



SALARY SACRIFICE POLICY

Purpose and Scope

A salary sacrifice arrangement is also commonly referred to as salary packaging or total remuneration packaging. It is an arrangement usually made between an employer and an employee, whereby the employee agrees to forgo part of their future entitlement to salary or wages in return for the employer providing them with benefits of a similar value. Employers can also outsource salary packaging to private companies in the form of a novated lease. The private company then manages all aspects of the salary sacrifice arrangement on behalf of the employer.

Employers have no legal obligation to provide salary sacrifice arrangements to their employees.

The purpose of this policy is to clearly define guidelines under which BPS will enter into a salary sacrifice arrangement with an employee.

Policy

Except for the Manager, BPS employees shall **only** be permitted to enter into a salary sacrifice arrangement for the purpose of making extra superannuation payments to a nominated, complying superannuation fund that is registered in their name or registered in joint names with their spouse. The Manager or Commercial Manager of BPS has the authority to approve such an arrangement.

The Manager shall be permitted to enter into a salary sacrifice arrangement for the purpose of making extra superannuation payments to a nominated, complying superannuation fund that is registered in his/her name or registered in joint names with his/her spouse. The Commercial Manager of BPS has the authority to approve such an arrangement.

Only the Manager shall be permitted to enter into a salary sacrifice arrangement for the purpose of procuring a novated lease package over a vehicle for his/her private use. Board approval is required prior to entering into any such arrangement. A Memorandum of Understanding (MOU) must be drawn up to clearly state the obligations of the lessor, lessee and the employer (BPS) and such MOU shall clearly state that BPS is absolved from liability in any form under any circumstances.

Upon approval by the board, the Manager's contract of employment shall be altered to record the new arrangements.

Approved by the board of Burdekin Productivity Services Ltd. on 12th December, 2016.

Signed: CJ Hesp (Board Chairman)

Authorised: BOD © Burdekin Productivity Services	Document Number	Issue: 1 Rev: 2	Date issued: Dec 2016 Review Date: Dec 2017
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