



Working hard to reunite your members with their lost super

At SuperTrace, we're always looking for innovative ways to reunite members with their lost super. In addition to our active relocation programme, we've launched a Google search advertising campaign.

Around one in three working Australians have unclaimed super. However, most Australians don't spend much time trying to find it. By looking at customer activity and researching internet search trends we noticed that members are most likely to search for their unclaimed super at the start of the financial year. We took advantage of this trend and launched a search campaign from July to August 2010.

The campaign was a great success, driving an extra 5,259 visitors to the SuperTrace website, and a total of 3,806 lost super searches on the SuperTrace database. We were able to reunite an extra 205 members with their lost super throughout the campaign.

This campaign, together with our five pronged approach to looking for lost members, shows our commitment to making it easy for Australians to track down their lost super.

So far this financial year we have helped more than 13,000 Australians find lost super.

5,259

extra visitors to the SuperTrace website

3,806

lost super searches on the SuperTrace database

205

extra members reunited with their lost super

We've won again!

Heron and SuperRatings wins



For the third year in a row The Heron Partnership have awarded us their coveted five star rating and classified SuperTrace as an "outstanding" product in their 2010 superannuation product assessment.

And the accolades continued with a platinum rating from SuperRatings!

These awards recognise our determination to offer members competitive fees, equitable returns, a simple and straightforward administrative and investment structure and proactive relocation.

You too can use these strengths to your advantage.

The Cooper Review

The Cooper Review Final Report was released by the Government in July following much anticipation by the industry. The Government provided its initial response to the report on 1 August, as part of the Labor Party election campaign. The response provided support for MySuper and the use of tax file numbers (TFNs) as an identifier on member accounts. The Government also indicated that they will provide a full response to the Report by the end of the calendar year.

As a market leader, SuperTrace was involved in the consultation that took place during the review and has also contributed to submissions following the release of the Final Report. We will continue to actively contribute to future consultation following the Government's final response.

So what are some of the potential impacts to eligible rollover funds and their contributing trustees?

Cooper recommendation	Potential impact
<p>Extended use of TFNs (Recommendation 9.11).</p>	<p>As noted above, the Government has indicated in their initial response that they support this recommendation. In the Government's announcement on 1 August, they indicated that they support the introduction of legislation which will enable the extended use of TFNs by July 2011.</p> <p>Such legislation would allow the use of the TFN as an identifier that can be used to search for member accounts and identify where an individual may have multiple accounts. This could require changes to disclosures and fund documentation, such as PDSs and Annual Reports, and changes to administration systems.</p> <p>We support this positive change as it will enhance our existing member relocation strategy providing us with an improved ability to reunite members with their super.</p>
<p>Cross Matching (Recommendations 9.11(d) and 10.16).</p> <p>The report recommends that, as part of the license requirements, ERFs should be required to:</p> <ul style="list-style-type: none">actively cross match with any fund seeking to use the ERF serviceprovide an online facility for people to search for lost super. <p>The report also suggests that super funds should cross match with ERFs for new members. This includes sharing TFNs with other fund trustees so the current fund can invite the member to consolidate.</p>	<p>Other funds will be able to send a file of members to SuperTrace and ask us to cross match their members against our membership base. Ultimately ERFs should be able to reunite more members with their lost super through cross matching with other super providers – this is good news for both members and trustees.</p> <p>If recommendation 10.16(b) is implemented, funds will need to contact ERF providers to check if a new member has an existing account in one of the ERFs.</p> <p>The Government is yet to respond to these recommendations and it's not yet clear how these recommendations, if adopted, would work in practice. Implementation may require significant investment in IT systems for many funds.</p>

Cooper recommendation

Potential impact

Automatic Consolidation of Multiple Accounts (Recommendation 9.14).

The report recommends that:

- when an employer enrolls a new member in their super fund the ATO should check its databases to see whether it holds unclaimed monies for that member and transfer those monies to the super fund administrator
- they should also determine if a new member has more than one super fund, letting the new fund know so they can work with the member to determine if they wish to consolidate their accounts.

This recommendation is linked to the recommendation to use the TFN as a key member identifier, but is yet to be formerly responded to by the Government. If implemented, this recommendation could require changes to disclosures and fund documentation, such as PDSs and Annual Reports, and changes to administration systems. Fund administrators will be required to implement processes and procedures to assist in consolidation.

Members may choose to keep multiple super accounts with different providers for a number of reasons, including the maintenance of insurance cover. We support consolidation of accounts on an opt-in basis.

ERFs and choice architecture model (Recommendation 1.6 and Chapter 10 section 8.2).

The report proposes that ERF trustees undertake an annual review to satisfy itself that it has sufficient scale of both membership and FUM.

Trustees will need to review the ERF on an annual basis. There is a question of what happens if the ERF is found not to have sufficient scale? Fortunately you can rest assured that this is unlikely to impact SuperTrace as we are the largest ERF by FUM.

How does SuperTrace measure up?

Unlike some other ERFs, SuperTrace already has a live online search facility that allows visitors to our website to search for lost super.

We also cross match our members in SuperTrace against the Commonwealth Bank of Australia's customer database of over 10 million clients. This gives us access to alternative contact details for over 10 million customers and a greater chance of reuniting members with their super.

SuperTrace is also the largest ERF by FUM¹ meaning that SuperTrace should easily pass any 'sufficient scale' test.

1 2 3 4

¹ SuperRatings – ERF Rating and Benchmark Report 2009, issued April 2010

Relocations update

Here are our latest relocation figures. We'll let the numbers do the talking.

Since 1994:

We've reunited
328,299 members
with their lost super.

We've reunited more than
\$837.6 million
worth of lost super.



SuperTrace

ERFing made simple

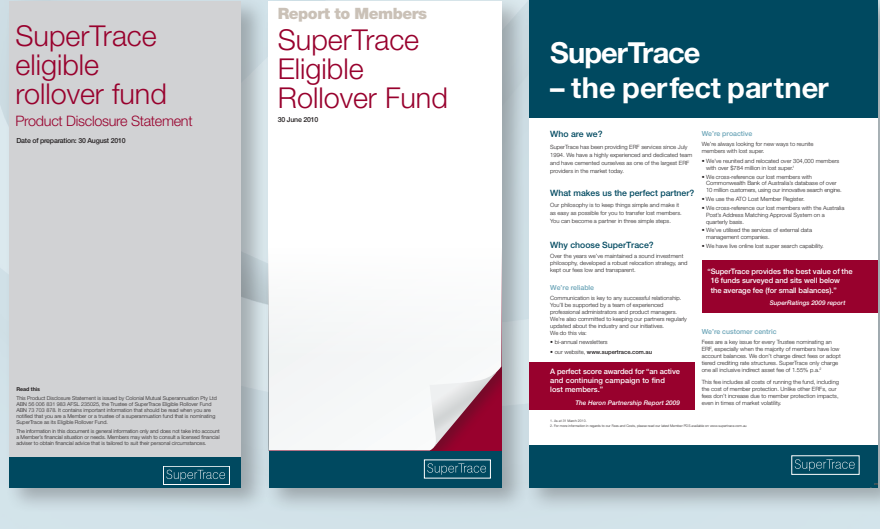
For more information

1300 788 750
supertrace.member@cba.com.au
supertrace.com.au

Take a look

Visit the member's area on supertrace.com.au and read the latest SuperTrace Annual Report to Members. The report gives you update on what we've been up to at SuperTrace, including relocation figures, investment performance and other important information.

We've also updated the SuperTrace PDS to make it easier for members and trustees to find the important information they need to know.



Did you spot us?

Did you see us at the ASFA National Conference and Super Expo?

Cutting the paperwork

Sign up to receive our Trustee newsletter by email and help us reduce our carbon footprint. Email is an easy way for you to get important information.

Emailing our newsletter helps reduce our paper usage and minimise the environmental impact of keeping you informed.

To opt-in to our e-newsletter email benjamin.favaloro@cba.com.au



more information

Want to know more about SuperTrace and the efficient ERFing of members? We can assist you with administration of your inactive and lost members.

Contact SuperTrace

Address: SuperTrace Eligible Rollover Fund
Locked Bag 5429 Parramatta NSW 2124

Phone: 1300 788 750 **Fax:** 1300 700 353

Email: supertrace.member@cba.com.au

Preparation date: 30 November 2010

This Newsletter is issued by Colonial Mutual Superannuation Pty Ltd ABN 56 006 831 983 AFSL 235025 ('the Trustee', 'we', 'us', 'our'), the Trustee of SuperTrace Eligible Rollover Fund ABN 73 703 878 235 ('SuperTrace'). SuperTrace is administered by The Colonial Mutual Life Assurance Society Limited ABN 12 004 021 809 AFSL 235035 ('CMLA'). The Trustee and CMLA are both wholly owned but nonguaranteed subsidiaries of Commonwealth Bank of Australia ABN 48 123 123 124 AFSL 234945.

This newsletter has been prepared without taking account of your or your members' objectives, financial situation or needs. You should before choosing SuperTrace as your fund's ERF provider, consider the appropriateness of SuperTrace, having regard to your or your members' objectives, financial situation or needs. You should obtain a copy of the PDS and consider this before making any decision about whether to choose SuperTrace as your fund's ERF provider. 004-665 151110

SuperTrace