

NATIONAL PAYROLL OFFICE

SALARY SACRIFICING Voluntary Superannuation Contribution (VSC)

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SALARY SACRIFICING - Voluntary Superannuation Contribution (VSC)

Employees may salary sacrifice part of their earnings with Healthcare Australia.

Salary sacrifice is subject to the terms and conditions contained in this letter and the terms and conditions in the attached *Policy on Salary Sacrificing*. If you accept these terms and conditions please return to Healthcare Australia National Payroll Office the *Salary Sacrifice Request Form* ensuring all required areas are signed and filled out to start your salary sacrifice.

Only future earnings can be salary sacrificed and therefore your salary sacrifice will commence on the next full pay period after you return a signed copy of this letter. Either you or Healthcare Australia can cancel the salary sacrifice by giving the other at least one month's written notice of withdrawal from the agreement.

We recommend that employees who are considering entering into a salary sacrifice arrangement seek independent financial advice. Healthcare Australia will not be held responsible in any way for the cost or outcome of any such advice, and any costs associated with salary sacrificing shall be paid for by the employee.

If you have any questions please contact our National Payroll Office payroll@healthcareaustralia.com.au Please note that Healthcare Australia is unable to give you financial advice as to whether a salary sacrifice arrangement will suit your financial or taxation situation.

National Payroll Office

Healthcare Australia Pty Ltd

payroll@healthcareaustralia.com.au

PH: 1300 667 391

FAX: 1300 732 318

POLICY ON SALARY SACRIFICING

Healthcare Australia is able to provide certain fringe benefits to its employees which, subject to the payment of Fringe Benefits Tax (“FBT”), may provide a financial benefit to employees.

Salary sacrificing is the sacrifice or substitution of salary, whereby the total cost to the employer of any package configuration is no greater than if all entitlements had been taken as PAYG equivalent salary. Under a sacrificing arrangement, the total cost of a benefit (including any taxes) is deducted from the total package of an employee, to arrive at the “cash” component.

Healthcare Australia provides employees the option of entering into a salary sacrifice arrangement, whereby remuneration is taken by way of a combination of cash and other benefits.

Healthcare Australia has regard to the wishes of staff as to how they would like their packages structured but the range of benefits that are able to be packaged will remain in Healthcare Australia’s absolute discretion.

The following terms and conditions apply to any salary sacrifice arrangement between Healthcare Australia and an employee:

- It is the intention of Healthcare Australia, as far as possible, to maintain a worthwhile salary sacrifice program. However, if legislation or other changes have the effect of increasing the cost of packaging to Healthcare Australia, then those costs must either be paid by the employee or, in Healthcare Australia’s absolute discretion, the salary sacrifice program terminated immediately once the legislation change takes effect.
- In the event that the applicable taxation legislation is amended, the arrangement must be re-negotiated so that the total cost of salary packaging to Healthcare Australia does not increase. If the employee elects to continue with packaging, he or she will make arrangements to ensure that Healthcare Australia is refunded any additional FBT incurred by Healthcare Australia, or benefit items can be “cashed back” and taken as salary to be taxed at the relevant PAYG rate. Employees acknowledge that salary sacrificing is offered on the basis that Healthcare Australia will not in any way be held responsible for any losses incurred by an employee, and the employee undertakes that no claim will be made against Healthcare Australia for the maintenance of income should such income be reduced due to legislative changes affecting Healthcare Australia’s obligations in respect to salary packaging.
- The maximum proportion of remuneration that may be taken as benefit items is 100% of gross salary. Subject to that maximum, the proportion of an employee’s gross salary that will be sacrificed shall be as agreed between the employee and Healthcare Australia.
- The only benefit that may be packaged is additional superannuation contributions
- All salary sacrifice arrangements will, so far as is possible, be confidential to the individual employee, Healthcare Australia and the external administration provider except where information is required to be divulged by law.

- Healthcare Australia does not permit any over-expenditure of the amount available to individual employees in respect to packaged items. In the event that an over-expenditure occurs, Healthcare Australia will not be obliged to meet the excess over the agreed amount.
- The composition of an employee's package may only be altered once every quarter, save for any changes in remuneration or (in Healthcare Australia's absolute discretion) in emergency situations. If the composition of the package is altered, any resultant administration costs will be borne by the employee.
- Healthcare Australia has no liability for any employee's taxation or any other outcomes resulting from the employee entering into a salary sacrifice arrangement.
- Whether an employee chooses to enter into a salary sacrifice arrangement is a matter entirely for the employee to decide. Healthcare Australia does not advocate any particular option or combination of options. Healthcare Australia will not provide advice to employees as to whether they should make an arrangement, or as to the terms of any arrangement. Neither Healthcare Australia nor any of its officers or employees purport to be, nor intend to act as financial advisers.
- All salary sacrifice arrangements must be the subject of a written agreement between Healthcare Australia and the employee in the form of a *Salary Sacrifice – Super Request Form* which must include:
 1. A statement that the arrangement proceeds only from the request of the employee that the agreement be made
 2. Confirmation by the employee that he or she has been afforded the opportunity to take independent financial advice on the proposed arrangement and the written agreement prior to its execution.

SALARY SACRIFICE – SUPER REQUEST FORM

I _____ request that my employment agreement with Healthcare Australia be amended in accordance with the Salary Sacrifice Policy such that _____% of my weekly pre-tax income can be paid into my superannuation fund from the next available pay after the agency has received this form, for any future earnings that I am paid by the agency .

This agreement remains in place until I advise the agency in writing of any changes. I understand that this agreement can only be varied once every quarter or in Healthcare Australia's absolute discretion in emergency situations.

I acknowledge that I have read and understood and agree to abide by the conditions contained on this form and attached letter and Salary Sacrifice Policy.

Signed

Date

Agency _____

Employee No. _____