

Administration Update



Update on administration processes

Change to how we process Employer Contribution listings that detail new employees

When a contribution listing is received by our office that details new employee(s), we require specific employee information to enable an account to be established for the employee and for the allocation of any contributions. The information required is:

- Date of Birth (DOB)
- Address
- Tax File Number (TFN)

Effective 30th January 2012, if the above information is **not** provided, relevant queries will be raised to obtain the information. Where the DOB and / or TFN are required any contributions received for the employee are unable to be invested. If the DOB and / or TFN are not received by our office within 30 days from the date of the query, a refund will be completed for the employees portion of any contributions.

When notifying us of a new employee, the above information can be provided to us on a Contribution Listing or New Employee Schedule and At Work Certificate. Please note if the Plan is the Employers Default Fund or the Employer offers Group Insurance, a New Employer Schedule and At Work Certificate is required for all new members.

Please be advised that we are in the process of contacting all employers to obtain any omitted information for existing employees. It is important that employers provide the above mentioned information for their existing employees to ensure their accounts are up to date and can accept any future contributions.

Change to redemption requests

Where a redemption request is received for a dollar amount and the result will leave a minimal holding* remaining in that specific managed investment the request will be converted to a total unit redemption.

This is to ensure market movements do not result in a managed investment holding a negative balance.

* The amount of the minimal holding is at the Trustees discretion.

Member address details for Super, Pension and IDPS accounts

Under SIS Legislation, an adviser/member is unable to request an update to a member's account address to care of the adviser. If this is requested, our office will require an alternate address to enable the account to be updated.

The only exception to this is where the member has passed. In this instance, the address may be updated to care of the adviser if requested, pending receipt of Death Claim documentation where an updated address, generally the executor's address is provided and used to update the account.

A member's address may be recorded as care of a Power of Attorney upon receipt of the appropriate documentation.

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Process enhancement – establishment of Pension accounts

The purpose of this communication is to outline an enhancement that has been made to the process of establishing Pension accounts whereby funds are transferred from an existing Superannuation or Pension account.

The process enhancement is outlined below and will take effect on Wednesday, 1 February 2012.

Existing process

Where there were outstanding redemptions or purchases applicable to any non-daily pricing portfolios on the Superannuation or Pension account, a partial transfer of available funds (excluding minimum cash account requirements) from the existing account to the new Pension account would be actioned.

A query was then raised for your information to provide notification that there were outstanding redemptions or purchases in the existing account and that these funds were unable to be added to the new Pension account. The options made available for these remaining funds were:

- Leave the funds in the existing account (superannuation only)
- Request a Benefit Payment (cash or rollover withdrawal)
- Transfer the funds to a new Pension account

Enhanced process

We are pleased to advise that in response to client feedback, we have enhanced this process. This enhancement will provide more flexibility for advisers and clients who have outstanding redemptions or purchases applicable to any non-daily pricing portfolios, at the time a request is received by our office.

From 1st February, 2012, if there are outstanding redemptions or purchases applicable to any non-daily pricing portfolios on the existing Superannuation or Pension account a partial transfer of available funds (excluding minimum cash account requirements) from the existing account to the new Pension account will be actioned. A query will be raised to notify you that there are outstanding redemptions or purchases in the existing account.

Our office will delay the new Pension establishment for a period of up to 30 days from the date of the outstanding query. We will monitor the outstanding redemptions or purchases during this time and in the event that these funds become available within the 30 day period, we will perform the transfer and commence the new Pension. However, should there still be outstanding redemptions or purchases in the existing account after 30 days; we will commence the new Pension with only the available funds.

Any funds remaining in the existing account after the 30 day period will have the following options available:

- a) Once outstanding redemptions or purchases confirm in the account a cash payment to the member will be actioned upon receipt of a correctly completed Benefit Payment form. Please note that a condition of release will be required for Transition To Retirement (TTR) members.

OR

- b) An additional Pension account can commence upon receipt of a further correctly completed Pension Application form (i.e. the client will hold multiple Pension accounts). Should you wish for the existing Pension account to be merged with the new Pension account, a written instruction will be required in addition to the new Pension Application form.

OR

- c) If the existing account is a superannuation account it can remain open with the outstanding redemptions placed in this account.

Please note that for partial Pension to Pension transfers, the minimum Cash account tier plus one pension payment (if frequency is monthly) will remain in the cash account during the 30 day period (outlined above) to allow for the scheduled monthly pension payment to occur.