

Review your super fund

STEP-BY-STEP GUIDE

This step-by-step guide will help you take another important step towards getting on top of your super.

A well-performing super fund is essential to keeping your retirement savings working hard, so you need to regularly review its performance.

When you've completed this checklist, you'll understand how much your super fund is costing you, your risk profile and your insurance cover.



You may not be able to do everything in one go, but make sure you check off each step after you complete it so you know you're making real progress.

STEP 1



Check your fund's fees and charges

(6–8 minutes)

- ☐ Pull out the annual statement from your super fund or log in to your online super account.
- ☐ Check the current **product disclosure statement** for your fund, as it will list the fees your fund charges.
- ☐ Identify which fees you have been charged during the past financial year for administration (normally labelled as account management, account keeping or administration) and investment expenses (normally called investment, indirect cost ratio, performance or buy/sell fees).
- ☐ Check if you have been charged an investment switching fee, or an adviser service fee to cover the cost of advice provided by your financial adviser (if you have one).
- ☐ If need help with identifying your annual fees, contact your super fund and ask them to explain how you are being charged.

i Learn what's an [average super fund fee](#).

- ☐ Evaluate how your fund's fees and charges compare with similar super funds.

i Learn more about [super funds with the lowest fees](#).

- ☐ Check out SuperGuide's [super fees and returns calculator](#) to learn the impact of high fees on your retirement balance.

Tip: Ensure your comparison is for a similar account balance. Funds charge more fees if you have a higher balance (say, \$800,000), than if you only have \$50,000 in your super account.

It's also important to compare fees for similar investment options. The investment fees for an investment option with lots of international shares, for example, will be higher than if you have selected a cash only investment option.

STEP 2

Identify your investment option

(6–8 minutes)

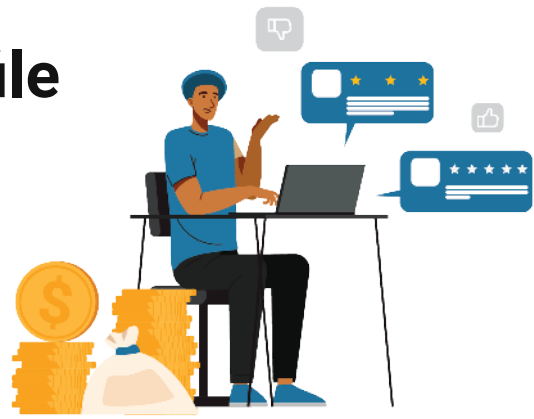


- ☐ Find the information you collected when completing the first step-by-step guide on how your super is invested.
- ☐ Check the investment option listed on your super statement, as this explains your mix of investment assets. Each investment option has a different mix of local and international shares, property, fixed interest and cash.
- ☐ Identify and note down how your chosen investment option performed over the past year and over longer time periods, such as five and ten years.

STEP 3

Review your risk profile

(9–11 minutes)



☐ Think about how comfortable you feel taking financial risks and investing.

☐ Work out your risk profile to help identify the best allocation of investment assets for your risk tolerance.

 Learn more about your [risk profile](#).

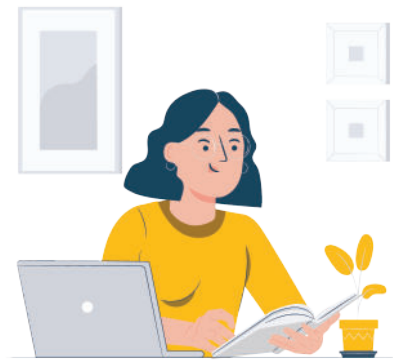
☐ Identify which risk profile is suited your current investment option.

☐ Think about whether your current investment option (such as high growth, balanced, conservative or cash) reflects your current risk profile. Generally, younger fund members should have a higher allocation to growth assets, while members closer to retirement should lean towards a more defensive mix.

STEP 4

Learn about how your investment option is performing

(6–7 minutes)



- ☐ Compare how your investment option performed this year compared to the investment benchmark set by your super fund. This will be listed on your annual statement or online account.

If the performance is similar or better than its benchmark, the fund's investment team is doing its job.

- ☐ Think about what you expect your investment option to earn each year. Consider whether your return expectations are realistic given the mix of assets in your investment option.

- ☐ Compare your option's investment returns with the performance of the broader investment market and similar investment options in other super funds.

 Learn more about [how to benchmark your super fund](#).

STEP 5

Think about whether to switch investment option

(5–7 minutes)



- ☐ Consider whether your current investment option is the right one for you, or if you should switch to another investment option.

- ☐ Check how much it will cost to switch investment options (such as switching fees and buy/sell spreads).

i Learn about [buy/sell spreads](#).

- ☐ Decide whether to switch options.

- ☐ If you decide to switch, complete the necessary form, or log in to your account and switch your account balance to the new investment option.

i Learn how to [change your investment option](#).

STEP 6

Compare your insurance cover and the cost

(8-10 minutes)



- ☐ Find the information you collected when completing the first step-by-step guide on your insurance cover within super.

- ☐ Review the regular fees (premiums) you are being charged for your insurance protection.

i Learn more about [insurance inside super](#).

- ☐ Compare the cost of insurance cover in your fund with the benefits and costs in similar super funds.

- ☐ Think about whether your insurance cover is the right level for your current circumstances, or whether you need more or less protection.
- ☐ Consider if your current insurance would pay off your mortgage or other regular bills if you couldn't work for a period, or if you passed away.
- ☐ Think about whether you're paying for insurance you don't need if you hold similar insurance outside super.

STEP 7

Assess your super fund against similar funds

(6–8 minutes)



- ☐ Evaluate how you feel about your fund and whether you're satisfied with it.
- ☐ Consider whether the fees you have discovered are reasonable.
- ☐ Think about whether the investment options it offers are right for you, and if the investment performance of the most suitable option is competitive.
- ☐ Assess whether the available insurance cover is what you need, and how the insurance costs compare with similar funds.

☐ Evaluate how your fund's customer service stacks up.

☐ Think about whether the education on offer covers your wants and needs.

 Learn more about [benchmarking your super fund](#).

☐ Decide whether you want to roll your existing super account into a new fund or consolidate multiple super accounts into a single fund.