount off their health insurance premiums with NIB and qualify for other benefits such as waiver of standard waiting periods and immediate claiming for some services.
- Tax-effective pensions – members aged 55+ can set up a transition to retirement pension or retirement pension.
- Income protection – available on application by calling 1800 060 312.



10 **legalsuper and the legal profession**

The super fund for the legal profession

As the industry fund for the legal profession, legalsuper has close and direct links into the legal profession.

Established 22 years ago, legalsuper now manages the retirement savings of 40 per cent of the national profession. Seven other super funds for the legal sector have merged into legalsuper.

One very formal connection between legalsuper and the legal profession is that the shareholders of our Trustee are the Law Institute of Victoria and the Law Society of New South Wales.

Our staff meet with members of the profession on a daily basis, regularly conducting seminars in the work place or at legalsuper's offices. It is this close and regular contact with our membership that enables us to keep abreast of the types of questions and issues that our members have with their super.

One of the advantages of us serving the legal profession is that we are able to access industry leading insurance on behalf of our members. Due to the legal profession being a white collar profession, the level of occupational risk perceived by insurers is lower relative to some other occupational groups that have higher workplace risk. This ends up meaning we can secure higher cover at a lower premium.

legalsuper invests in the Continuing Professional Development programs of a number of law societies around the country. Essentially, these investments help to further the professional development of members of the profession.



Quick and easy administration for employers

Strong relationships with employers is a key focus for legalsuper.

Regular contact from the client service managers was supported by a number of employer visits by legalsuper's Chief Development Officer and Chief Executive.

Feedback from these meetings enables legalsuper's to maintain the quality of service that has resulted in more than 1,950 new employers joining this year.

- ✔ **No fees or charges for employers**
- ✔ **Easy administration including online services**
- ✔ **Employer access on legalsuper.com.au**
- ✔ **Employer visits**
- ✔ **Workplace seminars**
- ✔ **Clearing house available**

legalsuper was successful in seven of the nine default fund tenders it made submissions to in 2010/11.

12 Governance and the Board

The Board of Legal Super Pty Ltd

The Trustee of legalsuper is Legal Super Pty Ltd. The Board of Legal Super Pty Ltd includes individuals nominated by the sponsors of legalsuper to represent members and employers. The Constitution requires one member and one employer representative director to retire each year on 31 March. The Board appoints the Independent Chairman. The Board has also established a number of Committees that assist the Board.

Board members at 30 June 2011 were:

Independent Chairman

David A Miles AM,
Solicitor and Company Director

Employer representatives

Nominated by the Law Institute of Victoria

John Evans
Geoff Hone

Nominated by the Law Society of New South Wales

Hugh Macken
Geoffery Solomon

Member representatives

Nominated by the New South Wales Local Government, Clerical, Administrative, Energy, Airlines and Utilities Union, trading as the United Services Union

Chris Joyce
Emma Maiden

Nominated by Australian Municipal, Administrative, Clerical and Services Union, trading as the Australian Services Union (Victorian Private Sector Branch)

Vicki Rogers
Linda White

Nominated by Victorian Bar Inc.
Phil Kennon, QC

Changes to the Board

During the year ended 30 June 2011 there were the following changes in Board members:

- i. Chris Joyce and Geoff Hone retired on 31st March 2011. They were reappointed by their respective nominating bodies.



David A Miles AM

Chairman of the Board
Chair, Remuneration Committee

6 years as Director

Bachelor of Laws
(University of Melbourne)

Other appointments/experience:

Chair, Innovation Australia

Chair, Uniseed Management Pty Ltd

Director ASC Pty Ltd

Chair, Australian Motor Sport Appeal Court

Chair, National Stakeholder Steering Committee, National Smart Metering Program

Deputy Co-Chair, Committee for Melbourne

Member of Prime Minister's Science Engineering and Innovation Council

Member of the Council of the Australian National University

Partner, Maddock Lonie & Chisholm (1970-1990)

Partner, Corrs Chambers Westgarth (1990-2002)

Chief Executive, Corrs Chambers Westgarth (1991-1997)

President, Law Institute of Victoria (1984-1985)

President, Law Council of Australia (1991-1992)



Linda White

Deputy Chair of the Board

17 years as Director

Bachelor of Laws & Bachelor of Commerce (University of Melbourne)

Other appointments/experience:

Assistant National Secretary, Australian Services Union

Board Member, Australian Social Inclusion Board

Vice President, Australian Council of Trade Unions

Director, Royal Botanic Gardens (Victoria)

Board Member and Chairman, 200 Gertrude Street Gallery (1992-1999)

Board Member and Chairman, Footscray Community Legal Centre (1986-2004)

Senior Associate, Maurice Blackburn



John Evans

Chair, Audit & Governance Committee

7 years, 3 months as Director

Bachelor of Laws,
University of Melbourne

Master of Laws,
Monash University

Other appointments/experience:

2006 to date: Partner, Donaldson
Trumble Lawyers

2003-2005: Consultant, Donaldson
Trumble Lawyers

Chairman, Combined Fund
(18 years - Director for 31 years)

Partner of Gagens and predecessor
firms for over 27 years (Chairman of
the Melbourne Partnership from
1994-2002)

President of Council - Caulfield
Grammar School

Director - Australian Music
Examination Board (Vic) Ltd



Chris Joyce

6 years, 4 months as Director

Bachelor of Financial Administration,
Accounting Major,
University of New England

Bachelor of Law,
University of Technology, Sydney

Diploma in Legal Practice,
College of Law, St. Leonards

Other appointments/experience:

MacArthur Community Legal
Centre, Campbelltown

Director, Law Industry
Superannuation Trust (4.5 years)



Phil Kennon QC

2 years, 2 months as Director

Bachelor of Laws with Honours,
University of Melbourne

Bachelor of Commerce,
University of Melbourne

Other appointments/experience:

Member, Victorian Bar Council
1979-1980

Member, Chief Justice's Law Reform
Committee 1980-1986

Member, National Young Lawyers
Committee 1981-1984

Trustee/Director, Victorian Bar
Superannuation Fund 1992-2009,
Chairman from 2002-2009

Queen's Counsel since 1993

Fellow of the Institute of Arbitrators
and Mediators Australia

Grade 1 Arbitrator, with national
and international experience

Member of Supreme Court of
Victoria Library Fund Investment
Committee (May 2009)



Geoff Hone

1 year, 5 months as Director

Bachelor of Laws with Honours,
University of Melbourne

Other appointments/experience:

Partner, Blake Dawson

Chairman, Children First Foundation

Chairman, The Scobie & Claire
Mackinnon Trust

Member, The Supreme Court
Library Investment Committee

Trustee/Director, Blake Dawson
Partners Superannuation Fund
(1994-2009), Chairman (1994-2003)

Managing Partner, Blake Dawson
London (2000, 2003-2005)

Member, Blake Dawson National
Executive/Policy Committee
(1989-1995)

Director, Securities Exchanges
Guarantee Corporation Ltd
(1991-2002)

Director, The Queen's Trust for
Young Australians/The Foundation
for Young Australians (1994-2004)

Member of the Legal Committee
assisting the Federal Government's
Companies and Securities Advisory
Committee (1989-2000)



Hugh Macken

2 years, 2 months as Director

Bachelor of Arts,
Macquarie University

Bachelor of Law,
Macquarie University

Master of Law,
University of Technology Sydney

Other appointments/experience:

Partner, Beston, Macken & McManis

Claims Assessor - Motor Accident
Authority (since 2005)

President of Law Society of New
South Wales (2008)

Solicitor - Government Insurance
Office of New South Wales



Emma Maiden

Chair, Strategy & Marketing Committee

2 years, 9 months as Director

Bachelor of Economics,
University of Sydney

Diploma in Law, Legal Practitioners
Admission Board

Graduate Diploma in Legal Practice,
College of Law

Other appointments/experience:

Deputy Assistant Secretary, Unions
NSW

Marrickville Legal Centre,
Volunteer Solicitor

Lawyer, Employment and Industrial,
Slater & Gordon (2008-2010)

Community and Public Sector
Union, Legal Officer (2007-2008)

Australian Services Union, Advocate
(2002-2007)

WorkCover NSW, Senior Policy
Officer (2001-2002)



Vicki Rogers

8 years, 8 months as Director

Other appointments/experience:

Support Services Manager,
Maurice Blackburn

President, Australian Services Union
(Victorian Branch)



Geoffrey Solomon

Chair, Investment Committee

6 years, 4 months as Director

Bachelor of Arts,
University of New England

Other appointments/experience:

Chief Executive Officer, RMG
Partners

Over 10 years experience as Chief
Executive of law firms in NSW
and ACT

Director, Law Industry
Superannuation Trust (4.5 years)

30 years in the banking and finance
sector, including 15 years as Chief
Executive of 3 different investment
banking operations

16 Reports from the Board's Committees

The Board has established four Committees to assist and advise it, including:

1. Audit & Governance Committee
2. Strategy & Marketing Committee
3. Investment Committee
4. Remuneration Committee

Each Committee has a Charter that sets out its responsibilities and authorities including any delegated authorities.

Audit & Governance Committee

The Audit & Governance Committee is responsible for monitoring and advising the Board on all regulatory and compliance matters. The Committee oversees the contractual arrangements for out-sourced service providers and advises the Board on the work of the internal and external auditor.

The Committee receives regular reports from management on regulatory and compliance matters.

Some of the other items considered by the Committee in 2010/11 included:

- Review of the Charter of the Board and its Committee;
- Ongoing review and update of the risk management framework and other related policies of the Trustee;
- Benchmarking of the outsourced fund administration services;
- Oversight of the transition from the outgoing custodian (National) to the new custodian (BNP Paribas)

Strategy & Marketing Committee

The Strategy & Marketing Committee is responsible for monitoring and advising the Board on all matters of strategy and marketing. The Committee receives regular reports from management on overall fund development and achievement of the key milestones contained within the Board's strategic business plan. One other key role of the Committee is to review and make recommendations to the Board in respect of the annual operating cost budget.

Some of the items considered by the Committee in 2010/11 included:

- Development of a marketing and communications plan to support the achievement of the Board's overall strategic business plan;
- Oversight of a research study conducted by Sweeney Research to gain insight into our members' views of the member education and financial advice requirements of legalsuper;
- Operating cost budget for 2011/12.

Investment Committee

The Investment Committee is responsible for assisting the Board with the formulation and implementation of the investment strategy. In addition to its regular meetings, the Committee convened two strategy meetings during 2010/11 to critique specific areas of investment strategy in the context of the prevailing and anticipated changed economic and investment landscape.

The Committee closely and regularly monitors the performance of appointed investment managers. The Committee and Board is assisted by the expert advice of legalsuper's asset consultant (JANA Investment Advisers Pty Ltd) and legalsuper's Investment Expert (Dr. Neville Hathaway).

The Committee receives regular and detailed reports from legalsuper's asset consultant on investment performance including the individual performance of the appointed investment managers. The Committee also periodically receives presentations directly from the appointed investment managers.

Some of the items considered by the Committee in 2010/11, included:

- Refinements to the asset allocation of legalsuper's diversified investment options (i.e. Conservative, Balanced, Growth, Assertive and Aggressive) with allocations to equities being increased and allocations to fixed interest being reduced;
- Presentations by investment experts on specific investment issues including a review of the investment beliefs that underpin how and where legalsuper invests;
- Settling of the agreement with legalsuper's asset consultant;
- Conduct of a custody tender. The tender resulted in legalsuper changing custodian from National to BNP Paribas;
- Conversion of the mandate with Integrity Investment Management to a more concentrated Australian equity portfolio from a more broadly based Australian equity portfolio. The new portfolio has a smaller number of stocks, essentially a more concentrated portfolio containing the best ideas of the manager, Integrity Investment Management;
- Review of the performance of legalsuper's investments in hedge funds and it was decided to exit all hedge funds. The termination of hedge funds was in progress at 30 June 2011 and is expected to be completed soon after year end;

Remuneration Committee

The Remuneration Committee formulates recommendations for the Board in respect of the remuneration of the Chief Executive.

Meeting attendance by Directors

2010/11 meeting attendance by Directors

The attendance by Directors at meetings of the Board and its Committees was as follows:

Board

Director	Meetings held during tenure	Number of meetings attended
David Miles AM (Chairman)	6	6
John Evans	6	6
Geoff Hone	6	6
Chris Joyce	6	5
Phil Kennon QC	6	5
Hugh Macken	6	6
Emma Maiden	6	5
Vicki Rogers	6	6
Geoff Solomon	6	6
Linda White	6	5

Audit & Governance Committee

Director	Meetings held during tenure	Number of meetings attended
John Evans (Chairman)	4	4
Chris Joyce	4	4
Emma Maiden	4	4
Vicki Rogers	4	3

Strategy & Marketing Committee

Director	Meetings held during tenure	Number of meetings attended
Emma Maiden (Chair)	4	4
John Evans	4	4
Chris Joyce	4	4
Hugh Macken	4	4
Vicki Rogers	4	3

Investment Committee

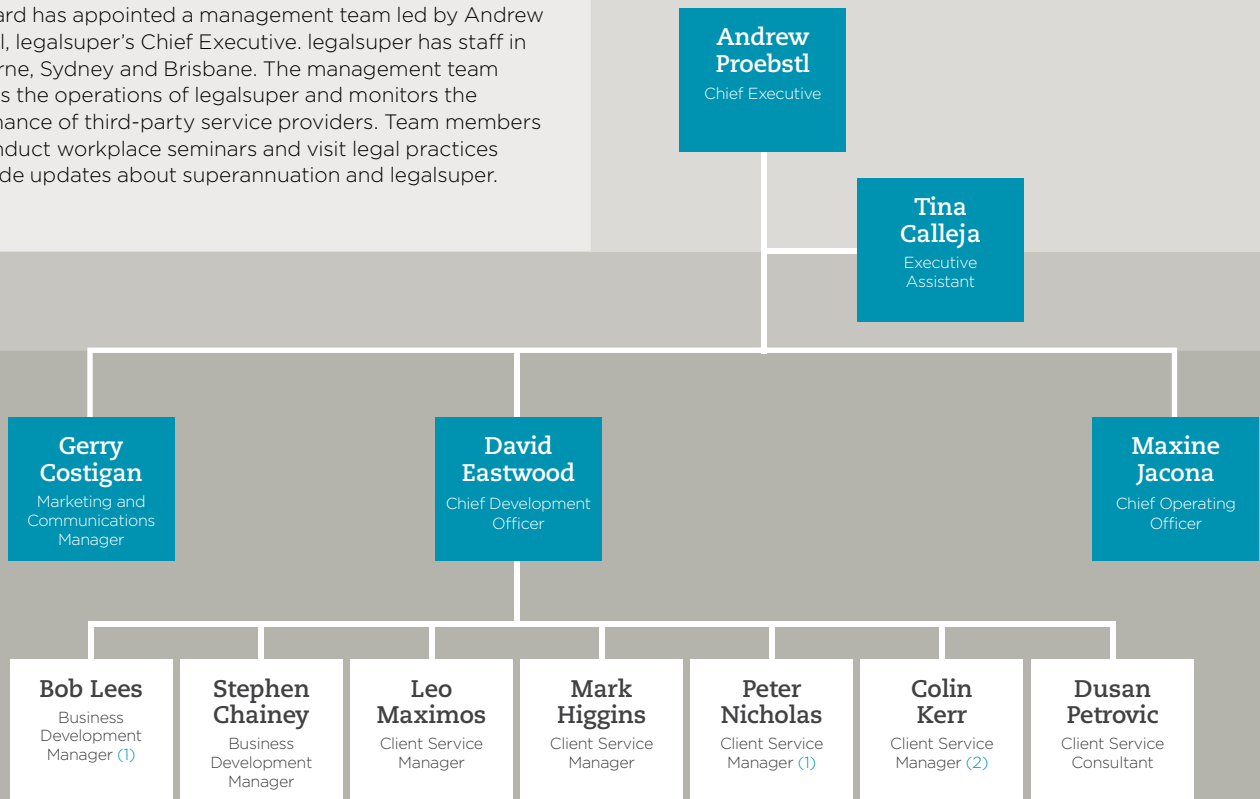
Director	Meetings held during tenure	Number of meetings attended
Geoff Solomon (Chairman)	10	10
Geoff Hone	10	9
Phil Kennon QC	10	9
Hugh Macken	10	8
Linda White	10	6

Remuneration Committee

Director	Meetings held during tenure	Number of meetings attended
David Miles AM (Chairman)	1	1
John Evans	1	1
Chris Joyce	1	1
Geoff Solomon	1	1
Linda White	1	1

18 Management team

The Board has appointed a management team led by Andrew Proebstl, legalsuper's Chief Executive. legalsuper has staff in Melbourne, Sydney and Brisbane. The management team oversees the operations of legalsuper and monitors the performance of third-party service providers. Team members also conduct workplace seminars and visit legal practices to provide updates about superannuation and legalsuper.



(1) Sydney-based. (2) Brisbane-based. All other members of the management team are based in Melbourne.

Executive management

Andrew Proebstl

Andrew Proebstl has been Chief Executive of legalsuper since January 2003 and has more than twenty-one years of experience in the superannuation industry.

He was a Director of Ernst & Young (formerly Andersen) and has held positions at Vanguard Investments Australia, Local Authorities Super (now VisionSuper), Jacques Martin Industry (now SuperPartners) and Arthur Anderson.

His qualifications include: Bachelor of Commerce (University of Melbourne), Professional Year (Institute of Chartered Accountants), Diploma of Superannuation Management (Macquarie University), and Financial Proper Authority Course (Institute of Chartered Accountants/Securities Institute).

He is a member of the Policy Committee of the Australian Institute of Superannuation Trustees and until

recently was also a Director. In addition, he is Secretary of the Law Institute of Victoria Superannuation Committee, a member of AIST, ASFA and FEAL and a regular presenter at superannuation industry conferences and a participant in industry round table forums.

Maxine Jacona

Maxine Jacona joined legalsuper in October 2006 and has more than fifteen years of diverse superannuation industry experience, including both internal and outsourced administration. As legalsuper's Chief Operating Officer, Maxine is responsible for overseeing operations and service delivery of outsourced service providers.

Maxine also is responsible for managing and reporting to the Board and its Committees on compliance and regulatory matters.

Her qualifications include:

- Bachelor of Laws and Commerce – University of Melbourne;
- Certificate of Superannuation Management – Association of Superannuation Funds of Australia (ASFA)
- Audit of Small Super Funds – ASCPA;
- Graduate Diploma in Applied Finance and Investment – Securities Institute of Australia

David Eastwood

David joined legalsuper in November 2006 and has worked in financial services for twelve years. As Chief Development Officer, David is responsible for growing legalsuper and increasing awareness of legalsuper in the legal profession as well as managing its field staff.

His qualifications include:

- Diploma of Financial Planning (DFP)
- Certified Financial Planner (CFP)
- Master of Business Administration (MBA).

Our advisers

The Board outsources some aspects of the day-to-day operations of legalsuper. By outsourcing to specialist organisations, we acquire access to the scale of large organisations that have the specialist skills, people and systems that are needed to provide best-practice services and products.

Fund administrator

Australian Administration Services Pty Ltd (AAS)

As fund administrator of legalsuper, AAS conducts the day-to-day operations of legalsuper, provides contact centre support, maintains member accounts, and provides accounting support services.

AAS is one of Australia's leading superannuation and pension administration specialists, responsible for 4.5 million super accounts. With 1,000 employees spanning six states, AAS interacts with 400,000 employers.

AAS is owned by Link Market Services, a leading provider of share registry, marketing and other support services to the financial community.

AAS has been the fund administrator of legalsuper since October 2005. Prior to that date, AAS was the fund administrator of the Law Industry Superannuation Trust, one of the predecessor funds of legalsuper.

Asset consultant

JANA Investment Advisers Pty Ltd (JANA)

JANA was established in 1987, and is now one of the leading asset consultants in Australia. In 2000, JANA was acquired by the National Australia Bank. JANA advises 80 institutional clients with total assets of \$178 billion. JANA has been legalsuper's asset consultant since 2003.

As asset consultant of legalsuper, JANA provides investment advice to the Board and Investment Committee. JANA also undertakes extensive research of investment managers, and monitors and reports to the Board and Investment Committee on the performance of legalsuper's investment managers.

Insurance

OnePath

OnePath is one of Australia's leading providers of wealth, insurance and advice solutions. OnePath has been helping Australians grow and protect their wealth for over 130 years, previously as Mercantile Mutual and more recently as ING Australia. Now as a wholly owned subsidiary of Australia and New Zealand Banking Group Limited (ANZ), OnePath operates as part of ANZ's specialist wealth business. OnePath has a comprehensive range of wealth and insurance products available through financial advisers or direct to customers, making it easier for customers to find the solution that best suits their needs.

External auditor

PricewaterhouseCoopers (PwC)

PwC has 140 years of experience in assurance, tax and advisory services. PwC provides services to 90 of the ASX top 100 listed companies and 704 companies of the IBIS top 1,000 – including many federal and state government agencies. PwC employs over 6,000 people in eight cities around Australia. PwC undertakes the external audit of legalsuper and its Trustee (Legal Super Pty Ltd). The external audit provides audit sign-off in respect of the financial statements of legalsuper and its Trustee, together with regulatory returns and lodgements.

Internal auditor

Ernst & Young (EY)

EY is one of the world's largest professional services firms, employing 141,000 people in 140 countries. EY conducts the internal audit of legalsuper. The internal audit plan is formulated by the Audit & Governance Committee and approved by the Board.

Tax Agent

PricewaterhouseCoopers (PwC)

As tax agent of legalsuper, PwC prepares the income tax return for legalsuper and its Trustee. PwC also provides expert tax advice on various taxation matters.

Custodian

BNP Paribas

BNP Paribas has been supporting Australian businesses and the Australian economy for 130 years. Until the deregulation of the Australian banking industry in the early 1980's, it was in the fortunate position of being the sole major foreign bank granted with a banking licence to operate within Australia. Today the Australian arm of the giant BNP Paribas Banking Group has a presence in Sydney, Melbourne, Perth and Wellington (New Zealand), and currently employs over 750 staff. It is the 8th largest foreign bank by assets in Australia (as at December 2010).

Other advisers

- Legal advisers
 - DLA Phillips Fox
 - Holding Redlich
 - Maddocks
- Trustee indemnity insurer
 - Chubb Insurance Company of Australia
- Printed material & publications
 - Publicity Works

20 Financial statements

Statement of Financial Position	As at 30 June 2010 (\$)	As at 30 June 2011 (\$)
Assets		
Cash	26,521,463	25,235,076
Investments	1,301,497,526	1,529,954,678
Deferred tax asset	14,554,961	10,334,383
Other assets	8,712,649	9,364,417
Total assets	1,351,286,599	1,574,888,553
Liabilities		
Income tax	6,931,931	9,986,982
Other liabilities	10,809,694	8,749,149
Total liabilities	17,741,625	18,736,131
Net assets	1,333,544,974	1,556,152,422
Vested benefits	1,331,776,679	1,552,265,931
Reserves	1,768,295	3,886,492
Total liability for accrued benefits	1,333,544,974	1,556,152,422

Operating Statement	Year ended 30 June 2010 (\$)	Year ended 30 June 2011 (\$)
Revenue		
Investment	100,471,672	126,390,240
Contributions & transfers in	191,029,454	207,725,671
Other	9,130,331	7,833,482
Total revenue	300,631,457	341,949,393
Expenditure		
Insurance premiums for life and TPD cover	11,091,542	11,171,336
Operating costs	8,322,988	8,953,537
Total expenditure	19,414,530	20,124,873
Net revenue before income tax	281,216,927	321,824,520
Income tax	21,485,499	26,370,448
Net revenue after income tax	259,731,428	295,454,072

These are abridged financial statements. legalsuper's complete audited accounts and auditor's report are available on request by calling **1800 060 312**.

Other regulatory items

Finding lost super

Super funds periodically search the Australian Taxation Office's ('ATO') superannuation databases on behalf of their members for lost super including the Superannuation Holding Accounts Special Account, Lost Member Register, and unredeemed Superannuation Guarantee Vouchers.

legalsuper regularly undertakes such searches, and has reunited many of our members with their lost super. If we have our members' TFN on file, we will give it to the ATO when conducting the search. When matches are identified, we write to our members to check if they want to transfer amounts located into their legalsuper account. Unless our members advise us otherwise in writing, we will assume they have consented to their participation in these searches.

Why we ask for our members' Tax File Number ('TFN')

If legalsuper has our members' TFN on file, it makes it easier for us to help them keep track of their super, and to find them if they have moved and not given us their new address. We will also ask our members for their TFN to calculate tax on payments we make to them, to help find any lost super, or to provide information to the ATO. Our members do not have to give us their TFN. However, they should be aware that if they choose not to, they may be charged a higher rate of tax on certain super contributions (including salary sacrifice contributions their employer pays on their behalf, and other deductible contributions). We may also not be able to accept after-tax contributions that our members wish to make to their legalsuper account, and additional tax may be deducted when they withdraw their super.

To make a complaint

If our members are dissatisfied with the service or information provided by legalsuper, they can call our contact centre on 1800 060 312. In the event that this does not resolve the dissatisfaction, members can make a formal complaint to legalsuper by writing to:

legalsuper (Complaints Officer)
GPO Box 4952
Melbourne VIC 3001

A member's complaint may also be emailed to mail@legalsuper.com.au.

To discuss the progress of a complaint, please call 1800 060 312 and ask to speak with legalsuper's Complaints Officer. All complaints are required by law to be dealt with within 90 days. If our members remain dissatisfied with action taken by legalsuper to address their complaint or they have not received a response within 90 days, they may be able to take their complaint to the Superannuation Complaints Tribunal (SCT).

The SCT is an independent tribunal set up to assist members and beneficiaries of super funds resolve their complaints against fund trustees. The SCT can review legalsuper's decision if the complaint is within the SCT's jurisdiction. The SCT can be contacted on 1300 780 808 or at:

Superannuation Complaints Tribunal
Locked Bag 3060
Melbourne VIC 3001

Please note that by law members cannot complain to the SCT unless they have first lodged a complaint with legalsuper.

What may happen if we lose contact with you?

If a member's legalsuper account balance is less than \$500 and we lose contact with them, the balance may be transferred to another fund that specialises in managing small balances. These funds are known as Eligible Rollover Funds ('ERFs'). legalsuper has chosen Australia's Unclaimed Super Fund (AUSfund) as its ERF. AUSfund's contact details are:

AUSfund
PO Box 2468
Kent Town SA 5071
telephone: 1300 361 798
email: admin@ausfund.net.au

legalsuper applies a policy whereby our members will be regarded as 'lost' if legalsuper has not received a contribution from them for 15 months or more and there have been two items of mail sent to them which have been returned undelivered.

If our members are transferred to AUSfund, they cease to be members of legalsuper (and all legalsuper entitlements, including any death & TPD insurance, will also cease). They will become a member of AUSfund instead, and be subject to its governing rules. Soon after they transfer to AUSfund,

AUSfund's Product Disclosure Statement (PDS) will be sent to their last known address. AUSfund does not provide insurance to its members.

AUSfund is required to 'member protect' its members' benefit. This means that the administration fees AUSfund deducts from the account cannot exceed the investment earnings applied in a reporting period (see its PDS for details). legalsuper also periodically participates in an active address-matching program facilitated by AUSfund that seeks to reunite any super held by AUSfund with super held by our members.

Trustee indemnity insurance

The Trustee of legalsuper has taken out a trustee indemnity insurance policy for the year ended 30 June 2011. This policy provides protection to the Directors, officers and management and legalsuper in the event of errors, inaccuracies or oversights that might occur in the management of legalsuper.

Protection of small balances

By law, legalsuper is required to protect small balances (i.e. lower than \$1,000) from erosion due to administration fees. Administration fees deducted from small balances are capped at the earnings applied to a member's account. Insurance premiums and taxes are expressly excluded by law, and therefore continue to be deducted as set out in our Product Disclosure Statement and without a cap. The member protection requirements also provide that if the trustee of a super fund declares a 'bad investment period', administration fees of up to \$10 a year may be levied on all member accounts including small balances. A 'bad investment period' includes a period when a super fund returns an overall negative return. The legalsuper Trustee did not declare 2010/11 as a 'bad investment period'.

Surcharge

The superannuation surcharge tax has been abolished and does not apply to contributions paid after 30 June 2005. However, legalsuper continues to receive assessments for periods prior to 30 June 2005 from the ATO. Surcharge amounts will continue to be deducted from member accounts for these assessments and remitted to the ATO.

22

Use of derivatives

legalsuper's investment managers are permitted to use derivative instruments, provided that their use does not increase the overall risk of the portfolio and is consistent with the mandate set by the Trustee of legalsuper.

Currency policy

legalsuper maintains a neutral exposure of 15 per cent to foreign-denominated investments, and hedges all foreign currency exposure above that level. legalsuper implemented this policy with a specialist currency manager (Aberdeen), which hedges legalsuper's foreign currency exposure in accordance with the above legalsuper policy.

Reserves

The assets supporting the reserves held by legalsuper are invested in legalsuper's Growth investment option. The value of this reserve over the last three financial years, together with the change in the reserve in each year, is as follows:

Year	Total reserve	Change from prior year
2011	\$3,386,495	+ \$1,618,200
2010	\$1,768,295	+ \$340,876
2009	\$1,427,419	+\$591,410

Temporary residents

Transfer of benefits to the Australian Taxation Office (ATO) and exit statements

If a member has entered Australia on a temporary resident visa and then departs from Australia, that member generally has six months from date of departure to claim their superannuation benefit.

If the member does not make a claim in this period, the ATO may issue the Trustee with a notice to pay the member's superannuation benefit to the ATO. legalsuper is not required to issue the member with an exit statement in this circumstance.

However, on the member's request, legalsuper is required to provide the member with the details of the payment to assist the member in applying to the Tax Office for the member's super benefit.



Investment strategy and policy

23

In formulating its investment strategy, the Board has regard to the overall circumstances of legalsuper and the particular circumstances of each of legalsuper's member investment choice options, and complies with all applicable legislative requirements.

Investment risk is managed by diversification, both within and between asset classes.

No more than 5 per cent of legalsuper's assets may be invested directly in any one stock or issue without the specific consideration and approval of the Board of the Trustee.

Over the long term, not more than 15 per cent of legalsuper's assets will be invested with any one manager.

The Trustee does not hold reserves to smooth investment returns. The Trustee does, however, hold a modest reserve to cover any unanticipated expenditure or minor adjustments to unit prices. Further information about this reserve is set out on page 22.

Each of legalsuper's eleven investment options has its own investment objectives and asset allocation ranges within which the Board manages the underlying investments.

Further information about legalsuper's investment strategy and policy is set out in an Investment Policy Statement. A copy of this Statement is available to members on request.



24 Investment option objectives

The Board has set investment objectives for each of legalsuper's investment options. The following table summarises these objectives:

Name of investment option	Overall objective	Net return objective relative to CPI	Objective in terms of a positive return	Objective in terms of out-performance relative to the median of the relevant SuperRatings' survey (or its equivalent)
Cash	To generate a return that closely matches the UBS Australian Bank Bill return (less tax) each year.	n/a	To generate a positive return every year.	n/a
Enhanced Cash	To provide modest investment returns, while limiting short-term volatility and loss of capital.	To achieve a net return above the UBS Australian Bank Bill Index on rolling three to five year bases adjusted for fees and taxes.	To generate a positive return every year.	To outperform, over rolling five-year periods on a net basis.
Conservative	To maximise long-term investment returns, subject to constraints aimed at limiting the risk of loss of capital.	To achieve net returns that exceed CPI increases by at least 1.5% pa over rolling five-year periods.	To generate a positive return eight out of nine years.	To outperform, over rolling five-year periods on a net basis.
Balanced	To maximise long-term investment returns, while maintaining a balance of risk and return.	To achieve net returns that exceed CPI increases by at least 2.9% pa over rolling five-year periods.	To generate a positive return three out of four years.	To outperform, over rolling five-year periods on a net basis.
Growth	To maximise long-term investment returns, while containing fluctuations in returns over shorter periods.	To achieve net returns that exceed CPI increases by at least 4.2% pa over rolling five-year periods.	To generate a positive return three out of four years.	To outperform, over rolling five-year periods on a net basis.
Assertive	To maximise long-term investment returns, accepting that there may be fluctuations in returns over shorter periods.	To achieve net returns that exceed CPI increases by at least 4.9% pa over rolling five-year periods.	To generate a positive return two out of three years.	To outperform, over rolling five-year periods on a net basis.
Aggressive	To maximise long-term investment returns.	To achieve net returns that exceed CPI increases by at least 5.7% pa over rolling five-year periods.	To generate a positive return two out of three years.	To outperform, over rolling five-year periods on a net basis.
Australian shares	To maximise long-term investment returns.	To achieve net returns that exceed CPI increases by at least 6.0% pa over rolling five-year periods.	To generate a positive return two out of three years.	To outperform the S&P/ASX 300 Accumulation Index (or its equivalent) over rolling three and five-year periods.
Overseas shares	To maximise long-term investment returns.	To achieve net returns that exceed CPI increases by at least 6.0% pa over rolling five-year periods.	To generate a positive return two out of three years.	To outperform the MSCI Global Equity Index (or its equivalent) over rolling three and five-year periods.
Socially responsible	To maximise long-term investment returns.	To achieve net returns that exceed CPI increases by at least 6.0% pa over rolling four-year periods.	To generate a positive return two out of three years.	To outperform the S&P/ASX 200 Accumulation Index over rolling three-year periods on a net basis.
S&P/ASX 200 Australian shares	This option lets members buy their own shares. Participation in this option is subject to rules, including value limits for the option.			

Full information about legalsuper's products and services, including investment options, is available in our Product Disclosure Statement (PDS), available at our website legalsuper.com.au or by calling 1800 060 312.

How net earnings are allocated to accounts

25

Unit prices are generally determined using the available valuation information for assets as at the close of business on each Friday. However, in some instances the Trustee may determine the value on another day, or more or less often than weekly, or apply a different process to value assets.

A provision for tax and expenses is deducted from the valuation of assets and a net asset value calculated for each investment option.

Each net asset value is then divided by the number of units on issue for each investment option (except the ASX200 investment option). An allowance is made for the cost of acquiring or disposing of the assets in each investment option, to calculate each unit price. The allowance is known as a 'buy spread' and a 'sell spread' and is used to help ensure an equitable treatment between members transacting with legalsuper and those who already hold investments in legalsuper.

legalsuper will ordinarily release unit prices on Wednesday of the following week on its website at legalsuper.com.au

When a contribution is made by you, or on your behalf, you will be allocated a number of units. The number of units you will be allocated will be determined by dividing the contribution amount by the relevant unit price.

Example

David Smith

Contribution for May 2010 = **\$1,100**

Unit price = **\$1.10 per unit**

Number of units allocated = **1,000 units (\$1,100/\$1.10)**

When a benefit payment or withdrawal (such as for fees, tax or insurance) is deducted from your account, units are deducted from your account using the relevant unit price. In David's example:

Withdrawal = **\$1,100**

Unit price = **\$1.09 per unit**

Number of units sold = **1,009.1 units (\$1,100/\$1.09)**

Exception for the S&P/ASX200 option

As this is a member-directed investment option specific to each member, the value of each member's ASX200 holding is determined by multiplying the number of shares held by the applicable share price.

Different prices for Accumulation and Pension members

There are different unit prices for equivalent investment options in the accumulation and pension sections of legalsuper. This is because earnings in the accumulation section of legalsuper are subject to tax and legalsuper needs to accrue for this tax (as well as other expenses) when unit prices are calculated. For legalsuper Pension members, earnings are not taxable.

How to check the value of your account

You can check the value of your account online by logging into Member Login using your account login details. You will be able to see the number of units you hold in each of legalsuper's investment options, the current price per unit and the total value of your investment in dollar terms.

Remember that unit prices change regularly and you should periodically check to see if all your recent transactions have been received and processed.

Alternatively, you can call us on **1800 060 312** and we can assist you with a calculation of your account balance.

26 Investment management process

legalsuper's investment process draws upon specialist expert investment advice and expertise, the selection of which is the subject of extensive due diligence.

The Board formulates legalsuper's investment strategy and overall investment policy.

The Board is assisted by its Investment Committee, which is advised by both legalsuper's asset consultant (JANA Investment Advisers Pty Ltd - 'JANA') and other advisers, including legalsuper's Investment Expert (Dr Neville Hathaway).

With over \$1.6 billion under management, legalsuper has the scale to negotiate very competitive fees with investment managers in Australia and overseas. This means members benefit from wholesale fees rather than higher retail fees if they were to invest directly. Indeed, some investment managers are only accessible to a super fund like legalsuper and not on a retail basis.

In selecting investment managers, the Trustee is guided by the advice of its asset consultant (JANA) and its Investment Expert (Dr Neville Hathaway). The Trustee also receives presentations directly from investment managers.

JANA is an Australian company, established in 1987 and is now one of the leading investment consultants in Australia. JANA is a wholly owned subsidiary of the National Australia Bank Group of companies and advises 80 institutional clients with total assets of \$178 billion. Those clients include corporate, industry and public sector superannuation funds as well as charities, foundations and other endowment funds.

legalsuper has appointed a custodian (BNP Paribas) to hold and report upon all invested amounts. This appointment means that there is segregation between the organisation that holds investments (the Custodian) and the organisations that manage investments (the investment managers).

The Custodian will only effect investment transactions on an authorised instruction from the Trustee. These measures protect the retirement savings of our members.

Thirty Australian and overseas investment managers manage the assets invested in legalsuper.

The following table lists investment managers at 30 June 2011:

Australian equities
AMP
Balanced Equity Management*
Cooper Investors*
Integrity*
Invesco
Solaris*
Overseas equities
Baillie Gifford
Capital International
Genesis
Holwesko Global Fund
Marathon Asset Management*
MFS*
Platinum
Pzena
Property
Dexus
General Property Trust
Goodman
Lend Lease*
Alternative assets
Babson Capital
Colonial*
Fauchier Partners
James Fielding Infrastructure
Retirement Villages Group
Fixed interest
PIMCO
Super Loans Trust
UBS*
Cash
Aberdeen Asset Management
Macquarie Investment Management
Perennial Investment Partners
Westpac Banking Corporation (term deposit)

The investment manager line-up will change over time.

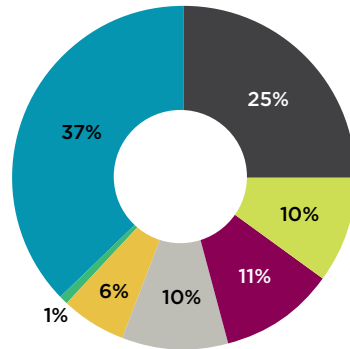
* Manages more than five per cent of legalsuper's total assets.

How legalsuper is invested

The charts on this page provide insights into the investment portfolio managed by legalsuper on behalf of its members.

These insights are across the whole fund.

Each investment option offered by legalsuper has different asset allocation and investment manager line-ups. Full details of all of legalsuper's investment options is available in our Product Disclosure Statement which is available from www.legalsuper.com.au.

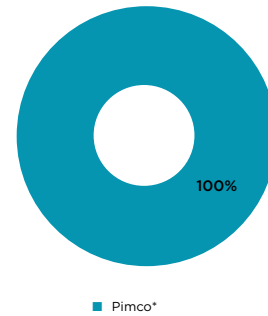


Asset allocation by asset class at 30 June 2011

The following chart shows you how total investments across the whole fund were allocated to the different asset classes at 30 June 2011:

- Australian shares
- Overseas shares
- Property
- Alternative assets
- Cash
- Australian fixed interest
- Overseas fixed interest

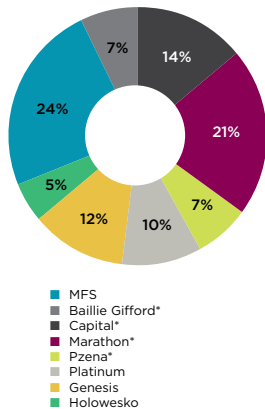
Overseas fixed interest managers at 30 June 2011



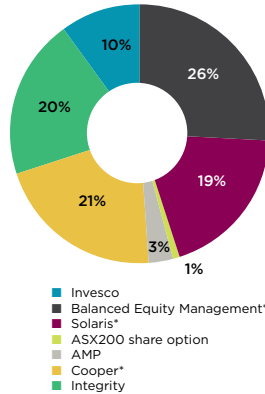
Investment managers by asset class at 30 June 2011

The following charts show the investment managers that have been appointed by legalsuper to manage each asset class. The investment manager line-up is subject to ongoing review by the Investment Committee with the assistance of its expert investment advisers.

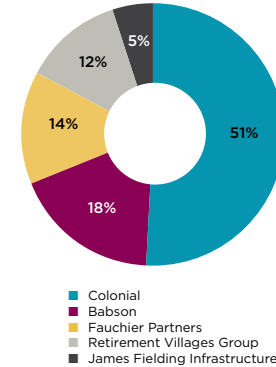
Overseas shares investment managers at 30 June 2011



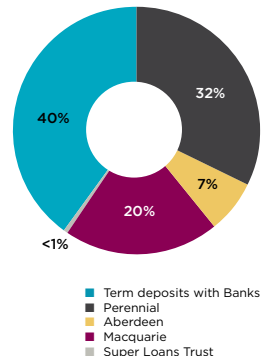
Australian shares investment managers at 30 June 2011



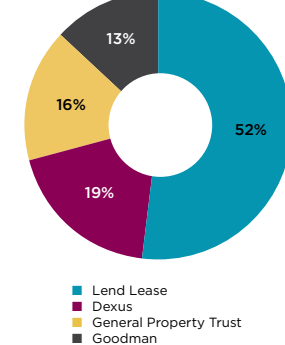
Alternative asset investment managers at 30 June 2011



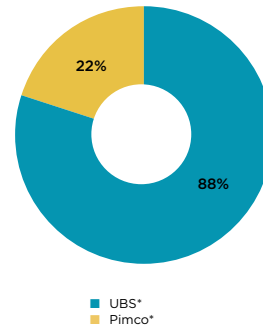
Cash investment managers at 30 June 2011



Property investment managers at 30 June 2011



Australian fixed interest investment managers at 30 June 2011



* legalsuper accesses these underlying investment managers via an investment platform that is operated by MLC under the advice of JANA Investment Advisors Pty Ltd. Assets under management by the underlying investment managers are held in the MLC Limited No. 2 Statutory Fund which pays tax on gains and losses prior to distribution to legalsuper. JANA Investment Advisors Pty Ltd is also legalsuper's asset consultant.



TOP RATED BY FOUR LEADING RATING AGENCIES
SUPERRATINGS, THE HERON PARTNERSHIP
SELECTING SUPER, CHANT WEST

 **legalsuper**



To make enquiries about one of the following:

- legalsuper becoming the default super fund for your workplace;
- conducting a superannuation information seminar at your workplace; or
- to arrange a personal visit from one of our client service managers;

contact Tina Calleja on (03) 9602 0107 or by email at tcalleja@legalsuper.com.au

For account or other membership enquiries:

website legalsuper.com.au
phone 1800 060 312 (Superannuation members)
1800 623 502 (Pension members)
fax 1800 614 431
email mail@legalsuper.com.au
mail Locked Bag 5081, Parramatta NSW 2124

This booklet has been produced with Monza Recycled paper. Monza Recycled was one of the first papers in Australia to gain FSC certification. Combined with its 55% recycled content, Monza Recycled is the trusted choice of specifiers and printers.



Disclaimer

Issued in September 2011 by Legal Super Pty Ltd (ABN 37 004 455 789), Level 26, 140 William Street, Melbourne VIC 3000. AFSL 246315 RSE L0002585 as the Trustee for legalsuper (ABN 60 346 078 879) (R1056501). This document contains general information only and is not intended to be a substitute for advice. It does not take into account any individual's or organisation's investment objectives, financial situation or particular needs. Accordingly, any individual or organisation should seek professional advice that takes account of their needs, objectives and circumstances before making a decision in relation to any of the matters covered in this document.