



SuperTrace Newsletter

Summer 2008

We don't just look in the usual hiding places to find lost members

At SuperTrace we are always looking for new ways to reunite members with their lost super. As part of our strategy, in October 2007 we launched an innovative search engine that cross-references SuperTrace's lost members with Commonwealth Bank of Australia's database which has over 10 million customers. This has significantly enhanced our relocation efforts as the Bank's database is the largest database of its kind in Australian financial services.

“Since launching our search engine we have contacted over 17,000 members which has translated into us reuniting members with an additional \$2.5 million.”

Clive Levinthal, General Manager Life, Super and Investment Products, said the largest account now successfully reunited with its owner has been \$140,000. “This customer has been a member of SuperTrace for 10 years and didn't know he had \$140,000 in this fund. Through our new data-matching procedure,

we matched the customer with his lost money and wrote to him to inform him of it. It certainly was a great way for him to start the new year!” said Mr Levinthal.

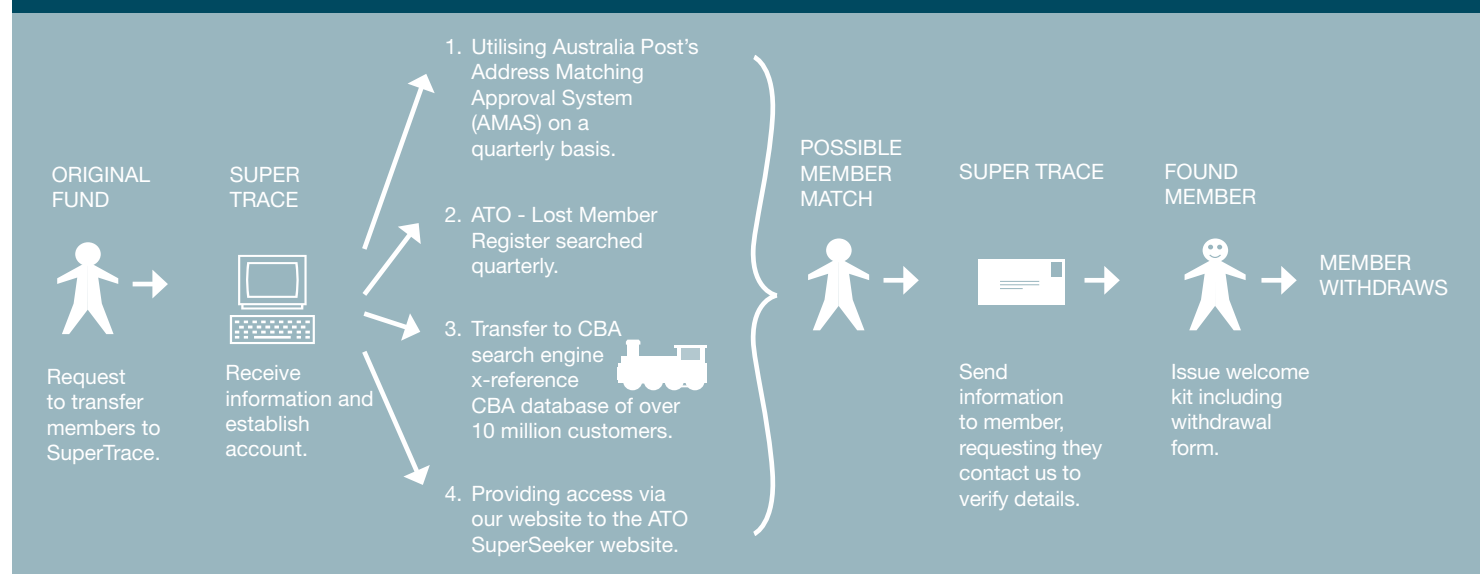
We now have a 4 pronged approach to looking for lost members. You can see that we really do go to great lengths to find them, as shown in the diagram below.

Going... Going...
Gone!

From 1 July 2008 no more
withdrawal fees

(see inside for more details)

HOW WE LOOK FOR YOU @ SUPERTRACE



Our fees just keep getting lower!

We are pleased to announce from 1 July 2008 we will be removing our withdrawal fee for all exiting members. This change further strengthens SuperTrace's goal of offering the lowest fees for members*.

We have been able to achieve our goal of offering the lowest ongoing fees as an ERF provider as a result of the ongoing support of contributing trustees.

SMALL FEES FOR SMALL MEMBER BALANCES

In the last edition we discussed the impact fees and charges have on a member's net investment return. Removing the withdrawal fee means higher net returns for exiting members.

“Statistics provided by the ATO indicate that 70% of all accounts on the LMR (Lost Member Register) have balances of less than \$1,000”

We looked at the different ways ERF providers can structure their fee arrangements and highlighted how our low fee structure

benefits members. Our use of an indirect asset charge and no direct ongoing member fee means we have the lowest overall fees for member balances below \$1,000.

“SuperTrace now has the lowest ongoing overall fees for member balances not only below \$1,000 but now below \$1,500 as well.”

We are pleased to announce that we have maintained our position as a market leader and are now even further ahead of the pack. This is due to our all inclusive fee structure, removal of our withdrawal fee and the fact that other ERF providers have increased their fees whilst we are lowering ours.

This makes SuperTrace extremely attractive when you consider that the majority of all members in ERFs have balances under \$1,500.

FEES COMPARISON – SuperTrace vs. other ERFs

	Account Balance									
	\$100		\$300		\$500		\$1,000		\$1,500	
	Dollar amount	As % of account balance	Dollar amount	As % of account balance	Dollar amount	As % of account balance	Dollar amount	As % of account balance	Dollar amount	As % of account balance
AMP	\$1.85	1.85%	\$5.55	1.85%	\$9.25	1.85%	\$18.50	1.85%	\$27.75	1.85%
AUSfund	\$11.04	11.04%	\$13.12	4.37%	\$15.20	3.04%	\$20.40	2.04%	\$25.60	1.71%
SuperTrace	\$1.55	1.55%	\$4.65	1.55%	\$7.75	1.55%	\$15.50	1.55%	\$23.25	1.55%

This comparison table has been collated using the latest information publically available and contained within the Product Disclosure Statement (PDS) of each of the respective ERFs. Publication dates for each of the documents are: AUSfund PDS, issued 14 January 2008; AMP PDS Issue 2, 1 July 2007; SuperTrace PDS issued 20 November 2006. What the comparison table does not highlight is the effect of a tiered crediting rate policy such as AMP, where the crediting rate applied is dependent on account balance value.

As a Trustee it is also important to consider additional costs as they can have a substantial impact on your members' balances. The table above doesn't include these fees.

An example of additional fees could be a Family Law transaction request, other ERF providers charge as much as \$100 for these requests, at SuperTrace there is no additional fee.

* Lowest ongoing fees for members with balances below \$1,500.

Did you spot us?

You may have seen our **'We look everywhere for lost members'** ad in the February edition of Superfunds magazine. This ad highlighted the lengths we go to to find your members. If you missed the ad here it is:



We look everywhere for lost members

SuperTrace is an Eligible Rollover Fund dedicated to finding lost members. Here are some of the lengths we go to:

- Innovative matching engine that cross-references over 10 million customers held by the Commonwealth Bank of Australia*
- Providing convenient access to the ATO SuperSeeker Website
- Utilising Australia Post's Address Matching Approval System (AMAS) on a quarterly basis
- Proactive involvement with the ATO in reuniting members with their super

We also provide members with a **low fee** structure combined with a prudent asset allocation. Our low fee structure is especially attractive for members with balances less than \$1000, which accounts for the majority of all members in ERFs.

Call us today to find out more.
Contact: Tony Hawkins on 0420 371 679 or tony.hawkin@cba.com.au

SuperTrace

Colonial Mutual Superannuation Pty Ltd ABN 61 000 831 983 AFSL 238025 802L LOCK2780 is the Trustee of SuperTrace Eligible Rollover Fund ABN 73 703 479 238 802P 81067 704 201220-44-4840 (SuperTrace). SuperTrace is administered by The Colonial Mutual Life Assurance Society Limited ABN 12 004 021 419 AFSL 235035 (CMLAS). A Product Disclosure Statement describing SuperTrace is available by writing to Locked Bag 5429 Parramatta NSW 2124 or visiting www.colonialtrusts.com.au or calling 1300 798 750 or by teleconferencing 02 9647 4988. You should consider the Product Disclosure Statement before making a decision about SuperTrace.

*The Trustee and CMLAS are both wholly owned, but non-guaranteed subsidiaries of Commonwealth Bank of Australia ABN 48 123 123 124 AFSL 234945.

Your members can feel safe in SuperTrace

Your members can feel safe in SuperTrace for three reasons. Our capital stable investment mix combined with our member protection, reserving and smoothing strategies means SuperTrace is more likely to provide a consistent net return for your members in times of share market volatility.

Conservative investment mix

Our capital stable investment strategy is quite conservative – approximately 70% in cash/fixed interest and 30% in growth assets. This makes SuperTrace less likely to be affected by the recent market volatility than our main competitors, such as AUSfund, who have approx 60% invested in growth assets.

Impact of member protection

Unlike other leading ERFs, SuperTrace does not pass on the cost of member protection to members and protects all members regardless of their account balance. The cost of recouping member protection for a fund can be significant and will impact the crediting rate received by members. By SuperTrace including this cost into an all inclusive 1.55% pa

indirect asset charge and combining it with a conservative investment strategy it can reduce the impact of negative markets and improve the corresponding net returns received by members.

Reserves and Smoothing

Some of our competitors maintain reserves that may be used to offset ('smooth') the impact of poor or negative investment returns for members in the fund. SuperTrace does not maintain reserves as the Trustee believes that the use of investment reserves and the smoothing of crediting rates creates intergenerational inequities, which can occur if members exit the fund without receiving their entitlement from these reserves.

Put a face to SuperTrace

1. What is your current job in SuperTrace?

I am a Senior Fund Administrator in the Eligible Rollover Fund team. I have been with CBA for 8 years and am involved in the creation of new members on the SuperTrace database. I regularly liaise with external administrators, project and product managers regarding the smooth transition of their members into the SuperTrace ERF.

2. What are the favourite aspects of your job?

I enjoy the communication that I have with external and internal contacts. I also like working with my colleagues – especially Shirley Espedido and Eva Diezmos (the external administrators may recognise these names!), as we try to have a good time whilst ensuring that our work is processed efficiently and correctly.

3. What is your job history?

I started as a teller at the Wynyard branch of the Commonwealth Bank and then worked for NRMA & Westpac Financial Services, so if you add that up I have over 20 years experience in super.



LORETTA MONAGHAN *SuperTrace Employee*

4. What do you feel is your biggest achievement?

Hiking the Kokoda Track in 2007. The local people have a lovely spirit, the scenery is so beautiful and the history of the track and the difficulties that our soldiers faced during World War II was amazing. It was the adventure of a lifetime.

5. Choose 3 words to describe yourself.

Determined, accommodating and energetic.

6. What is your perfect Sunday afternoon?

Getting into the outdoors, bushwalking or going for a drive in the country and looking in antique shops and book shops.

7. What is your dream holiday destination?

Any 6-star resort with my husband.

IMPORTANT REMINDER – ARE YOU ‘RESTRICTING’ YOUR MEMBERS?

When a member's super benefit is transferred to us we must maintain the preserved components of the benefit as advised by you. A situation that can often be overlooked is when members leave employment and have restricted non-preserved benefits. In these cases if the member's employer had contributed to the fund, the member may have met a condition of release for any restricted non-preserved benefit. Depending on the rules of your fund this may mean that the restricted non-preserved benefits should be reclassified as unrestricted non-preserved before the funds are transferred to us.

If you transfer your members' benefits to us as restricted non-preserved SuperTrace is unable to pay the benefit in cash until the member meets a condition of release such as retirement or severe financial hardship.

Making sure the preserved components are correct on transfer will assist members in accessing the non-preserved part of their benefit if required.

more information

Want to know more about SuperTrace and the efficient ERFin of members? We can assist you with administration of your small member balances and lost members.

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This Newsletter is issued by Colonial Mutual Superannuation Pty Ltd ABN 56 006 831 983 AFSL 235025 RSEL L0002769 ('the Trustee', 'we'), the Trustee of SuperTrace Eligible Rollover Fund ABN 73 703 878 235 RSER R1067354 SFN 2924/449/40 ('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 non-guaranteed subsidiaries of Commonwealth Bank of Australia ABN 48 123 123 124 AFSL 234945.