

AustSafe Super and Sunsuper announce merger plans

Thursday, 5 July 2018

AustSafe Super and Sunsuper have today announced that their respective boards have signed a Successor Fund Transfer Deed, which authorises a merger of the two funds with a target date of early 2019.

The merger is driven by both funds' shared values and their solid commitment to members, and provides an opportunity to expand the delivery of services and products to members in rural and regional areas through greater economies of scale.

The combined fund would make it one of the nation's biggest superannuation funds, with more than \$58 billion in funds under management, 130,000 employers and 1.4 million members.

AustSafe Super's independent chair, Mr Henry Smerdon AM, said the merger was testament to both funds' drive for better member outcomes.

"This is a particularly well-suited match and good cultural fit for both organisations. Both funds started in Queensland within a year of each other, are based on a profit-for-member model, provide industry-leading services and have a passion for rural and regional Australia.

"The decision to merge was not one that has been taken lightly, but we think it will result in a tremendous outcome for both AustSafe Super and Sunsuper employers and members. The coming together of these two organisations will provide members with a fund that has a strong competitive position in the market and one that values them. It will help to deliver both the best possible member experience and provide financial security in their retirement," he said.

Sunsuper chair Andrew Fraser said that with a shared objective of always acting in members' best interests, a successful merger between Sunsuper and AustSafe Super would drive greater efficiencies, foster a stronger competitive position in the market, and ultimately generate greater value for both funds' customers in the form of enhanced services and lower fees.

"Like AustSafe Super, Sunsuper has a long heritage of supporting rural and regional areas with around 380,000 of the Fund's members and 40,000 employers currently living and working within these communities," Mr Fraser said.

"The Fund also directly invests, on behalf of members, in assets such as infrastructure and utilities in regional areas and this merger will facilitate further investment in these communities through potential office expansions and support in local and community-based programs.

"Additionally, with Sunsuper's recent successful merger with Melbourne-based Kinetic Super, this partnership represents a further opportunity to set the gold standard for the industry in terms of best practice for super fund mergers," he said.

Now in its 30th year of operation, AustSafe Super is the industry super fund for rural and regional Australia and looks after more than 100,000 members with \$2.5 billion in funds under management. It was the winner of the Best Growth Super Fund in *Money* magazine's Best of the Best Awards for 2018 and was ranked as one of the top performing superannuation funds for the 12 months to March 2018 by financial services researcher Rainmaker SelectingSuper.

Also in its 30th year, Sunsuper is one of Australia's biggest and fastest growing super funds with more than 1.3 million members and \$55 billion in funds under management. Sunsuper was the first super fund to ever win *Money* magazine's Best Super Fund Manager 2018, and Conexus Financial, Chant West, Super Review and SuperRatings' Super Fund of the Year awards in a single year. Additionally, Sunsuper was also recently named Chant West's Best Fund: Advice Services Corporate Solutions Fund of the Year for the second year in a row.

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Media enquiries:

Catherine Hughes
Head of Brand Marketing & Communications, Sunsuper
+61 412 403 375
catherine_hughes@sunsuper.com.au

Claire Chandler
Head of Marketing, AustSafe Super
+61 488 049 950
cchandler@austsafe.com.au