GPO Box 4303
Melbourne VIC 3001
Telephone 1800 023 928
oursuperfund.com.au

Group Super merger with Australian Retirement Trust

Commonwealth Bank Group Super ("Group Super") and Australian Retirement Trust are now well advanced with the planned merger which was announced in February 2023. The merger is subject to finalising an agreement with Australian Retirement Trust and to the agreement becoming unconditional. We will notify you if and when any agreement becomes unconditional.

We wish to let you know that the merger is planned to occur in two phases. Phase one of the merger is planned to occur on 4 November 2023 and involves the transfer of those members with entitlements in Accumulate Plus or Retirement Access, and those members with Defined Benefit entitlements, except for members with Defined Benefit lifetime pensions that commenced or commence on or before 18 October 2023.

As for members currently receiving a Defined Benefit lifetime pension, such as yourself, we anticipate that phase two of the merger will occur during the first half of 2024.

What does this mean for my Lifetime pension?

Your lifetime pension and how it is indexed will remain unchanged and your regular pension payments will continue to be paid to your nominated bank account by Group Super.

A limited services period will apply from 18 October until 6 November 2023

The complex process of transferring the large majority of members' entitlements as part of phase one of the merger will take a number of weeks to complete. This means there will be a period during which normal member services will be suspended.

For members receiving a Defined Benefit lifetime pension, the limited services period will commence on Wednesday **18 October 2023** and continue until Monday 6 November 2023.

If you wish to change either your financial institution details and/or pension payments details we would ask you to complete these changes before 3:00pm 18 October 2023. Please note your pension payments will not be affected by the limited services period.

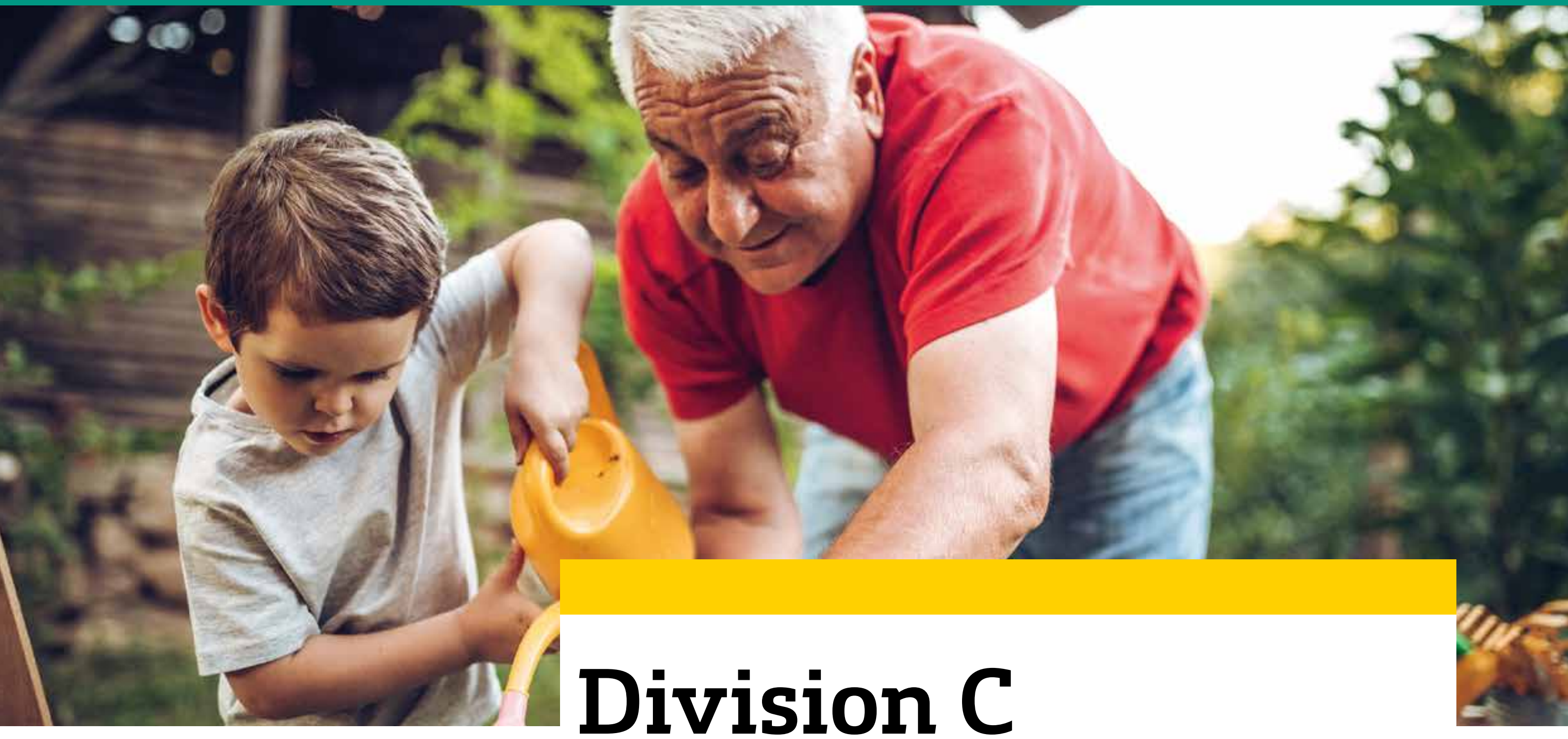
The Commonwealth Guarantee

We are pleased to confirm that the *Commonwealth Banks Act 1959* has been now amended following the passage of the *Treasury Laws Amendment (2023 Measures No.2) Act 2023*. This means Defined Benefit members of Divisions B, C, D and E who were members of the fund immediately prior to 19 July 1996, will continue to be eligible for the Commonwealth Guarantee following the transfer to Australian Retirement Trust.

Unless you were a member of the fund prior to 19 July 1996, you are not covered by the Commonwealth Guarantee. For instance, members of the Colonial Group Staff Superannuation Scheme (CGSSS) were transferred into the fund on 3 October 2003. As these members were not part of the fund on 19 July 1996, they are not covered by the Commonwealth Guarantee.

We are here to help

If you have a question about your lifetime pension, you can call us on 1800 023 928 between 8:00am and 7:00pm (AEST/AEDT) Monday to Friday.



Division C Retirement Pension

Contents

Product Disclosure Statement (PDS)

Preparation date:

11 November 2021

Issued by:

Commonwealth Bank Officers Superannuation Corporation Pty Limited (ABN 76 074 519 798, RSEL L0003087, AFSL 246418), trustee of Commonwealth Bank Group Super (ABN 24 248 426 878, RSER R1056877).

CommonwealthBank GroupSuper

Introduction

About our fund

Commonwealth Bank Group Super is one of the largest corporate super funds in Australia, with origins back to 1916. We look after more than $12 billion of retirement savings on behalf of 72,000 people.

Our members and pensioners are exclusively current Commonwealth Bank Group employees and former employees who chose to stay with us after leaving employment with the Group, and their spouses.

Visit our website oursuperfund.com.au to find out more about us, or visit oursuperfund.com.au/fundinfo for other required information about the fund, e.g. executive remuneration.

If you need to contact us

If you have any questions about this PDS or your Division C super, please contact us:

Phone	1800 135 970 between 8am and 7pm (AEST), Monday to Friday
Email	via our online form at oursuperfund.com.au/contact-us
Post	GPO Box 4303, Melbourne VIC 3001
Web	oursuperfund.com.au

Important information about this PDS

This PDS is a summary of key information about a retirement pension issued by the trustee as an interest under Division C of the fund's trust deed.

The PDS applies if you're a Division C member who becomes entitled to a retirement benefit and you're considering beginning a retirement pension from your defined benefit super. For the purposes of this PDS, a retirement pension also includes the pension payable to a Division C deferred member who chooses to take all or part of their deferred benefits as a pension from age 55.

This PDS **doesn't** apply to you if you leave employment with the Group or exercise super choice before age 55, in which case different benefits and rules apply. For more information, you should read the *Member Booklet for Division C* available from oursuperfund.com.au/memberbooklets or call us for a copy.

Your rights and benefits in Division C are determined in accordance with the fund's trust deed and rules. If there are any differences between what is written in this PDS and what is written in the trust deed and rules, the trust deed and rules will prevail.

Changes to product information or fund rules may occur from time to time, and may occur without prior notice to you. If changes adversely affect you, we'll notify you as required by law. If changes aren't materially adverse, we may issue an Update Notice before or after the change instead of updating the PDS. You should check for the most recent PDS or Update Notices, which are available free of charge from oursuperfund.com.au/pds or call us for a copy.

The information in this PDS is general information only and doesn't take into account your individual objectives, financial situation or needs. You should consider the information and how appropriate it is to your objectives, financial situation and needs, before making a decision about this retirement pension. You should seek professional advice tailored to your personal circumstances from an authorised financial adviser.

Taxation considerations are general and based on present tax laws and may be subject to change. You should seek independent, professional tax advice before making any decision based on this information. The trustee is also not a registered tax (financial) adviser under the *Tax Agent Services Act 2009*. You should seek tax advice from a registered tax agent or a registered tax (financial) adviser if you intend to rely on this information to satisfy the liabilities or obligations or claim entitlements that arise, or could arise, under a taxation law.

Commonwealth Guarantee

When the Commonwealth Government fully privatised the Bank on 19 July 1996, it continued to guarantee the benefits of people who were members of the fund immediately before that time.

If you choose another fund under super choice rules, this Commonwealth Guarantee will not apply to your super benefits in that other fund. Please read the Member Booklet for Division C for more information about super choice.

Division C retirement benefits

You're generally a member of our defined benefit Division C if you began employment with the Commonwealth Bank before 1990 and transferred from the Old Scheme to the Vesting Scheme in 1990, or if you began employment with the Commonwealth Bank between 1990 and July 1993 and didn't subsequently transfer out of Division C. Division C was closed to new members in 1993.

Eligibility for a retirement benefit

As a member of Division C, you're entitled to a retirement benefit in the following circumstances:

- you retire from the Group, including where you resign or are retrenched, at or after age 55
- you exercise super choice with the Group at or after age 55
- you turn 65 while employed by the Group or as a deferred member[1]
- you're a deferred member[1] of Division C and elect to receive your retirement benefits at any time at or after age 55.

The default Division C retirement benefit in any of these circumstances is a lump sum benefit.

You can, however, choose to convert all or part of your lump sum into an indexed retirement pension, providing you convert at least 50% of your lump sum to a pension. More information on this retirement pension option is provided in the following sections of this PDS.

Total and permanent incapacity (TPI): A lump sum retirement benefit is also payable if you're declared TPI while employed by the Group and where you're a Division C (Basic) member, or you're a Division C (Full) member electing to take your TPI benefits as if you were a Division C (Basic) member. In this case, you can choose to convert all or part of your lump sum into an indexed pension as outlined above.

Note: If you're a Division C (Full) member and declared TPI while employed by the Group, an indexed pension applies by default. The general features of this pension are similar to those outlined in this PDS, e.g. pension indexation, benefits payable after death, and tax. However, the calculation of your initial pension amount will be different, and you're not required to elect the pension option. In addition, we may review your eligibility to continue receiving a TPI pension from time to time.

It's important to consider the options for your retirement benefit carefully, as there is a limited time in which you can choose to convert some or all of your lump sum to a retirement pension. In addition, once you make a choice, you generally can't change your mind.

Please keep in mind that any lump sum portion of your retirement benefit can't be kept in Division C; it must be withdrawn. You can choose to transfer the lump sum to an Accumulate Plus super account or Retirement Access pension account in our fund, or transfer it to another fund. You can also choose to receive it in cash if you've met a condition of release. Read your Member Booklet or *Payment Instructions – Division C* form for more information.

About the retirement pension and preservation age

If you were born on or after 1 July 1960, your super preservation age (Table 1) is higher than the age in which you may ordinarily become entitled to a retirement benefit under the rules for Division C.

However, in some circumstances, we'll begin paying your pension to you in cash immediately, even if you haven't reached your preservation age. This depends on the circumstances in which you begin the pension, as outlined in Table 2 on page 4.

Table 1: Your preservation age depends on your date of birth:

Date of birth	Preservation age
Before 1 July 1960	55
1 July 1960 to 30 June 1961	56
1 July 1961 to 30 June 1962	57
1 July 1962 to 30 June 1963	58
1 July 1963 to 30 June 1964	59
After 30 June 1964	60

1 A deferred benefit in Division C is available only in the specific circumstance where the Group determines that this option is available as part of the sale of part of its business to another entity and you accept the relevant offer from the Group as a result of the sale. The determination of 'sale of a business' circumstances, and therefore who may be entitled to become a deferred member, is solely the responsibility of the Group as the fund's principal employer. The trustee has no discretion to offer deferred benefits to members other than as advised by the Group. Deferred benefits do not apply if a benefit becomes payable under other circumstances, e.g. resignation or retrenchment or where you are offered but do not accept a relevant offer from the Group under sale of business circumstances.

Table 2: How benefits are paid

If you start the pension because...	Where your age when electing the pension is...	Any pension benefit is...	Any lump sum benefit is...
You're leaving the Group due to retirement, including resignation or retrenchment	At your preservation age or older	**Payable immediately** in cash from the date your pension begins	**Payable immediately** in cash if you're permanently retiring (or you can choose to keep it in the super system); otherwise must be **preserved** in the super system until you meet a condition of release
	Aged 55 or older, but less than your preservation age	**Payable immediately** in cash from the date your pension begins, even if you haven't reached your preservation age	**Preserved** in the super system until you meet a condition of release
You're an employee of the Group exercising super choice	At your preservation age or older	**Payable immediately** in cash from the date your pension begins	**Preserved** in the super system until you meet a condition of release
	Aged 55 or older, but less than your preservation age	**Withheld** by the fund under super law until the earlier of (i) the date you reach your preservation age or (ii) the date you leave employment with the Group, and then payable to you in cash from that date onwards *(see below)*.	**Preserved** in the super system until you meet a condition of release
You're a deferred member of Division C and choosing to begin a pension	At your preservation age or older	**Payable immediately** in cash from the date your pension begins.	**Preserved** in the super system until you meet a condition of release
	Aged 55 or older, but less than your preservation age	**Withheld** by the fund under super law until the date you reach your preservation age and then payable to you in cash from that date onwards *(see below)*.	**Preserved** in the super system until you meet a condition of release
You turn age 65, whether still employed by the Group or as a deferred member	At age 65	**Payable immediately** in cash from the date of your 65th birthday	**Payable immediately** in cash, or you can choose to keep it in the super system

Withheld pension payments

Even though you can elect to begin a Division C pension at any age from age 55, super law requires us to withhold your pension payments in the relevant circumstances outlined above. In these cases, at the date of release you'll receive a one-off pension payment equal to the total pension amounts that have been withheld, adjusted for earnings at the fund's declared rate.

Pension payments by their nature do not attract interest; the earnings provided on withheld pension payments is only calculated up until your preservation age birthday.

The full amount of this one-off payment may be subject to tax at the date of payment. From the date of release onwards, your regular pension payments are paid directly to you in cash each fortnight.

> **Important!** Withholding pension payments only applies in order to meet superannuation preservation laws and/or fund rules. For any of the circumstances above where the pension is 'payable immediately', you cannot elect for the fund to withhold or otherwise defer your payments until such time that you choose to receive them. For example, if you resign from the Group at age 57 but plan to continue working elsewhere, we must still begin paying your pension immediately.

Choosing the retirement pension

You have 3 months in which to choose the pension option

For these purposes, your *'retirement date'* is considered to be the date that you either leave employment with the Group, exercise super choice or turn age 65, or in the case of a deferred member, the date you elect to receive your retirement benefits. In the circumstances where the default retirement benefit for TPI is a lump sum (page 3), *'retirement date'* is considered to be the date you are declared TPI.

You have a **3-month window** from your retirement date to choose to convert some or all your retirement lump sum entitlement into an indexed retirement pension. Once this 3-month window expires, you have no further option to convert the lump sum to a pension.

If you decide that a Division C retirement pension is right for you, you should indicate your choice of receiving either the full pension or the part pension option in the relevant section of our *Payment Instructions – Division C* form that's provided to you when your benefit becomes payable, or upon request in the case of a deferred member.

Your pension payments begin once we receive your *Payment Instructions* form. Your first payment includes any backdated pension payments from your retirement date.

If you don't choose within 3 months, the default lump sum benefit applies

If you don't choose a retirement pension option within 3 months from your retirement date, or if you indicate your choice to take a pension but haven't provided valid payment details to us within that period, the default retirement lump sum benefit applies and you have no further options to convert the lump sum to a pension in the future.

A lump sum benefit can't be kept in Division C; it must be withdrawn. You can choose to transfer the lump sum to an Accumulate Plus super account or Retirement Access pension account in our fund, or transfer it to another fund. You can also choose to receive it in cash if you've met a condition of release. Read your Member Booklet or *Payment Instructions – Division C* form for more information.

Once you choose, you generally can't change your mind

If you give us instructions to receive a pension option, you can't convert the pension back to a lump sum in the future, unless cooling-off rights apply.

Similarly, if you give us instructions that you want to receive a full or part lump sum benefit, or if the full lump sum automatically applies because we don't receive a valid benefit election from you within 3 months from your retirement date, you have no further option to convert that lump sum benefit to an indexed retirement pension in the future.

Cooling-off period

A 14-day cooling-off period applies if you choose a retirement pension option.

The cooling-off period normally begins on the earlier of (i) five days after we acknowledge your pension election, or (ii) the date we make your first pension payment.

To exercise your cooling-off rights, you must advise us in writing (page 2) within the cooling-off period. If you exercise these rights, the retirement lump sum that ordinarily would have applied to you is payable, or if you were a Division C deferred member, your benefits revert to deferred status as if you had never made the retirement pension election.

If you've received any pension payments during the cooling-off period, we deduct the total amount of those payments from the lump sum amount we pay to you.

Keep in mind that preservation rules still apply to the lump sum. If you haven't met a condition of release, we can't pay the lump sum to you in cash.

If you exercise your cooling-off rights but don't provide valid payment instructions to us for the lump sum within 3 months of your retirement date, or if the fund you nominate to receive your lump sum doesn't accept it, the lump sum benefit is automatically transferred to an Accumulate Plus account in our fund (page 14), other than where you're a deferred member and your benefits revert to deferred status in Division C.

Your pension entitlements

Calculating your initial pension amount

When you begin a Division C retirement pension, your annual pension payment amount is calculated as the **amount of the lump sum benefit you chose to convert to a pension divided by an age-based conversion factor**, as shown in Table 3.

Table 3: Pension conversion factors

Age when beginning the pension	Conversion factor for retirement pension	Conversion factor for TPI retirement pension
55 or under	15.5	14.0
56	15.2	14.0
57	14.9	14.0
58	14.6	14.0
59	14.3	14.0
60	14.0	14.0
61	13.7	13.7
62	13.4	13.4
63	13.1	13.1
64	12.8	12.8
65	12.5	12.5

Example: You retire from the Group on your 60th birthday and your default retirement benefit from Division C is a lump sum entitlement of $650,000, calculated as your Final Average Salary (or prescribed salary if this is higher) multiplied by your Accrued Benefit Multiple, less any surcharge account balance.

You choose to convert 60% of this entitlement into the retirement pension. Your initial annual pension amount is calculated as:

= Lump sum amount being converted ÷ applicable age-based conversion factor

= [60% x $650,000] ÷ 14.0

= $390,000 ÷ 14.0

= $27,857 per year (rounded to the nearest dollar)

Your pension is paid to your nominated bank account in fortnightly instalments, calculated as your annual pension entitlement divided by 365 and multiplied by 14. In the example above, your fortnightly payment would be $1,068 (rounded to the nearest dollar).

Your pension amount is indexed each year

Your annual pension entitlement increases on 1 July each year in line with movements in inflation, as measured by the Consumer Price Index (CPI). The CPI index used for Division C retirement pensions is the *All Groups CPI, Weighted Average of Eight Capital Cities* figures published for March of each year.

In the first year of indexation, your pension is indexed on 1 July using a pro rata CPI amount based on the number of days you received the pension in the previous financial year.

If CPI movement is negative for a period, your pension amount for that year remains the same – it won't be reduced. Any future indexation, when CPI movement is positive, will be calculated based on the change from the last period in which indexation applied, rather than from the figure that represented the negative rate.

For more information and examples on how indexation works, read our *DB pension indexation for Division C* fact sheet, from oursuperfund.com.au/factsheets.

Pension entitlements count towards a transfer balance cap

Any pension entitlement that you choose to receive as part of your Division C retirement benefit is subject to the transfer balance cap, which is the total amount that you can transfer into and hold within retirement-phase income streams.

The products that count towards the cap include any defined benefit or lifetime pensions, including reversionary pensions, retirement account-based pensions (e.g. a Retirement Access account in our fund), retirement income streams, and other products used to support tax-free retirement income streams. Transition to retirement income stream (TRIS) balances aren't included in this cap until the account holder meets a further condition of release that triggers the TRIS to be converted to the rules of an account-based pension, e.g. turning 65.

The transfer balance cap applies to any existing retirement-phase products you hold, as well as any new products you may begin in the future, and applies across all products you hold, regardless of the fund or provider.

Warning! It's your responsibility to ensure that you don't exceed the cap if you want to avoid paying extra tax. This is particularly important if you're planning to begin, or you become entitled to, any new pension.

These rules are complex, particularly if you have both a defined benefit pension and another retirement-phase pension(s). You should talk to an authorised financial adviser about your individual circumstances.

Calculating your personal transfer balance cap

From 1 July 2021, the general transfer balance cap was indexed from $1.6 million to $1.7 million.

If you start your first eligible retirement-phase pension on or after 1 July 2021, your personal transfer balance cap is the full $1.7 million indexed amount.

However, if you already held one or more retirement-phase pensions as at 30 June 2021, your personal transfer balance cap is between $1.6 and $1.7 million, depending on your highest ever transfer balance (not what your transfer balance is immediately prior to 1 July 2021). If you had a transfer balance before 1 July 2021, you can check your personal transfer balance cap in the Australian Taxation Office (ATO) online services through www.my.gov.au.

The ATO calculates your personal transfer balance using reports it receives from all pension and annuity providers, like your super fund. Your personal transfer balance is generally calculated or re-calculated on:

- 1 July 2017 if you were already receiving a retirement-phase income stream as at 30 June 2017, and/or
- the day you begin any new retirement-phase product that counts towards the cap on or after 1 July 2017, and/or
- if applicable to you, the day any transition to retirement income steam account is converted automatically or voluntarily to the rules of an account-based pension on or after 1 July 2017.

Your transfer balance is **not** re-calculated based on annual indexation or changes to your annual pension amount after it commences or as a result of receiving pension payments. However, it may be reduced by any family law payments or lump sum commutations (withdrawals) if applicable to your product – this may mean you can transfer additional amounts into the retirement pension phase.

You can transfer super into retirement-phase income streams more than once, as long as you have availability within your cap. Keep in mind that the rules for income streams generally don't allow you to add money once an account is opened or the income stream begins, so you may need to open a new product.

Valuing your retirement pension for the purposes of the cap

This information addresses the transfer balance cap as it applies to a Division C retirement pension from our fund. If you have a defined benefit pension or other type of retirement-phase pension with another fund or provider, you should check with them for details as not all interests are treated in the same way.

For the purpose of this cap, the value of your Division C retirement pension is calculated as your **first regular pension entitlement payment multiplied by 26 fortnights, then multiplied by 16**. As a guide, an annual pension entitlement of around $106,000 or more is generally equal to or above the cap.

If your Division C retirement pension valuation exceeds the cap and it's your only pension, you **won't** be considered to have an excess amount. In this case, you won't be required to commute or reduce your pension, although tax may apply to your pension payments regardless of your age (page 11).

If you have a Division C retirement pension plus any other retirement product that counts towards the cap and your transfer balance is over your personal transfer balance cap, you **will** have an excess amount. To reduce your balance, you need to withdraw the excess amount from your other (non-Division C) retirement pension as a cash lump sum commutation, or transfer it back into a super account. If your Division C retirement pension valuation exceeds the cap on its own, then you're required to commute the full amount of your other retirement pension. Keep in mind that receiving pension payments doesn't reduce your transfer balance for the purposes of this cap.

See Table 4 on page 8 for more on how valuation works.

Table 4: How pension valuations count towards the transfer balance cap, assuming pension begins on or after 1 July 2021. All figures rounded to nearest whole dollars.

	Division C annual pension (A)	Fortnightly pension (B) =A ÷ 365 x 14	Estimated value of pension counted towards cap (C) =B x 26 x 16	Value of 'other' products counted in cap (D)	Effect
Example 1	$70,000	$2,685	$1,116,960	$0	Total transfer balance (C+D) is below cap so no effect.
Example 2	$70,000	$2,685	$1,116,960	$700,000	Total transfer balance (C+D) exceeds cap so $116,960 must be withdrawn from 'other' product(s).
Example 3	$110,000	$4,219	$1,755,104	$0	Division C pension valuation (C) exceeds the cap but no 'other' products held (D), so no requirement to commute excess amount, although tax may apply to your pension payments (page 11).
Example 4	$110,000	$4,219	$1,755,104	$300,000	Division C pension valuation (C) exceeds the cap so full balance must be withdrawn from 'other' products (D); in addition, tax may apply to your pension payments (page 11).

A retirement pension is generally paid for life

A Division C retirement pension is generally payable to you for life.

If your retirement pension is payable because you've been declared TPI, we may review your eligibility to continue receiving the pension from time to time. If we consider, on the basis of your level of incapacity, that you're no longer eligible to receive the pension, the amount of your accrued lump sum benefit is payable to you, less an adjustment for the pension payments you've already received.

In the event of your death after you begin a Division C retirement pension, a reversionary pension is payable to your spouse for life. A benefit may also be payable in respect of any of your dependent children. Read page 9 for more on the benefits payable in the event of death and the definitions of who's considered an eligible spouse or child.

Benefits payable after your death

A reversionary pension is payable to your spouse

In the event of your death after beginning a Division C retirement pension, a reversionary pension is payable for life to your spouse. A child allowance may also be payable in respect of any of your dependent children.

You can't nominate a specific beneficiary for a reversionary pension in Division C. The people considered to be your 'spouse' or 'child' for these entitlements are defined in the rules (see below).

Depending on your situation, there may be more than one person who meets the definition of a spouse. For example, if you're separated from but still providing substantial financial support to your legal spouse, but have subsequently begun a de facto relationship. In this case, the reversionary pension entitlement may be split between eligible spouses in proportions determined by the trustee.

If more than one person ordinarily meets the definition of your spouse but none were substantially dependent on you at the time of your death, the trustee determines the one person that qualifies for reversionary pension purposes.

A reversionary pension entitlement generally counts towards your spouse's transfer balance cap once it begins (page 6).

Who can receive a reversionary benefit

The following definitions apply for Division C.

'Spouse' means someone who, at the time of your death, was:

- a person who was legally married to you, or
- a person of the same or opposite sex with whom you were in a relationship registered under a prescribed state or territory relationships register, or
- a person of the same or opposite sex who, although not legally married to you, lived with you on a genuine domestic basis in a relationship as a couple, e.g. de facto relationship;

and at the time of your death, that person must have been either:

- living with you on a genuine domestic basis in a relationship as a couple, or
- not living with you on a genuine domestic relationship as a couple but who the trustee determines was substantially dependent on you at that time.

'Child' means someone who, at the time of your death, was:

- your natural, adopted or ex-nuptial child or your step-child
- the natural, adopted or ex-nuptial child of your 'spouse' (as defined above)
- a child born to you or your 'spouse' through artificial conception or surrogacy.

'Dependent Child' means your 'child', as defined above, but does not include:

- a person who we determine was not dependent on you at the date of your death
- a person who has turned 16 and is not receiving full-time education at a school, college or university
- a person who has turned 25.

'Associated Child', in relation to your 'spouse', means your 'dependent child' who is also a child of your 'spouse', all defined as above.

Proof of eligibility

At the time of considering a reversionary pension, we ask the executor or administrator of your estate to provide proof of any relationships to confirm that someone qualifies as your spouse or child under the definitions above.

For a spouse, this is generally a certified copy of your marriage certificate. In the case of a de facto relationship, we seek confirmation that a genuine domestic relationship existed at the time of your death, including objective evidence of that relationship such as bills or property held in joint names, a provision for that person in your Will, etc. If a de facto situation may apply to you, we strongly encourage you to advise us of the relationship in writing before your death, including the date the relationship began. Likewise, if the relationship ends, you should also let us know. Although we still confirm the relationship in the event of your death, any notification you've provided to us in advance can be helpful.

Regardless of whether you're married or in a de facto relationship, if your spouse is not living with you at the time of your death, we must establish that they were substantially dependent on you at that time in order for them to be eligible as a spouse for reversionary purposes.

Verifying the identity of your beneficiaries

We're required to comply with anti-money laundering and counter-terrorism financing laws, including the need to establish the identity of anyone else associated with your super, e.g. beneficiaries in the case of payment of a death benefit.

We need to verify the identity of any beneficiary before we begin paying a reversionary pension or child allowance. At the time a benefit becomes payable, we may ask your beneficiaries to provide identification such as a certified copy of their driver's licence, passport or birth certificate, unless they've provided this information to us previously.

From time to time, we may also require additional information to assist with this process. We may be required to report information about you or your beneficiaries to the relevant authorities. We may not be able to tell you or your beneficiaries when this occurs.

We may not be able to transact with you, your beneficiaries or other people. This may include delaying, blocking, freezing or refusing to process a transaction or ceasing to provide you or your beneficiaries with a product or service. This may affect your investment and could result in a loss of income and principal invested.

How a reversionary pension is paid

<table>
<tr><th>If you have...</th><th>The following benefits are payable</th></tr>
<tr><td>A spouse only</td><td>If you have one eligible spouse, they receive 100% of your pension entitlement for the first six fortnightly pension payments and 67% of your entitlement thereafter.

If you have more than one eligible spouse and we split your pension entitlement, each spouse receives 100% of their allocated portion of your pension entitlement for the first six fortnightly pension payments and 67% of their portion thereafter.</td></tr>
<tr><td>A spouse and associated children, but no other dependent children</td><td>In addition to the spouse pension outlined above, an additional 11% of that pension entitlement is payable for each child, to a maximum of 100% of your pension.</td></tr>
<tr><td>No spouse, but dependent children</td><td>An allowance of 100% of your pension entitlement is payable for the first six fortnightly pension payments and the following allowances are payable thereafter:
<table>
<tr><th>Number of children</th><th>% of pension entitlement</th></tr>
<tr><td>4 or more</td><td>100%</td></tr>
<tr><td>3</td><td>90%</td></tr>
<tr><td>2</td><td>80%</td></tr>
<tr><td>1</td><td>45%</td></tr>
</table></td></tr>
<tr><td>A spouse and dependent children who are not associated children of that spouse</td><td>If you have one or more eligible spouses and have any dependent children who are not associated children of any spouse, a benefit is also payable for these dependent children. The calculation and allocation of benefits in this case may be complex and is subject to the trustee's discretion.</td></tr>
<tr><td>If you have no surviving spouse or dependent children</td><td>If you don't have an eligible spouse or any dependent children, no further benefit is payable after your death.</td></tr>
</table>

How benefits are taxed

Important! There are tax implications associated with superannuation and pensions. Taxation laws are complex and different rules may apply depending on your individual circumstances. The information in this PDS is an overview of some of the tax implications as at the date this booklet was prepared, for general information only, but changes may occur in the future.

You should seek independent, professional tax advice before making any decisions based on this information. The trustee is also not a registered tax (financial) adviser under the *Tax Agent Services Act 2009*. You should seek tax advice from a registered tax agent or a registered tax (financial) adviser if you intend to rely on this information to satisfy the liabilities or obligations or claim entitlements that arise, or could arise, under a taxation law.

The importance of providing your tax file number (TFN)

Under the *Superannuation Industry (Supervision) Act 1993*, we are authorised to collect, use and disclose your TFN. We may disclose your TFN to another super provider when your benefits are being transferred, unless you request to us in writing that your TFN not be disclosed by us to any other super provider.

Declining to quote your TFN to us is not an offence. However, giving your TFN to us will have the following advantages:

- Other than the tax that may ordinarily apply, you will not pay more tax than you need to – this affects both contributions to your super and benefit payments when you start drawing down your super benefits.
- It will make it much easier to find different super accounts in your name so that you receive all your super benefits when you retire.

The legal purposes for using a TFN may change in the future. If laws change, the consequences of not providing the TFN may also change.

Tax on pension payments

Tax may be payable on your Division C retirement pension payments as follows.

Age	Tax applying to Division C retirement pension payments
Age 60 or over	• No tax is payable on your annual pension payments up to the defined benefit income cap (see following section), which is $106,250 from 1 July 2021. • Pay As You Go (PAYG) withholding[2] tax is payable on 50% of any excess amount of your pension above the defined benefit income cap. This portion may be entitled to a reduced superannuation pension tax offset.
Under age 60	• No tax is payable on the tax-free component of your pension payments. • PAYG withholding[2] tax is payable on the taxable component of your pension payments. This taxable component is calculated as the taxable amount of the lump sum entitlement that you convert to a retirement pension divided by the total lump sum amount. • If you've reached your preservation age but haven't yet turned age 60, or if your pension qualifies as either a disability or death benefit (reversionary) pension, you're entitled to a tax offset of 15% of your assessable pension income, which is your annual pension payment amount less your tax-free pension amount.

Defined benefit income cap

The defined benefit income cap is equal to the general transfer balance cap divided by 16. From 1 July 2021, this cap is $106,250 (i.e. $1.7 million divided by 16). This cap increases periodically in line with indexation of the general transfer balance cap.

The cap amount is generally pro-rated in your first year of receiving a pension and/or the year in which you turn age 60, or if you receive a death benefit (reversionary) pension and are under 60.

2 We deduct PAYG withholding tax at the time of payment. The amount of tax that we must withhold and remit to the ATO depends on your age, the amount of your pension payment, and whether you have provided your TFN to us.

Tax on lump sum benefits

Tax may also be payable on any lump sum benefit you choose to receive as part of your retirement benefit. We deduct any applicable tax on the lump sum and remit it to the ATO.

Age	Tax applying to lump sum benefits
Age 60 or over	• All lump sum super benefits are tax-free.
From preservation age to age 59 (inclusive)	• No tax is payable on the tax-free component or on the amount of the taxable component up to low rate threshold[3], which is $225,000 for 2021–22. • The amount of the taxable component over the low rate threshold is taxed at 17%.
Under preservation age	• No tax is payable on the tax-free component. • The whole taxable component is taxed at 22%.

All tax rates include 2% Medicare levy and assume you've provided us with a valid TFN. If your marginal tax rate is lower than the applicable tax rate in the table above, you may be entitled to a tax rebate.

Tax on death benefit pensions and allowances

Reversionary spouse pension

For a death benefit paid as a reversionary pension to your eligible spouse (page 9), the pension payments are generally tax-free except in the following circumstances:

- If you're under age 60 at the time of your death **and** your spouse is under age 60 when receiving the pension payment, the taxable component of the pension payment is subject to PAYG withholding[2] tax. The taxable (assessable) component is also included in your spouse's individual tax return to be assessed against their marginal tax rate.
- Regardless of your spouse's age, if their annual pension entitlement is equal to or higher than the defined benefit income cap (page 11), 50% of the excess amount above the cap is subject to PAYG withholding[2] tax.

Your spouse is also entitled to a 15% superannuation pension tax offset so the amount of tax withheld is reduced. However, any excess amount above the defined benefit income cap may not be eligible for a tax offset.

A reversionary pension entitlement generally counts towards your spouse's transfer balance cap once it begins (page 6).

Child allowance

If a child allowance is payable to your spouse in respect of your dependent children, it's generally taxed in the same way as your spouse's reversionary pension, with PAYG withholding[2] tax rates applying to the taxable component of the allowance. The taxable component is based on the taxable component of your spouse's reversionary pension.

The amount of tax deducted depend on factors such as your age at death, your spouse's age and whether your spouse has provided a valid TFN to us.

Superannuation surcharge

Superannuation surcharge was a tax on surchargeable contributions accrued by higher income earners after 20 August 1996.

This tax was abolished from 1 July 2005 but the ATO can make surcharge assessments after 1 July 2005 for surchargeable contributions made in previous years.

3 The low rate threshold amount is a lifetime threshold that applies to all of your superannuation lump sum payments. The amount is indexed to Average Weekly Ordinary Time Earnings (AWOTE) in $5,000 increments (rounded down).

Additional important information

Risks

There can be some risks associated with beginning and continuing a pension. The level of risk that may be right for you depends on a range of factors. You should consider your own circumstances and goals in decisions about your financial future.

Some examples of risks you should be aware of are included below.

- If you choose the Division C retirement pension and your circumstances change such that the pension no longer suits your needs, you can't convert the pension back into a lump sum amount in the future, unless cooling-off rights apply to you (page 5).
- A Division C retirement pension is paid fortnightly, generally for life, and your pension amount is indexed annually based on CPI movements (page 6). You can't change the payment amount or the frequency with which you receive payments, and you can't make extra withdrawals with this type of pension.
- Your pension payments may affect income and assets tests if you apply for or are receiving government social security benefits.
- Social security can be complex area. You should seek professional advice before finalising any decisions that may affect your financial future.
- The amount you receive from your pension may not adequately provide for your retirement.
- A transfer balance cap applies to retirement phase income streams. This may mean that you, or your spouse in the case of a reversionary pension entitlement, may not able to transfer some of your super into a retirement phase pension product.
- If both you and your spouse die earlier than the standard life expectancy estimates for the general population, or if you don't have an eligible spouse or children to receive a reversionary pension in the event of your death, the total pension paid may represent a lower return compared to returns that may have applied to a lump sum benefit that was invested in other investment strategies.
- If you have no eligible spouse or child, no further benefit is payable from Division C upon your death.
- Laws relating to super, or associated areas such as tax or social security, may change in the future.
- The amount of any retirement benefit entitlement may be reduced if you're found to have committed any act of fraud or misconduct while employed by the Group.

Fees and other costs

No fees or costs currently apply to a Division C retirement pension.

Information we send you each year

If you begin a Division C retirement pension, we provide you with information including:

- details of your pension indexation effective 1 July each year
- a PAYG Payment Summary for tax purposes at the end of each financial year, if applicable to you
- an Annual Report each year, which we may make available via our website and if so, we will notify you in writing, e.g. with your pension communications.

Each year, we're also required to report your pension information directly to Services Australia (Centrelink). We can provide this information to you upon request if required for your own records.

Our website oursuperfund.com.au also has other information and resources that you may find helpful.

We also make available certain information about the fund and trustee, such as the trust deed and rules, audited financial statements, actuarial reports, procedures for appointing directors, the trustee's constitution, and details of executive remuneration. Visit oursuperfund.com.au/aboutus to find this information, or call us for a copy.

Information we ask you to provide each year

Each year, we write to you asking you to confirm certain details to help us meet our obligations to pay your pension correctly and as efficiently as possible – this is known as an *Annual Pension Declaration*.

Even if your details haven't changed, it's important for you to still respond to or complete our *Annual Pension Declaration*, otherwise we may suspend your pension payments until we hear from you.

In the event of your death, it's important that we're notified as soon as possible. This helps us begin assessing whether a reversionary benefit is payable as soon as possible. It also helps us minimise the risk of any undue financial stress that may be caused to your dependants if pension payments need to be returned to us because they were paid in your name after your death. Even if a reversionary benefit is payable, the difference in pension entitlements generally means an amount will need to be returned. If we haven't been informed of your death, this can result in a substantial amount of money that a spouse or an estate would need to return.

Automatic transfer of benefits if you don't provide payment instructions

If you don't provide a valid benefit election, or if you choose a pension option but don't provide valid payment instructions, within three months from your retirement date, the default retirement lump sum entitlement under Division C rules automatically applies. This lump sum can't remain in Division C, in which case we automatically transfer it to an Accumulate Plus account in our fund.

This default lump sum benefit and automatic transfer to Accumulate Plus also applies in the event that (i) you exercise cooling-off rights but don't provide payment instructions for the lump sum; (ii) you choose a pension option but don't provide valid bank instructions for us to begin payments within three months of your retirement date, or (iii) the fund you nominate to receive your lump sum doesn't accept the transfer.

If you have an existing Accumulate Plus account in our fund, the transferred benefit is credited to that account and invested according to the investment selection in place for that account at the date of transfer.

If you don't have an Accumulate Plus account, a new account is opened for you and your transferred lump sum benefit is invested in the default Balanced (MySuper) investment option.

If a lump sum benefit is transferred, your rights and obligations in respect of that benefit are in accordance with the rules for Accumulate Plus, which are different from those in Division C. You should note that:

- Fees apply to an Accumulate Plus account – read our *Member Guide (PDS) for Accumulate Plus* from oursuperfund.com.au/pds for more details.
- An Accumulate Plus account balance is subject to investment returns, which are not guaranteed and may be positive or negative. This means the value of your super may rise or fall at any time. If returns are negative, this reduces the value of your benefit.
- The default Balanced (MySuper) investment option in Accumulate Plus has a medium-high level of investment risk. You need to consider whether this is appropriate to your circumstances.
- Accumulate Plus accepts member and employer contributions, as well as rollovers from other super funds.
- Insurance cover is available to eligible members in Accumulate Plus – read the PDS and relevant *Reference Guide: Insurance cover* from oursuperfund.com.au/pds for more details.

If your benefit is transferred, you should contact our Accumulate Plus contact centre on 1800 023 928 between 8am and 7pm (AEST/AEDT) Monday to Friday with any enquiries.

Privacy

We're committed to protecting the personal and sensitive information that we hold about you. Our *Privacy policy* complies with the *Australian Privacy Principles* and the *Privacy Act 1998*, which govern the way we collect, use, exchange and secure information about you.

The information in this section is a summary but we encourage you to find out more about how we use and protect your personal information by reading our *Privacy policy* at oursuperfund.com.au/privacy, or you can request a copy free of charge by contacting us.

The information that we collect about you may come directly from you or may indirectly come from other people, such as the Group. In some cases, we may exchange this information with our service providers, some of which may be based overseas – read our *Privacy policy* for more detail.

Under super and other laws, we need to request and hold certain information to enable your super and pension benefits to be properly administered. We're careful about how we use your information. The information we collect and hold in connection with the fund is used primarily for the purpose of managing the affairs of the fund and helping our members maximise their super benefits.

We also use your information for other reasons, such as to better understand you and your needs. This may include providing you with information about other products and services that may help you understand and make decisions about your retirement savings, or it may be required to ensure we comply with our legal obligations. If we need to collect sensitive information, we'll ask for your permission, except where otherwise allowed by law.

You generally have the right to request access to any information we hold about you. There's no fee to make a request but an access charge may apply to cover the cost of providing the information. If applicable, we'll let you know of any charge before acting on a request.

If you don't give us the personal information we request, we may not be able to properly administer your super and pension benefits. It's also important that we hold the correct information for you, otherwise it can affect our ability to manage your pension or comply with our legal obligations. You can ask us to correct any inaccurate information at any time and we'll take all reasonable steps to do so. There's no charge for these requests.

If you think there's a breach of your privacy, you can contact our privacy officer on 1800 135 970 to discuss this.

Exchanging member and pensioner information with the Commonwealth Bank Group

We have a relationship with Commonwealth Bank (the Bank) as our sponsoring employer under the trust deed. Some of the information we hold about you is exchanged with the Bank, as well as other Group entities, for the purposes of managing the fund.

As a defined benefit pensioner we may provide information to the Bank about your pension. This may include information about the amount of pension you receive or how your pension is paid, or information to assist the Bank in maintaining records of previous employees and/or their beneficiaries.

Enquiries and complaints

We have a formal process for handling complaints about our fund's operation or management. In the event that our internal process doesn't achieve a timely resolution, the process also includes escalation to an external independent complaints resolution body.

For enquiries or complaints about defined benefit super or pensions, you should contact us by phone, email or in writing (page 2) and we'll acknowledge to you that we've received your complaint.

If you feel that you've been treated unfairly or disadvantaged by a decision from our fund's administrators, you can refer your complaint directly to the Complaints Officer at our mailing address.

We make every effort to respond to your complaint as soon as possible but please understand that in some cases it may take time to collect any relevant information.

We endeavour to respond to you within 45 days, or 90 days if your complaint is about a death benefit distribution, which are the timeframes provided under super law. In some exceptional cases, where the complaint is particularly complex or there are circumstances beyond our control, it may take longer than the relevant timeframe to issue you with a final response. Where this occurs, we'll write to you explaining why a decision hasn't yet been made and give you an updated timeframe. We'll keep you informed of progress and also provide you with contact details for the Australian Financial Complaints Authority (AFCA) (see below).

AFCA is an independent government dispute resolution body that helps members and other beneficiaries resolve certain types of complaints with super funds. There are timeframes that apply to lodging a complaint with AFCA.

AFCA's contact details are:

- Post: GPO Box 3 Melbourne VIC 3001
- Web: www.afca.org.au
- Telephone: 1800 931 678 (free call).

Read our *Enquiries and complaints* fact sheet from oursuperfund.com.au/complaints for more information, or call us for a copy.

We handle any information collected while dealing with your complaint in accordance with our *Privacy policy* (page 14).

CommonwealthBank
GroupSuper