

Choice of Superannuation Fund

Standard Choice Form.



Your employer has nominated **AGEST** to receive superannuation contributions for you.

What do **YOU** want to do?

1. **Go with AGEST...**
No need to do anything.
Read no further.
2. **Choose another fund...**
Complete the attached Standard Choice Form.
3. **Undecided?...**
Read more about your options.



TIPS FOR COMPARING FUNDS



- VISIT THE FUNDS' WEBSITES
- CHECK THE INVESTMENT OPTIONS
- FEEES MAKE A DIFFERENCE
- REVIEW THE INSURANCE PRODUCTS

What is Choice?

Choice of fund legislation allows many Australian workers to nominate the super fund into which their employer will contribute their employer superannuation contributions.

Your employer has chosen AGEST to receive contributions for employees who do not make a choice. A summary of AGEST's products and services appears overleaf.

You should also consider our Product Disclosure Statement (PDS) in deciding whether to acquire, or to continue to hold, an AGEST account.

Our PDS is a booklet that makes it easy for you to understand everything about AGEST's range of products and services. You can download our PDS from our website or contact us for a copy.

If you would like your contributions sent to AGEST, you do not need to do anything.

If you want your super contributions to go to a different fund, you need to complete the **Standard Choice Form** attached, and return it to your employer (along with the additional information about your chosen fund as outlined on the form).

If you are still unsure about which super fund to choose, please read carefully the 'Information for employees' section before you make a decision.



About AGESt

AGESt is the Australian Government Employees Superannuation Trust. The fund has 165,000 members, over 6,000 employers and more than \$2.4 billion in members' funds.

As an industry fund, AGESt is focused solely on managing superannuation savings in the interest of its members. All profits are shared by members. There are no commissions paid to financial advisers.

Who manages AGESt?

Ausgest Pty Ltd is the trustee company that is responsible for the management and investment decisions of AGESt. It has an equal number of member and employer representative directors, who are appointed on the nomination of the ACTU and the Australian Government, plus an independent Chairperson who is jointly appointed by the ACTU and the Australian Government. AGESt is operated and managed in accordance with the rules of its Trust Deed and superannuation legislation. Specialists are employed to look after the fund and its investments.

Why join AGESt?

AGESt does not pay commissions or dividends to shareholders; it acts only in its members' best interests. This is why AGESt's fee structure is one of the lowest of all major superannuation funds in Australia.

It really is your 'fund for life', with a range of superannuation products and services to suit everyone. Whether you are just starting out in the workforce, have been working for many years, or are already in your retirement years, AGESt caters for you.

Many members of other funds who wish to increase their superannuation savings through 'salary sacrifice' contributions become members of AGESt for that purpose. AGESt provides members with many benefits that are not available in some other funds.

Your AGESt account

AGESt is an 'accumulation' style fund. This means that when you join AGESt, an account is established in your name. Contributions are credited to this account and investment earnings, taxes, fees and insurance premiums (if applicable) are applied.

AGESt can accept:

- > employer contributions
- > rollovers from other super funds
- > salary sacrifice contributions
- > personal after-tax voluntary contributions
- > spouse contributions.

Joining AGESt

Anyone can join AGESt – simply complete our *Online Member Application*. You can also download a form from our website or contact us for a copy).

If you do not complete a *Member Application*, but your employer contributes to AGESt for you and supplies us with your name, date of birth and address, you will be 'deemed' to be a member of AGESt.

Your membership will commence when we receive a contribution or rollover for you.

New members will be sent a 'Welcome Kit' which includes a copy of the fund's Product Disclosure Statement (PDS), if you haven't already received one.

More information about AGESt?

AGESt's website www.agesst.com.au provides more information, or you can call AGESt on 1300 724 378.

Compare AGESt

AGESt's objective is to make your superannuation easy, simple and rewarding. Here's a summary of what AGESt can provide.

Very low fees

- > A weekly administration fee of 70 cents, deducted from your account.
- > Investment costs are deducted from investment earnings before the crediting rates are declared. Depending on the investment options you choose, these costs range between 0.17% and 0.79%.
- > Member protection costs (as required by law) are deducted from investment earnings before the crediting rates are declared. This cost varies from year to year. The cost in 2005/06 was 0.02% (or 20 cents for the year on a \$1,000 account).

Competitive Death and Disablement insurance

- > Any member can apply for insurance cover.
- > Most new and existing members who commence or recommence having employer contributions paid into AGESt automatically receive death and TPD cover without evidence of health – the premium for this cover is \$2.50 per week.
- > You can apply for more cover or reduce/cancel your cover – the choice is yours.
- > You can choose the type of cover that best suits you – Death only cover or Death and TPD cover – as well as the style of cover you would prefer (unit based or fixed cover).

Income Protection insurance

- > Most members earning an income and working no less than 60 hours per month can apply for income protection insurance.
- > You can choose between three different waiting periods for benefits – 30, 60 or 90 days – whatever suits you best.

Choice of investment options

- > AGESt members have the choice of 12 investment options:

PRE-MIXED OPTIONS	SINGLE-SECTOR OPTIONS
Growth	Australian Shares
Balanced*	International Shares (Hedged)
Moderate	International Shares (Unhedged)
Stable	Listed Property
Conservative	Fixed Interest
MultiStrategy	Cash

- > You can choose one option or any combination of the options above.
- > There are no fees for making an investment choice and every member can make a choice (regardless of their account balance).

* The Balanced option is where your money will be invested if you do not make an investment choice. This option holds a broad mix of investment types as determined by the Trustee.

The performance of our investment options is updated regularly on our website at www.agesst.com.au

Allocated Pension

- > A low-fee, regular income stream available in retirement or after age 55.
- > You have the same investment choices and pay the same fees as all other AGESt members.

Superannuation Splitting

AGESt members can also take advantage of this super benefit. In accordance with Government legislation, AGESt members can split contributions received with their spouse. See our website for further information.

Superannuation seminars

AGESt runs superannuation seminars for its members. There is no cost to attend, and everyone is welcome. See our website for dates and locations.

Non Super benefits

AGESt members can access banking products from Members Equity Bank and commission-free financial planning from Industry Funds Financial Planning (IFFP). See the AGESt website for more details.

Choice of superannuation fund

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%). You may wish to ask your employer whether any salary sacrifice (pre-tax) or voluntary (after-tax) contributions you make will also be sent to the fund you nominate on this form.

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 AGEST (as noted in Part A on the reverse side of this form). This may not be your current fund.

AGEST may be suitable for your needs. You can choose a different fund later if you like.

If you do not want to choose a different fund now, 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.

Option 2: Choose another super 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 below 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 in Part B Question 1.

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 any of these funds. Your employer cannot do this for you.

Tips for comparing funds

Fees

Most super funds charge fees. Differences in the fees that 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 (eg, from \$100,000 to \$80,000) if your total fees and costs amount to 2% of your account rather than 1%. 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.

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 your account balance 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 continue to 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 relevant fund. For further information on choosing a fund, go to the website www.superchoice.gov.au or phone 13 28 64.

Part A: Employer to complete

(Give this form to your employee after you have completed Part A)

1. Employer Name

2. Employer superannuation guarantee (SG) contributions will be made to the following fund:

Australian Government Employees Superannuation Trust (AGEST)

Superannuation Product Identification Number: AGE0101AU

For a copy of AGEST's Product Disclosure Statement (PDS), please call **1300 724 378** or go to www.ages.com.au

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

Fund Name

Superannuation Product Identification Number (if applicable)

Phone

Fund Website

4. Employer contributions:

Superannuation contributions are currently made at a level higher 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. (Go to Questions 2, 3 and 4 below).

2. Your chosen fund details:

Fund Name

Membership Number (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 that 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 Number (if applicable)

Date (day/month/year)

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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 (day/month/year)

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Date processed (day/month/year)

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