

!!! IMPORTANT!!!

SUPERANNUATION CHOICE OF FUND

From 1 July 2005

ALL employers are required to give their employees a choice of super fund

ALL employers must supply their eligible employees with a “standard choice form”

Before 29 July 2005

(A copy of the standard choice form is attached)

(Further copies can be downloaded from www.ato.gov.au/content/downloads/NAT13080.pdf)

EXCLUSIONS:

- If the employee is covered under a State award.
(However they are likely to be included from 1 July 2006)
- If you have already given your employees a choice of fund.
(However to use this exclusion, you must have written proof of this choice.
We recommend you ask all your employees to complete the standard choice form to be safe)

Please note: Failure to comply with the choice of fund rules can result in a maximum penalty of \$500 per employee per quarter

For further information please download the employers guide from:
www.ato.gov.au/content/downloads/nat13185-03-2005.pdf



Choice of superannuation fund Standard choice form – information for employees

You can choose the superannuation fund or retirement savings account (referred to below as superannuation funds) to which your employer will make future superannuation guarantee contributions (9%).

Option 1:

You do not have to choose a fund.

If you do not make a choice, your employer's contributions will be paid into the fund that your employer has chosen (see Part A on the reverse side of this form). This may not be the same as your current fund.

Your employer's chosen fund may be suitable for your needs. You can choose a different fund later if you like.

If you do not want to choose a fund, you do not have to complete this form.

❗ Your employer is not liable for the performance of superannuation funds that you choose or they choose on your behalf.

❗ Do not seek financial advice from your employer unless they are licensed to provide it.

➤ MORE INFORMATION

You can get more information about choice of superannuation fund or superannuation in general from:

- www.superchoice.gov.au, or
- by phoning **13 28 64**

If you do not speak English well and want to talk to an Australian government officer, phone the Translating and Interpreting Service on **13 14 50** for help with your call.

If you have a hearing or speech impairment and have access to appropriate TTY or modem equipment, phone **13 36 77**. If you do not have access to TTY or modem equipment, phone the Speech to Speech Relay Service on **1300 555 727**.

➤ TIPS FOR COMPARING FUNDS

Fees

Most funds charge fees. Differences in the fees funds charge can have a big effect on what you may have to retire on. This effect may be more than you think and for this reason you need to consider what fees are being charged. For example, your final return could be reduced by up to 20% over 30 years if your total amount of fees and costs are 2% rather than 1% (eg, from \$100,000 to \$80,000). Some funds may also charge an exit fee if you leave the fund.

Death and disability insurance

Your current fund may insure you against death or an illness or accident that makes you unable to return to work. Other funds may not offer insurance, or you may have to pass a medical examination before they cover you. Check if you'll be covered in any new fund, and the costs and amount of cover, before leaving your current fund.

Option 2:

Choose a fund

You can choose the superannuation fund where you want your future employer contributions to be paid.

Your employer is only required to accept one choice every 12 months.

Step 1

Gather information – work out what's best for you

You will need to find out what superannuation options are available to you.

Find out about the features and benefits of your current fund, the fund chosen by your employer and any other funds you are considering. Your current fund may be different to the fund chosen by your employer.

➤ The tips section highlights key issues you should consider when comparing funds.

Step 2

What do I need to tell my employer?

Give your employer details of your chosen fund by **completing Part B** of this form or by a written statement including the necessary information. This information may be provided by your chosen fund.

Part A shows details of your employer's superannuation arrangements. This includes the fund that your employer has chosen to make all future superannuation guarantee contributions to. If your employer has changed funds recently, the previous fund will also be shown. You may choose to remain in this previous fund.

Step 3

What happens to any superannuation I have in existing funds?

Any money you have in existing funds will remain there unless you make arrangements to transfer it (roll over) to another fund. Check the impact of any exit fees or benefits you may lose before leaving the fund. Your employer cannot do this for you.

Investment choice

Some funds let you choose where the fund will invest your super. Some choices offer higher returns, but with a higher risk that investments may go down as well as up. Other choices offer greater security but with lower expected returns. Choose the level of risk and return that you are comfortable with.

Investment performance

Superannuation is a long term investment for your retirement, so its investment performance needs to be judged over the long term. Short term performance, whether good or bad, may not be repeated. There is no guarantee that a fund that has performed well in the past will do so in the future.

The information you'll need to make these checks is in each fund's product disclosure statement which you can get from the fund. For further information on choosing a fund go to the website www.superchoice.gov.au or phone **13 28 64**.



Choice of superannuation fund Standard choice form

Part A: Employer to complete

➤ Give this form to your employee after you have completed Part A.

1 Employer name

2 Employer superannuation guarantee contributions will be made to the following fund:

Fund name

Superannuation product identification number (if applicable)

For the product disclosure statement for this fund (if applicable) Phone

Fund website

3 Employer superannuation guarantee contributions have previously been made to: (if different to above)

➤ If the employer fund has not changed please write 'as above' in fund name box below.

Fund name

Superannuation product identification number (if applicable) Phone

Fund website

4 Employer contributions:

Superannuation contributions are currently made at a higher level than the required 9% Yes No

If Yes, superannuation contributions will continue at this higher level if the employee chooses a fund other than the fund named in part A question 2 Yes No

ⓘ Note that this statement does not alter an employer's legal obligations (if any) relating to future payments.

Part B: Employee to complete – ONLY IF MAKING A CHOICE

1 I request that all future superannuation guarantee contributions be made to:

my employer's previous superannuation fund named in part A question 3 ➤ Go to question 4 below.

my own choice of fund ➤ Complete questions 2, 3 and 4 below.

2 Your chosen fund details:

Fund name

Membership No. (if applicable)

Account name

Fund Australian business number (ABN) (if applicable)

Superannuation product identification number (if applicable) Phone

3 I have attached:

- a letter from the trustee stating that this is a complying fund and (for a self managed superannuation fund) a copy of documentation from the Tax Office confirming the fund is regulated
- written evidence from the fund they will accept contributions from my employer, and
- details about how my employer can make contributions to this fund.

4 Employee name

Employee No. (if applicable)

Date / /

Signature

➤ Return this form to your employer. Do not send this form to the Tax Office or to your superannuation fund.

Part C: Employer only

Date accepted / /

Processed / /