

Fact Sheet

Choice of Fund – for employees

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Choice of Fund legislation came into effect on 1 July 2005 and allows eligible employees to choose where their employer pays their Superannuation Guarantee (SG) contributions. SG contributions, if you are eligible to receive them, are 9% of your salary.

If you begin working for a new employer and are eligible for choice, your employer has 28 days to provide you with a *Standard Choice* form. The option to choose a fund or not is completely up to you. If you make no choice, then your SG contributions will be paid to your employer's default fund.

Am I eligible?

Generally, to be eligible for choice, you must be;

- > covered by a Federal award;
- > covered by a former State award; or
- > not covered by any award or industrial agreement.

To check if you are eligible for choice, you can simply ask your employer. Generally, if you are a defined benefit member or employed under an industrial agreement, you are usually not eligible for choice.

Things to consider when choosing

When choosing a fund, some aspects you might like to think about include:

- > Investment options available?
- > Are fees competitive?
- > Flexible and types of insurance cover available?
- > The fund's member services?

For help with comparing funds, you can visit the FIDO website* www.fido.gov.au or you can read the Product Disclosure Statements (PDS) of the funds you want to look at.

* A website of financial information for consumers, provided by the Australian Securities and Investments Commission (ASIC).

Choosing Equisuper

If Equisuper is not your employer's default fund but you would like your SG contributions to be sent to us, you will firstly need to become a member of Equisuper Personal. You will then need to complete the *Standard Choice* form and return it to your employer.

In some cases, Equisuper might already be your employer's default fund (employer fund). If this is the case for you, you usually don't need to do anything to become a member of Equisuper. Your SG contributions will be automatically paid to us.

If you decide to make no choice, your SG contributions will be paid to your employer's nominated employer (default) fund. This will continue unless you make a choice and request your contributions be paid elsewhere at a later date. You have the option to change your fund once every 12 months using the *Standard Choice* form from your employer.

Information you will need

When making a choice, you must make sure you provide your employer with all the required information. If you decide to make Equisuper your chosen super fund, you will need to provide your employer with the following:

- > *Standard Choice* form
- > Our letter of compliance
- > Confirmation of how your employer can pay contributions into your account.

Once you have provided this information to your employer, your employer has up to two months to start paying your SG payments to Equisuper.

This brochure is for general information only. It has been prepared without taking into account your personal objectives, financial situation or needs. You should consider whether this information is appropriate to your personal circumstances before acting on it and, if necessary, seek professional financial advice. If you are considering investing in the Equisuper Superannuation Fund ABN 33 813 823 017, you should read the appropriate Equisuper Product Disclosure Statement (PDS) before making an investment decision. You can obtain a PDS via our website or by contacting the Helpline.

The taxation information included in this brochure is a general guide only. As taxation laws are complex and individual circumstances vary, you should seek individual taxation advice from a qualified advisor.

Equisuper Financial Planning Pty Ltd (EFP) ABN 84 124 491 078 is owned by the trustee of the Equisuper Superannuation Fund (Equisuper) and is a corporate authorised representative of Health Super Financial Services Pty Ltd ABN 37 096 452 318, AFSL No 240019.

For full information about the services and remuneration of EFP, please refer to the EFP Financial Services Guide, available by contacting **1800 065 753**, or on the website www.equipfp.com.au.

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Contact our Helpline on: **1800 682 626** | Visit our website at: equisuper.com.au
Send any correspondence to: **Equisuper Pty Ltd, GPO Box 4303, Melbourne VIC 3001**

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Details you will need for your form

If you use the *Standard Choice* form on our website, our details are already completed. However, if you are completing one that your employer provided, you will need the following information to fully complete the form.

- > Superannuation Product Identification Number (SPIN): EPL0100AU
- > FUND ABN: 33 813 823 017
- > Fund contact number: 1800 682 626

You will also need to include your Equipsuper member number. This means you will need to be a member of Equipsuper before completing these forms. To join us, please refer to the Equipsuper Personal PDS, available from our website or Helpline, and complete the *Member application* form.

If you will be receiving SG payments to your account, then there is no need to make an initial contribution.

Please note: Your chosen fund will receive your 9% SG contributions only. Any existing account balances you hold in other funds will not be rolled over into your new fund unless you specifically request this transfer. To do this, you can use the *Rollover authority* form available from our website or Helpline.

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As an employer, it's your obligation to provide eligible employees with their options for Choice of fund.

Who is eligible?

Generally, for your employees to be eligible for choice, they must be;

- > covered by a Federal award
- > covered by a former State award or
- > not covered by any award or industrial agreement

Once eligible employees have been identified, you need to provide them with a *Standard Choice* form within 28 days of their start date. The form needs to include the details of your employer default fund. Your employees can choose a different super fund once every 12 months.

For those employees who don't make a choice, you need to pay their SG contributions to your default fund. Your default fund must be a complying superannuation fund that offers the minimum level of death cover and/or charges a minimum premium for death cover insurance of 50 cents per week.

To make Equisuper your default fund, you can contact our **Helpline 1800 682 626** for more information.

Acting on your employees choice

An eligible employee must provide you with a fully completed *Standard Choice* form and including all relevant information before you are required to start paying SG contributions to their nominated account. The information required is:

- > The *Standard Choice* form;
- > A letter of compliance or other evidence that the chosen fund is complying and legally able to receive SG contributions; and
- > Advice from the nominated fund on how you must pay contributions.

Once you have received this information, you have up to two months to start paying your employees SG contributions to their nominated fund.

Until this occurs, you can pay any SG contributions to your employer default fund.

By selecting Equisuper as your default fund, your employees may gain automatic insurance cover and you will get free access to your Equisuper Control Centre.

What else do I need to know...?

- > The ATO offers more information on Choice including a guide for employers and employees. You can visit the ATO website www.ato.gov.au or contact them on 13 28 64.
- > Once you start paying your employees' contributions, it's important to keep good records to show you are meeting your obligations of Choice (including who is eligible, timeframes met and contributions remitted).
- > You can not give any advice to your employees on which fund you think they should choose.
- > There are penalties if you don't meet your SG and Choice of fund obligations.