

# Fact Sheet: Choice of superannuation fund



Choosing a superannuation fund can be a daunting task, so it's important to be well informed when you make your decision.

Most Australians can choose which superannuation fund they would like their employer to make contributions to. This is often called 'Choice of Fund'.

## What happens if I don't make a choice?

From 1 November 2021, the Government implemented 'account stapling' rules that generally mean people will join a super fund when they first start work (or keep the main super fund they have) and take it with them from job to job unless they actively choose another fund.

This is designed to help people to avoid holding multiple super accounts unnecessarily, which would also incur multiple sets of fees.

If this is your first job (in Australia), and you don't make a fund choice, your employer will pay their required super contributions for you to their 'default' fund.

If you're changing jobs and don't tell your new employer where you want your super paid (by completing a Choice of Fund Form), the employer is required to contact the ATO to find out your 'stapled' super account, and pay the employer super contributions to that account, rather than create a new one for you.

## What should I consider when choosing a fund?

### Investment performance

Don't base your decision solely on a fund's past performance as this doesn't necessarily mean the fund will perform well in the future. Also consider the fund's investment philosophy and confirm if the fund offers diversified options and a multimanager platform.

### Fee structure

A fund should be able to provide you with a clear and defined fee structure. Be sure to look for any 'hidden' fees or commissions.

### Choice of superannuation fund

### Insurance cover

Perhaps one of the most critical benefits that can be compromised when changing funds is your level of insurance cover. Be sure to investigate if adequate cover is provided by the fund you are considering. It is also important to note that some funds will require you to provide medical evidence before cover will be offered.

## How to compare funds

If you are thinking of making a move to another superannuation fund, make sure you take the time to compare the features. A familiar name and flashy advertising don't mean you'll receive the best results and experience. Use the choice checklist provided on the next page for a comprehensive comparison.

## Connecting you with the right advice

From phone-based to face-to-face options, our advice offer is designed to help you maximise your financial position.

We offer expert, phone-based advice on a single super-related issue, as well as Retire Ready meetings for those looking to retire in the next five years—both at no cost to you.

If you want advice on your full financial picture, including investments outside super, we offer personal financial planning. We've partnered with senior financial advisers who are committed to helping you meet your goals. Your first meeting is free.

If you need more information, please visit [russellinvestments.com.au/advice](https://russellinvestments.com.au/advice)

## We're here to help

**iQ Super by Russell Investments**

**Call:** 1800 555 667

**For international:**

+612 8571 5588

**Email:**

[iq@russellinvestments.com.au](mailto:iq@russellinvestments.com.au)

**Website:**

[russellinvestments.com.au/super](https://russellinvestments.com.au/super)

## Decision time

### Don't be pressured into making a decision

If you have followed the preceding steps and considered the risks associated with a change of fund, then you've almost completed the puzzle.

If you decide to select another fund, make sure you fully appreciate the impact of your decision.

You could be sacrificing:

- fee rebates
- insurance cover paid for by your employer
- administration fees paid by your employer.

You can call us to see which of these apply to you.

If you're considering another fund because of a financial adviser's recommendation, has your adviser disclosed the costs, any loss of benefits or other consequences of switching funds?

### Russell Investments can be your super partner for life

If you already have an account with us and choose to take us with you to your next job, the simplest way to take control of the process is to provide your new employer with a completed Choice of Fund Form. This way, you're not waiting for the stapling process to happen and you won't end up with multiple accounts.

Keeping your current account also means you get to continue enjoying the range of great benefits on offer including the GoalTracker™ program, the Super Tracker app, and our extensive advice and information services.

## Choice checklist

FEATURES	RUSSELL INVESTMENTS	ALTERNATIVE FUNDS
<b>Clear and easy to understand fee structure</b>		
No entry or contribution fees	✓	?
<b>Ability to create wealth for your retirement</b>		
A long-term approach to investment, seeking consistent returns	✓	?
A range of diversified investment options from an award-winning fund	✓	?
The ability to maintain your current level of insurance without medical evidence	✓	?
A pension option to provide an income when you retire	✓	?
<b>Access to a range of services</b>		
Actively manage your super at the touch of a button with our iOS mobile app	✓	?
Self-service telephone line with after-hours facility	✓	?
Personal phone-based advice at no cost or comprehensive advice from a financial adviser	✓	?
Dedicated superannuation specialists to answer your questions	✓	?
Secure website to access your personal and account details	✓	?
A range of superannuation tools and calculators	✓	?
<b>Superannuation information</b>		
Access to online seminars and booklets	✓	?
Option to attend free face-to-face seminars	✓	?
Regular newsletters and updates	✓	?