



**Policy committee
guidelines**

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Important information

Contact centre

Phone
1300 880 588

Fax
1300 267 582

Address
PO Box 1949
Wollongong NSW 2500

Email
enquiries@smartMonday.com.au

Website
smartMonday.com.au

Aon Master Trust
ABN 68 964 712 340

Trustee
Equity Trustees Superannuation Limited,
ABN 50 055 641 757 AFSL 229757 RSE Licence L0001458

Administrator
Aon Hewitt Limited
ABN 48 002 288 646 AFSL 236667
with the majority of administration services outsourced to
Mercer Administration Services (Australia) Pty Limited
ABN 48 616 275 980 AFSL 245591

smartMonday PRIME

Unique Superannuation Identifier (USI)
68964712340001

MySuper authorised
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Introduction to your policy committee

What is a policy committee?

A policy committee is a committee made up of employer and member representatives. It gives members the opportunity to ask questions about the plan's investments, operation and performance, and to express any concerns about the operation of the plan.

When does your plan need a policy committee?

The Superannuation Industry (Supervision) Act 1993 and Regulations requires the trustee of the Fund to establish a policy committee for each plan within smartMonday PRIME with more than 49 members.

A policy committee must also be established for plans that have between five and 49 members, when five or more members make a written request to the trustee.

What are the responsibilities of the policy committee?

Policy committee members cannot make decisions that affect the plan. This is the responsibility of the trustee. However, the policy committee has an important role to play as a link between the trustee and the members and employer-sponsors.

The policy committee representatives can make enquiries and raise concerns about the plan's general operation; investment strategy and performance; and communication material.

Similarly, the trustee can ask the policy committee to assist in obtaining the views of members and the employer, and help with enquiries and complaints.

The minimum functions that the policy committee is legally allowed to perform are:

- providing an avenue:
 - ▢ for members of the plan to inquire about the investment strategy and performance of the plan, and
 - ▢ for the trustee to obtain the views of members of the plan concerning that strategy and performance

- providing an avenue for members of the plan to inquire about the plan's operation or performance
- providing an avenue for the trustee to obtain the views of members of the plan concerning the plan's operation or performance
- providing an avenue for the trustee to obtain the views of members of the plan on their information needs, and
- assisting the trustee in dealing with complaints or inquiries about the operation or management of the plan.

It is important to note that a policy committee cannot direct the trustee to take action and therefore cannot incur liability for the trustee's decisions.

Policy committee meetings

The trustee must ensure that a policy committee meets at least once in a twelve-month period. The trustee must provide facilities that are reasonable to enable the committee to meet and to function effectively.

The trustee must ensure that a representative of the trustee is present at each meeting of the policy committee if the policy committee requests the trustee to do so.

Normally, the trustee of the Fund will organise its representative to arrange and attend a meeting at least once a year. More frequent meetings can be arranged subject to the policy committee and/or the employer agreeing to pay an additional fee.

The policy committee must satisfy the equal representation rule, which requires an equal number of member-elected and employer-appointed representatives. The minimum number of policy committee members required by legislation is two.

There should be no less than one half of the employer representatives and no less than one half of the member representatives present at the meeting to form a quorum.

Each representative is entitled to one vote.

The trustee of the Fund must receive a copy of the minutes of the meeting of the policy committee.

Who can become a policy committee representative?

Member-elected and employer-appointed representatives must be members of the plan and employed with the employer-sponsor or associated employer.

Term of member-elected representatives

The term of a member-elected representative is a maximum of three years or a period (less than three years) as determined by the policy committee, the trustee and the employer.

How to form a policy committee

The establishment of a policy committee involves the trustee, the employer and the members. The following steps are recommended:

- The employer-sponsor appoints the employer representatives.
- The trustee appoints a returning officer.
- The trustee establishes rules for the election process.
- The returning officer sends out a nomination form. Where possible this will be done with the help of the employer.
- Members nominate their candidates on the nomination form and send it to the returning officer by the cut-off date.
- If an election is required, all nominations will be entered on a ballot paper (electronic or paper), which is given to members, together with the rules for the election process.
- Members cast their votes and send their vote (electronic or paper) to the returning officer by the due date.
- The returning officer counts the votes and declares the result.
- The employer-appointed representatives and the member-elected representatives form the policy committee.
- The trustee arranges meetings of the policy committee.

Who is the returning officer?

The returning officer is appointed by the trustee and is responsible for managing the election process and declaring the results.

What happens if there is a vacancy on a policy committee?

Vacancies can occur when:

- the term of a current representative expires
- a representative resigns, or
- a representative leaves the employer.

If an **employer-appointed** representative vacancy arises, the employer will appoint an employee as their representative.

If a **member-elected** representative vacancy arises, an alternate member representative can be nominated to fill the position for the balance of the original term. An alternate member representative will normally be the member who has received the next highest number of votes in the previous election and who is willing to accept the appointment. If the vacancy cannot be filled by nomination, a new election should be called within 90 days after it occurs.

Rules for appointment of policy committee

The trustee has developed procedures for the appointment and removal of members of the policy committee (refer page 8).

The trustee may change these rules if and when necessary.

Dissolution of policy committee

A policy committee can dissolve itself and the trustee may be required by law to replace it.

Role of employer

The employer will be invited to nominate their representatives, who will make up one half of the total number of policy committee members.

Employer support is important to:

- > confirm that representatives may attend policy committee meetings in work time, and
- > determine what (if any) expenses the employer will bear to allow policy committee members to attend meetings.

The election process

The election may be conducted in a number of ways.

Electronic (ie email)

This is the preferred method. However it can only be used when all eligible members are on the company's email system. Electronic elections can be conducted at no cost.

Direct mail

This is used when the 'electronic' process is not practical. Aon can prepare notices for delivery to the employer at no cost. Alternatively, we can mail directly to members' home addresses for \$1 per member (to allow for the disbursement cost, plus handling).

Sign-up sheets and other notices

Aon can prepare sign-up sheets and other notices for notice boards at no cost. Notices will be emailed and may be printed at the employer's site.

Combination of the above

If considering costs, please note there are three potential mail-outs:

- > call for nominations
- > ballot papers (if the call for nominations has attracted more than the required number of candidates)
- > advice of the ballot results.

Special notices may be prepared upon your request. Please speak to your consultant to discuss the type and cost of alternatives to those described above.

Procedure for appointment and removal of policy committee representatives

Reg. 1 Introduction

- 1.1 The trustee can establish a policy committee for any plan within smartMonday PRIME.
- 1.2 The policy committee representatives of each plan will be appointed and removed according to the procedure set out in these regulations.
- 1.3 The trustee may amend any part of these regulations and notify members of the plan accordingly when and in any manner they think appropriate.
- 1.4 For the purposes of these regulations:
 - a. 'member' means a member of the plan.
 - b. 'plan' means any sub-fund that the trustee establishes in smartMonday PRIME in respect of any employer-sponsor, a sub plan of smartMonday PRIME.
 - c. 'principal employer' means main employer of the group of members in each plan or any other employer which assumes these responsibilities.
- 1.5 The trustee may conduct an election for a policy committee by mail and/or electronically as it decides.
- 1.6 The trustee can delegate any of its duties to conduct an election or any part of an election.

Reg. 2 Number of representatives

- 2.1 The trustee intends to establish a policy committee for each plan. Normally each plan will have either 4 or 6 members of whom:
 - a. half the three representatives are appointed following their nomination for that office by the principal employer (employer representatives), and
 - b. half the three representatives are appointed following their election by members in accordance with Reg. 6 (member representatives).

Where members are employed at different sites or locations, the principal employer may determine that member representatives be appointed as representatives at those different sites or locations.

- 2.2 The trustee may increase or reduce the number of representatives at any time subject to the requirements that:
 - a. no policy committee representative will cease to be a representative except under Reg. 7,
 - b. the number of representatives must comply with the requirements of 'equal representation' under Superannuation Law.

Reg. 3 Appointment of representatives

- 3.1 The trustee must use its best endeavours to appoint each person:
 - a. nominated by the principal employer under reg. 2.1(a), or
 - b. elected by members under Reg. 2.1(b) within sixty (60) days of that nomination or election.

Reg. 4 Qualifications of member representatives

- 4.1 In order to be eligible for election as a member representative, a person must:
 - a. be a member of the plan
 - b. be currently employed by an employer who is the employer-sponsor of the plan
 - c. be nominated or seconded for office by two other Members of the plan whom are employees of the employer-sponsor in accordance with Reg. 6.2
 - d. consent in writing to his or her election, and
 - e. not be disqualified by law from acting.

A member may not nominate more than one candidate.

Reg. 5 Term of office for member representatives

- 5.1 At each election of member representatives the term of office of the member representatives will be three years.
- 5.2 If any member representative ceases to be a representative under reg.7.1 the trustee will use reasonable endeavours to fill the vacancy by appointing in his or her place the member who received the next largest number of votes in the last election.
- 5.3 If that person is not willing and able to act as a representative the trustee will appoint the member who received the next largest number of votes in the last election and so on until the position is filled.
- 5.4 If any member representative ceases to be a representative under reg.7.1 and a replacement is not selected after following the requirements of reg.5.2 and reg.5.3, then the remaining member representative/s will appoint a member to fill the vacancy.
- 5.5 If a replacement member representative cannot be appointed pursuant to regs.5.2 to 5.4 then the trustee should call for nominations in accordance with reg.6.
- 5.6 Any member representative appointed pursuant to reg. 5.2, reg. 5.3 and reg.5.4, will remain in office for the remainder of the term of the person whom he or she is replacing.

Reg. 6 Election of member representatives

6.1 Unless and until the trustee makes any variation from the procedure set out in this regulation, elections of member representatives will be conducted according to this regulation.

6.2 Each time an election of member representatives is required, the following will apply to fill any vacancy:

- a. The employer will distribute to members a notice calling for nominations for appointment to fill the vacancy and stating a closing date for each nomination (called the nomination date).
- b. Any nomination will only be valid if:
 - i. the person or persons so nominated are members and employee/s of the employer sponsor
 - ii. the nomination is signed or endorsed by that member and a minimum of two other members.
- c. If only a sufficient number of candidates is nominated to fill any vacancy the trustee will distribute to members of the plan a notice advising that a candidate has been nominated for that vacancy and that person will be appointed as a member representative.
- d. If more than a sufficient number of candidates are nominated for election the trustee will arrange for a ballot and appoint a returning Officer (not being a candidate).
- e. If no member nomination is received to fill a position after following the requirements of reg. 6.2 (a) to reg. 6.2(d), then the remaining member representative/s will appoint a member to fill the vacancy.

6.3 Unless the trustee decides otherwise, any ballot for election under reg. 6.2(d) will be conducted as follows:

- a. as soon as practicable following the nomination date the trustee will make available to each member entitled to vote a ballot paper containing the list of nominees in alphabetical order for completion and return to the returning officer as its nominee not later than the date set by the trustee for the return of ballot papers;
- b. the votes will be counted on a first-past-the-post basis.
- c. in the event of an equality of votes, the returning officer in the presence of another person appointed by the trustee will determine their precedence by lot. The person who takes precedence by lot will be deemed to have received one (1) additional vote;
- d. as soon as practicable after the result of a ballot is known, the trustee must cause a notice of such result to be distributed to members.

6.4 If:

- a. the trustee omits a member or members from distribution of any item, or
- b. any member fails to read and/or act on any notice or information issued by the trustee the appointment of any representative will continue to be valid.

6.5 The trustee may arrange for the election of member representatives to fill any prospective vacancy/vacancies at any time within three months (or any greater time it decides) before the expiry of the term of office of any Member representative.

Reg. 7 Cessation of office of representatives

7.1 Any policy committee representative will cease to hold office if:

- a. by notice in writing to the trustee he or she resigns, or
- b. he or she ceases to be an employee, or
- c. having been a member at the date of appointment he or she ceases to be a member, or
- d. he or she dies, or
- e. being a member representative is removed and/or replaced by the members in such manner as the trustee decides.

7.2 A representative who is a member representative will also cease to hold office when his or her term of appointment expires under reg. 5.

7.3 A policy committee representative who is an employer representative will also cease to hold office when he or she is removed by a written direction of the principal employer.

7.4 Any person who has ceased to be a representative is eligible to be reappointed as a representative in accordance with the relevant provisions of these regulations.

Reg. 8 Alternate representatives

8.1 Alternate employer representatives

The principal employer may appoint two (2) alternate representatives. An employer representative may then appoint any one of those alternates to attend a meeting at which the representative cannot attend. The appointment must be made by notice in writing to the employer and the alternate representative and the trustee not less than 2 days prior to the policy committee meeting. The employer representative may revoke such nomination at any time.

8.2 Alternate member representatives

A member representative may appoint any other member as his or her alternate to attend any meeting, which the representative cannot attend.

The appointment must be made by notice in writing to the employer and the alternate representative and the trustee not less than 2 days prior to the policy committee meeting. The member representative may revoke such nomination at any time.

Reg. 9 Construction of rules

9.1 Any terms agreed in these regulations which are not defined in these regulations but are defined in the Trust Deed and Rules of the Fund will have the meanings given to them in the Trust Deed and Rules.

9.2 If any question arises in relation to the construction or meaning of these regulations, the trustee shall determine that question. Where any circumstance arises which relate to an election and that circumstance is not specifically covered by this procedure or these regulations, the trustee may determine the appropriate course of action.

9.3 Any determination made by the trustee shall, to the extent permitted by Superannuation Law, be final, conclusive and binding on all interested persons.

9.4 Where any circumstance arises which relates to an election and that circumstance is not specifically covered by this procedure or the Rules, the trustee may decide on the appropriate course of action.

9.5 The trustee may amend these regulations at any time.

Call for nominations

A guide to the appointment of a policy committee for [XYZ] Superannuation Plan

It's election time! We're calling for nominations

The [XYZ] Superannuation Plan has a policy committee, which has three company-appointed and three member-elected representatives.

The term of office of the member-elected representative(s) for the plan expires on [date]. We're now calling for members to nominate candidates for this/these position(s) for the new term of office starting on [date].

You can take part

There are a number of ways to take part and have a say in the running of [XYZ] Superannuation Plan. You may want to be a representative yourself, or you may know a member you'd like to see represent your interests. If you are a member of the plan you can:

- > stand as a candidate
- > nominate another eligible member as a candidate
- > vote if there's a ballot.

Please take a few moments to look through this brochure. It explains what's involved in being a representative, and how to make a nomination.

Timetable		Nominations close
Notice regarding nominations (this notice)	[date]	[time, date]
Closing date for nominations	[date]	
Advise members of nominations and distribute ballot papers	[date]	
Closing date for return of ballot papers	[date]	
Announce results to members of ballot	[date]	
Appoint member representatives	[date]	

What the policy committee representatives do?

Policy committee members cannot make decisions that affect the plan; this is the responsibility of the trustee. However, the policy committee has an important role to play as a link between the trustee, the members and the employer-sponsors.

The trustee encourages the policy committee to make suggestions and raise concerns they may have about:

- > the investment strategy and performance of the plan
- > the plan's operation or performance
- > the plan's communication material.

Similarly, the trustee can ask the policy committee to assist in obtaining the views of members and the employer, and help with enquiries and complaints.

The minimum function that the law allows the policy committee to undertake includes:

- > providing an avenue:
 - └ for members of the plan to inquire about the investment strategy and performance of the plan, and
 - └ for the trustee to obtain the views of members of the plan concerning that strategy and performance
- > providing an avenue for members of the plan to inquire about the plan's operation or performance
- > providing an avenue for the trustee to obtain the views of members of the plan concerning the plan's operation or performance
- > providing an avenue for the trustee to obtain the views of members of the plan on their information needs, and
- > assisting the trustee in dealing with complaints or inquiries about the operation or management of the plan.

A challenging and rewarding role

Being a member-elected representative means making a commitment to the members you represent. It's your chance to play an important role and help make your plan the best it can be for the members.

There are a number of things to consider if you're thinking of standing as a candidate. Here are the answers to some typical questions.

What's in it for me?

As a representative, you are likely to come in contact with a number of areas you may not normally be exposed to. But mainly, it's an opportunity to play a role in the plan's development.

Do I have to be an expert on super?

No. All you need is an interest in the plan.

When would I start and how long is the term of office?

If you are elected, you would be appointed as a policy committee representative for a three-year term of office. You will cease to hold office before the term expires if you:

- > cease to be a member of the plan
- > leave your current employer
- > resign as a member representative
- > are removed from office by a notice in writing signed by a majority of the members of the plan.

How time-consuming is it?

The policy committee meets regularly, normally two to four times a year, to discuss various issues. Meetings are held during working hours and we assume your employer will allow you time from your normal work duties to attend. You may receive some pre-reading, such as minutes of meetings, before a particular meeting, and you may need to read this in your own time.

What about legal responsibilities?

Decisions relating to the plan are made by the trustee, and therefore the legal responsibility rests with the trustee of the Fund.

Are representatives paid?

No, but you may have expenses (eg for travelling to a meeting) reimbursed by your employer. You should check this with your employer.

The current policy committee

Member-elected	Company-appointed
[name]	[name]
[name]	[name]
[name]	[name]

The current member-elected representatives, like all eligible members, can nominate as candidates in this election.

The nomination and ballot process

You can stand as a candidate in the election if you are:

- > a member of the plan
- > employed by [name of company].

To make a nomination please use the enclosed nomination form.

Candidates must be nominated by two members of the plan. You cannot nominate yourself. So, if you want to be a candidate, you should ask two other members to nominate you.

If you are nominated, you will only be a candidate if you agree in writing to stand for election.

Candidates may provide a statement (on the nomination form) explaining their reasons for wanting to be a member representative and what they would aim to bring to the role if elected. The statement should be no more than 100 words and must be included on the nomination form when the form is submitted.

To lodge a nomination

Completed nomination forms can be posted or emailed and they must reach the returning officer by [time and date].

Returning Officer
[XYZ] Superannuation Plan
[name of Aon Hewitt consultant]
Aon Hewitt Limited
GPO Box 534
Sydney NSW 2001

Email: [email address of Aon Hewitt consultant]
Subject line: [XYZ] Superannuation Plan Policy Committee

If you post the nomination form, make sure you allow a few days for the mail.

If there are just enough candidate(s)

If there are only enough candidates to fill all available positions when nominations close, they will be declared elected unopposed and will join the policy committee as from that date. The returning officer will announce the results as soon as possible after nominations close.

If there are more than enough candidates

If there are more than enough candidates when nominations close, you will be able to vote in a ballot to decide the three member-elected representatives for the plan. You will receive a voter's kit containing details of the candidates (that they supply), voting instructions and a ballot paper. You will have two weeks to send in your ballot paper.

The returning officer will announce the ballot results as soon as possible after the ballot closes, and the successful candidates will join the policy committee on [date].

The returning officer will destroy ballot material two weeks after announcing the results. Any objections regarding the election process must reach the returning officer within those two weeks.

The returning officer

The returning officer is [name of Aon Hewitt consultant] of Aon Hewitt Limited. He/she will be responsible for the conduct of the election process, including: receiving nominations and checking that nominations are valid arranging the preparation and despatch of ballot papers receiving ballots and supervising the vote count advising candidates, members, the employer and the trustee of the results.

Questions?

If you have any questions on the election process or would like a copy of the *Procedure for appointment and removal of policy committee* representatives, please contact the returning officer.

Nomination form [XYZ] superannuation plan

Instructions for completing the nomination form

For the nomination to be accepted, please make sure you follow these steps:

- > two members nominating the candidate complete part A (A is not necessary if emailing but two other members must email a seconding nomination form)
- > the candidate completes part B and the candidate's statement over the page (if emailing no signature necessary but must use an email address that identifies you)
- > post or email the form to reach the returning officer by 4.30pm on [day] [month] [year].

Returning Officer
 [XYZ] Superannuation Plan
 [name of Aon Hewitt consultant]
 Aon Hewitt Limited
 GPO Box 534
 Sydney NSW 2001
 Email: [email address of Aon Hewitt consultant]
 Subject line: [XYZ] Superannuation Plan Policy Committee
 Phone (02) 9253 7100

Name of candidate

Electorate

Nominations close

(Time and date)

Late nominations will not be accepted.

Part A: To be completed by members nominating the candidate

We are members of [XYZ] Superannuation Plan and employees of [name of company].

We nominate the member named above for the position of member-elected representative of [XYZ] Superannuation Plan.

Full name

Signature

Date

Full name

Signature

Date

Part B: Candidate completes this part (and the candidate's statement)

I am a member of [XYZ] Superannuation Plan and an employee of [name of company]. I accept nomination for the position of member-elected representative of [XYZ] Superannuation Plan.

Please note that, if a ballot is held, your position title will appear on voting material given to fund members.

Full name

Position title

Contact address

Phone (work)

Email address

Signature

Date

Candidate's statement

Please provide a statement supporting your candidacy. You may wish to say where you work, what your position is, how long you have been with your employer, why you want to be a member-elected representative, if you have experience as a representative and what you can contribute to the running of the policy committee. If a ballot is held, your statement will appear on voting material given to fund members.

Maximum 100 words: if your statement is more than 100 words, it will be cut at 100 words but otherwise reproduced as you provide it. Any spelling errors will not be corrected.

Privacy

The personal information that [XYZ] Superannuation Plan collects on this form is used to process this nomination. If you choose not to give your personal information this nomination may not be processed. Unless required or authorised by law, we will only provide your personal information to authorised officers of the plan who use the information to process this nomination. You are usually able to gain access to your personal information by asking for it.

Details of your vote will not be made available to your employer or to any member of the policy committee. The trustee will not keep a record that links your name to the vote you cast for any particular candidate(s).

As we set out in The nomination and ballot process, we will destroy all voting material two weeks after the trustee announces the results.

Checklist

Have parts A and B been completed? (A is not necessary if emailing but two other members in [XYZ] electorate must email a seconding nomination form.)

- Has the candidate provided a statement (maximum 100 words)?
- Have you kept a copy of the completed form for your records?
- You can post or email the completed form to the returning officer. Forms must reach the returning officer by [time and date].
- If posting the form, allow a few days for delivery.

Example agenda

[XYZ] Superannuation Plan (a sub-plan of smartMonday PRIME)

**Meeting of the policy committee to be held at the offices of
[name of company]**

To be held at

[place/address]

on

[date] at [time am/pm]

Attendees:

Employer representatives:

Member representatives:

By invitation:

Agenda Items

1. Present
2. Confirmation of minutes of previous meeting
3. Matters arising from the previous meeting
4. Investment update
5. Administration report
6. Legislative update
7. Other business
8. Future meetings



E. enquiries@smartMonday.com.au

P. 1300 880 588

F. 1300 267 582

W. smartMonday.com.au

M. Reply Paid 1949

Wollongong DC, NSW 2500

It all adds up

 Done today
Smart easy actions

 Positive actions
Grow your wealth

 Brighter futures
Someday starts today