Australian Retirement Trust

Super Savings – Corporate

Defined Benefit Handbook

Issue date: 1 July 2024

CBA Group Super Plan (Division E)

Commonwealth Bank and its associated employers are not responsible for the preparation of this Handbook. They are not providing advice or a recommendation in relation to this investment.

13 11 84 art.com.au

Australian Retirement Trust Pty Ltd ABN 88 010 720 840 AFSL 228975, Trustee of Australian Retirement Trust ABN 60 905 115 063

How to use this Handbook

This Handbook provides you with important information to help you understand your Defined Benefit account and Offset account whilst employed, the deferred category prior to age 55 and the lifetime pension if you have your benefits paid as a CBA Group Super Plan Lifetime Pension. Make sure you read this Handbook so you can make informed decisions and get the most from your super throughout your working life and during your retirement.

Important information

This is the Super Savings - Corporate Defined Benefit Handbook CBA Group Super Plan (Division E) (Handbook). This Handbook provides a summary of the significant information about Super Savings – Corporate Defined Benefit accounts in the CBA Group Super Plan (Plan) for Division E members.

This Handbook may reference important information contained in the following:

- The Super Savings Accumulation Guide, containing information about superannuation in general and Super Savings in particular
- The Super Savings Investment Guide, containing information about the investment options available in the CBA Group Super Plan
- Super Savings – Corporate Product Disclosure Statement for Accumulation Account CBA Group Super Plan.
- Super Savings – Corporate Product Disclosure Statement for Accumulation Account Former CBA Group Super Plan
- Super Savings – Corporate Insurance Guide CBA Group Super Plan
- Super Savings – Corporate Insurance Guide Former CBA Group Super Plan
- Super Savings Product Disclosure Statement for Income Account and Lifetime Pension
- Employer and Salary Sacrifice Contributions for Defined Benefit Members of the CBA Group Super Plan factsheet

This Handbook, each PDS, the Super Savings Accumulation Guide, Super Savings Investment Guide, each Super Savings - Corporate Insurance Guide and the factsheet are all available at **art.com.au/cbasp** or call us on **13 11 84** and we'll send them to you.

Before making a decision to acquire or continue to hold a product described in this Handbook, please read the important information in the relevant PDS and this Handbook.

This Handbook and all Super Savings products are issued by Australian Retirement Trust Pty Ltd (ABN 88 010 720 840, AFSL No. 228975) (Trustee) as trustee for Australian Retirement Trust (ABN 60 905 115 063) (Fund). Any reference to "we", "us", or "our" in this Handbook is a reference to the Trustee.

Who our Defined Benefit account is for

Our Defined Benefit account is for you to save money during your working life to spend when you retire.

General advice warning

This document contains general information only and doesn't take into account your personal objectives, financial situation or needs. You may wish to seek professional financial advice tailored to your personal circumstances elsewhere.

Privacy

We respect the privacy of the information you give us. Our Privacy Policy describes how we may collect, hold, use and disclose your personal information and how you may access and update the personal information we hold about you. Our policy is available at **art.com.au/privacy** or by contacting us.

Financial Services Guide

Our Financial Services Guide contains information about the financial services we provide. It's designed to help you decide whether to use any of our financial services and is available at **art.com.au/fsg** or you can contact us for a copy.

Contents

Australian Retirement Trust is the superannuation fund the principal employer Commonwealth Bank of Australia (ABN 48 123 123 124, AFSL 234945) (CBA) and the CBA group of companies, including BWA Group Services Pty Limited (ABN 88 111 209 440) (BWAGS) (CBA Group/the employer/your employer) has chosen to manage their Defined Benefit plan.

This Handbook contains information about the specific features of the CBA Group Super Plan in Australian Retirement Trust, including the specific details of your Defined Benefit account, Offset account, contributions, and retirement, retrenchment, withdrawal, death and invalidity retirement benefits and details of the CBA Group Super Plan Lifetime Pension available after retirement.

The details of the defined benefits and lifetime pensions in the CBA Group Super Plan are documented in the CBA Group Super Plan Rules, which is an agreement between Australian Retirement Trust Pty Ltd (the Trustee) and your employer. Your benefits are governed by the CBA Group Super Plan Rules, and by the terms and conditions of the Trust Deed of the Australian Retirement Trust. The information in this Handbook is a summary of some important features. If any statement in this Handbook conflicts with the Trust Deed or the CBA Group Super Plan Rules, then the Trust Deed provisions or CBA Group Super Plan Rules will override this Handbook.

Defined terms used in this Handbook are in single quotation marks (e.g. 'salary') and defined on page 25. Product and account names are capitalised (e.g. CBA Group Super Plan Lifetime Pension).

About the CBA Group Super Plan

The CBA Group Super Plan provides benefits for members of the 'former fund' who transferred to Australian Retirement Trust by a successor fund transfer. This Handbook outlines the arrangements within the Plan for members in Division E of the 'former fund', including those currently working for CBA Group, former employees who have left their benefit in Division B and members who are receiving a lifetime pension under Division B.

Division E is closed to new members. Separate Handbook documents outline the arrangements within the CBA Group Super Plan that apply for members of other defined benefit divisions and for Accumulation account holders.

You remain a member of the CBA Group Super Plan while you meet the eligibility conditions under the CBA Group Super Plan Rules.

When your employment details change, please call us on **13 11 84** to discuss your benefit options.

Employee members

Your benefit in the CBA Group Super Plan is calculated by a formula which considers your membership period, the contributions you make to the plan, your 'super salary', your employment status, your age and whether you're ceasing employment due to resignation, retirement, retrenchment, disability, or death. Your benefit is also subject to a minimum requisite benefit to ensure compliance with the *Superannuation Guarantee (Administration) Act 1992*.

On leaving employment, your Defined Benefit account will be paid as a lump sum unless you retire due to 'disability' before age 55. In this case, your benefit will be paid as a CBA Group Super Plan Lifetime Pension.

If you have an Offset account, this will be deducted from your Defined Benefit account.

The Australian Retirement Trust Lifetime Pension information included in the Super Savings Product Disclosure Statement for Income Account and Lifetime Pension is different to any CBA Group Super Plan Lifetime Pension that you may be eligible for.

Contributions

You can choose to pay member contributions at a rate of 0%, 2%, 4%, or 6% of your after-tax 'super salary'.

If you are over age 40 and at the next 'contribution review date' your 'accrued benefit multiple' will be at least 0.04 less than your 'maximum accrued benefit multiple', you can pay contributions at a rate of 8% to catch up on the shortfall.

Your rate of member contributions directly impacts the amount of your defined benefit as shown in the accrual rates below:

Contribution rate	Accrual rate
0%	0.08
2%	0.12
4%	0.16
6%	0.20
8%	0.24

You can change your rate of contributions once per year on the anniversary of the date you joined CBA Group by completing a Change Contribution Rate - Division B, C or E form from **art.com.au/cbasp.**

Your contributions will stop at the earliest of your 'accrued benefit multiple' reaching 8, your 65th birthday or the date you leave employment with CBA Group.

If contributions aren't paid when required, special terms, conditions or restrictions may apply to your membership. These conditions may include reducing or adjusting your benefits, or no longer accepting any further contributions from you.

If your 'accrued benefit multiple' reaches 8, your defined benefit contributions are no longer required, and your multiple will stop accruing. Your 'accrued benefit multiple' will be fixed at 8, but changes in your 'super salary' will continue to be reflected in your final average salary (FAS) until the earliest of you leaving employment with CBA Group, electing choice of fund or reaching age 65.

Defined benefit contributions

CBA Group has obligations to contribute such amounts as it determines, on the advice of the actuary, are necessary to fund pensions and other benefits under the CBA Group Super Plan Rules. CBA Group must consult with the Trustee on such determinations. This amount may vary over time and is designed to ensure there's sufficient assets in the Plan to pay benefits.

You have notional defined benefit accounts that are used to determine minimum benefits payable from the Plan. You can't select the investment option applicable to these accounts.

Other contributions and rollovers

Additional voluntary contributions

You can't make any additional voluntary contributions to your Defined Benefit account, other than contributing at 8% if you have a shortfall in your 'accrued benefit multiple' or to clear a debt in your Offset account.

If you want to have a higher benefit on retirement than your Defined Benefit account provides, you can open an Accumulation account in the CBA Group Super Plan and make additional voluntary contributions to that account.

For information about Accumulation accounts, including how to open an account and make contributions, see the Super Savings – Corporate Product Disclosure Statement for Accumulation Account CBA Group Super Plan at **art.com.au/cbasp**

Rollovers into your account

The transfer or rollover of amounts from other superannuation benefits are allowed if prior approval has been requested and received from the Trustee.

You can apply to the Trustee to rollover into your account by completing a Request Approval to Transfer Super Into Defined Benefit Divisions form.

You shouldn't contact your other fund and request the closure of your account until you've received approval in writing from the Trustee.

Your rollover will provide you with an additional multiple on your 'accrued benefit multiple' if you leave CBA Group after age 55. If you leave CBA Group or exercise choice of fund prior to age 55, your rollover amount will be a lump sum.

Combining your super into one account now may mean you have more super later. Having your super in one account could save you money and make your life easier because you may:

- pay less in administration fees
- have less paperwork
- keep track of your super more easily
- have only one set of insurance costs.

Any unapproved rollovers received will need to go into an Accumulation account in the CBA Group Super Plan. For information about Accumulation accounts, including how to open an account and transfer from other funds, see the Super Savings – Corporate Product Disclosure Statement for Accumulation Account CBA Group Super Plan at **art.com.au/cbasp**

Note: Before you combine super accounts, make sure you're aware of any differences between them. You should take note of the insurance cover and any other features that are important to you. You should consider if the timing is right and if you'll lose access to benefits such as insurance or pension options, or if there are any tax implications.

Offset account

You'll have an Offset account if you had a Surcharge account or Offset account in the 'former fund' or if a payment is required to be made from your account for a Family Law split, see page 17, to pay additional taxes (see below) or an approved early release of your benefit, see page 17.

You can make a contribution to clear the amount owing in your Offset account. This contribution will be paid into an Additional Accumulation account and consolidated into your Offset account to clear or reduce your balance.

If the contribution you pay is more than the amount required to clear your Offset account, the excess will be allocated to your Super Savings - Corporate Accumulation account in the CBA Group Super Plan if you have one. If you don't have an existing Super Savings – Corporate Accumulation account in the CBA Group Super Plan, a new one will be opened for you. The excess amount will be allocated to this account as a post-tax voluntary contribution. The money in this account will invested in the Lifecycle Investment Strategy unless you elect a different option.

Your Offset account is invested in the same investment option as the defined benefit assets. This means your Offset account may increase over time, so the amount deducted from your final benefit may be more than the original payment amount. You can't change how your Offset account is invested.

Your indexed lifetime pension may be reduced for any balance in the Offset Account or the balance of your Offset account may be deducted from benefits paid as a lump sum payment amount.

How contributions are taxed

Super is a tax-effective way to save for your retirement. But it's not tax free. Different tax rules apply in different circumstances. Understanding how these taxes work will help you maximise your benefits. This section gives a summary of the way superannuation is currently taxed. Australian Retirement Trust isn't a tax agent. If you need further information on the taxation of super, talk to a financial adviser or tax adviser.

This tax information is based on the tax laws current when this Handbook was prepared and on the rates and thresholds in force for the 2024-25 tax year. You can find up-to-date tax information, including thresholds, at **ato.gov.au**

Tax on contributions

The government sets limits ("caps") on the amount of super contributions which benefit from the maximum tax concessions provided. It also sets limits on the amount of non-concessional (after-tax) contributions you can pay into super.

The following is a summary of the significant tax rules that apply to contributions:

- Concessional contributions (which include contributions made by your employer and salary sacrifice contributions) are generally taxed at up to 15% of the contribution.
- Non-concessional contributions from after-tax sources (such as member after-tax contributions and spouse contributions) are generally tax free.

'Notional taxed contributions'

Special rules apply to concessional contributions for defined benefit members of all superannuation funds.

The level of contributions CBA Group are required to pay to the Plan to provide your benefits may vary from year to year. As such, it's impractical to use the actual contributions paid to the Plan by CBA Group. A formula, which includes an amount for administration expenses paid by CBA Group, is used to determine the value of your 'notional taxed contributions' for your defined benefit. The Trustee calculates this amount and reports it to the ATO to include in your concessional contributions cap.

The formula uses the following variables:

- Your 'salary' at each 1 July – if your 'salary' changes during the year, any increases (or decreases) are ignored.
- A new entrant rate (NER) percentage – this is a percentage of your 'salary' used in the formula and this percentage may be adjusted periodically.
- Your category of membership – each category will have a unique NER percentage, and
- Your contributions – whether you contribute required member contributions to the Plan.

Please refer to the Employer and Salary Sacrifice Contributions for Defined Benefit Members of the CBA Group Super Plan factsheet available at **art.com.au/cbasp** or by calling us on **13 11 84**, to get the formula for Division E membership and a sample calculation.

If you leave CBA Group or elect choice of fund, the formula is pro-rated for the number of days you were a defined benefit member in the Plan for that financial year.

Concessional contribution cap

Your concessional contributions are the total of:

- your 'notional taxed contributions'
- any additional voluntary contributions you pay by salary sacrifice
- after-tax contributions you've made that you elect to make tax-deductible.

This includes contributions made to your Defined Benefit account and any additional voluntary contributions you make to another super account.

For 2024-25, the concessional (before-tax) contribution cap is $30,000 p.a. If your 'total superannuation balance' was under $500,000 on 30 June of the previous financial year, you may be able to carry forward any unused part of the cap from prior years to use within a rolling 5-year period.

Your 'notional taxed contributions' will count towards your concessional contribution cap. If your 'notional taxed contributions' are above the concessional contribution cap and grandfathering arrangements apply to your account, it's limited to the cap for reporting purposes. For information about grandfathering arrangements, please refer to the Employer and Salary Sacrifice Contributions for Defined Benefit Members of the CBA Group Super Plan factsheet available at **art.com.au/cbasp** or by calling us on **13 11 84**.

Once you know your 'notional taxed contributions' amount for the year, you'll be able to calculate the maximum amount of voluntary concessional contributions you can make for the year which will keep you under the concessional contribution cap.

If you go over your cap, the amount above your tax limit becomes part of your assessable income and you'll pay tax on it at your marginal rate less a non-refundable 15% tax offset to account for the contribution tax already paid. You can choose to withdraw up to 85% of your excess concessional contributions to help pay your income tax liability.

Non-concessional contributions cap

For 2024-25, the non-concessional (after-tax) contribution cap is generally $120,000 p.a. You may be able to contribute up to 3 times the non-concessional contribution cap amount in a given financial year by 'bringing forward' the next two years' worth of caps. If you use the future caps, they won't be available in those future years.

If on 30 June of the previous financial year your 'total superannuation balance' is equal to or above the general transfer balance cap ($1,900,000 for 2024-25) your non- concessional contributions cap for the current financial year will be nil.

Additional tax may apply if you exceed the non-concessional contributions cap. The ATO will notify you of your options if you go over the cap.

The non-concessional cap doesn't include downsizer contributions - refer to the Super Savings Accumulation Guide at **art.com.au/cbasp** for more information about downsizer contributions.

For further information on the government's limits on non-concessional contributions, visit **ato.gov.au**

Please seek financial advice if you're considering making large non-concessional contributions to your super.

Division 293 tax

If your income plus your concessional contributions are more than $250,000 a financial year, the ATO may apply an additional 15% tax to some or all of your contributions. This is known as a Division 293 tax assessment and the ATO will notify you directly. Your 'notional taxed contributions' are included in the assessment of Division 293 tax, and the amount included will not be limited to the cap by any grandfathering.

Any tax payable under a Division 293 tax assessment will be deducted from your Offset account.

Tax deductions for after-tax contributions

You can't claim a tax deduction for the after-tax contributions paid to fund your defined benefit.

Fees and costs

The fees and other associated costs of providing your benefit are paid by CBA Group and don't impact your benefit.

Fees and costs paid by CBA Group are rebated to your account and count towards your concessional contributions cap.

Fees will change if you leave CBA Group and have any amount transferred to a Super Savings - Corporate Accumulation account for the Former CBA Group Super Plan or Super Savings Income account.

How we invest your money

The Trustee, in consultation with CBA Group and the Plan actuary, decides on the investment of the assets that support your defined benefit entitlements. You can't select the investments that support your defined benefits.

The Plan's defined benefit reserve is invested in the Balanced investment option.

For more details on the Balanced investment option refer to the Super Savings Investment Guide available at **art.com.au/cbasp**

Your benefits

The CBA Group Super Plan provides a retirement, withdrawal or disability retirement benefit on leaving employment. The benefit you receive depends on your age at leaving employment and your reason for leaving. A death benefit is payable to your dependants if you die whilst a member of the Plan.

If your benefit is paid as CBA Group Super Plan Lifetime Pension, your initial annual pension entitlements will be rounded up to the nearest dollar.

If you exercise choice of fund, you'll receive whichever of the retirement or withdrawal benefit you were eligible for if you'd left employment with CBA Group on that day.

Your benefits are subject to a minimum requisite benefit to ensure compliance with the *Superannuation Guarantee (Administration) Act 1992 (Cth)*.

If you have an Offset account, this amount will be deducted from your benefit.

What happens to my benefit when I leave CBA Group or elect choice of fund?

For any portion of your defined benefit paid as a lump sum, the amount calculated will be subject to investment returns from the date you leave employment with CBA Group or elect choice of fund. If you elect to commence a CBA Group Super Plan Lifetime Pension, your Defined Benefit amount doesn't change with investment returns.

For lump sums, your Defined Benefit account will be transferred to an accumulation account in the Plan effective the date you leave employment. This account will be invested in the Cash investment option until we have all the information needed to process your benefit. This may include the date you ceased employment, the reason for cessation and receipt of any outstanding contributions from CBA Group. We'll tell you if we need any information from you. The processing of payments and transfers can be a lengthy process to complete, considering the level of information needed and our dependency on external parties, including employers.

If you have an Offset account to be deducted from your lump sum, your Defined Benefit account will be combined with your Offset account when we process your lump sum benefit and invested according to the investment choice on your account.

Investment choice – lump sum amounts

Your balance may change daily once converted to an accumulation account, as the value of your account is subject to changes in the daily unit price. No negative return will apply to your Defined Benefit account during the period between the date you cease employment with CBA Group or elect choice of fund and the date we finalise your Defined Benefit account.

When you approach the date at which you're planning to stop working with CBA Group or to elect choice of fund, you should consider what investment option will be appropriate for you once your benefit leaves your defined benefit division. You can choose an investment option(s) for your lump sum benefit if it's transferred to a Super Saving Accumulation or Income account.

You can allocate your money among our mixed asset options or use our index and single-sector options as the building blocks for your investment strategy. Find out about our options in our Super Savings Investment Guide at **art.com.au/cbasp**

If you haven't made a choice, your Accumulation account will be invested in the Lifecycle Investment Strategy.

You can view or update your investment option(s) at any time. Simply log in to **Member Online**.

Note: When choosing how to invest your super, please consider:

- the level of returns you want
- the risk you can or should take to reach your investment goals
- your investment time-frame.

Death and disability retirement benefits

See page 14 for details of how leaving CBA Group or electing choice of fund affects your death and ill health retirement benefits.

Retirement benefits

When you leave employment with CBA Group after age 55 but before age 65 for any reason (other than death), you'll be entitled to a retirement benefit.

Your retirement benefit is the greater of:

(a) Your 'accrued benefit *multiple' times* your 'final average salary' *less* your Offset account

or

(b) Your SG minimum benefit

On or after age 65

When you remain employed with CBA Group at age 65, your retirement benefit will be calculated effective your 65th birthday using your 'accrued benefit multiple' and your 'final average salary' at that date.

Your benefit upon leaving CBA Group will be the greater of:

(a) Your retirement benefit at age 65 *plus* interest to the date you leave employment *less* your Offset account

or

(b) Your SG minimum benefit

Disability retirement benefit

A disability retirement benefit will be payable if you leave employment prior to age 55 and the Trustee determines you meet the definition of 'disability'. If you leave employment due to 'disability' after age 55, your retirement benefit will be paid.

How much is my disability retirement benefit?

If you're approved for a disability retirement benefit before age 55, your benefit will generally be an indexed lifetime pension of:

Your 'death benefit multiple' *times* your 'final average salary'
less your Offset account
divided by 11

Your initial annual pension entitlement will be rounded up to nearest dollar.

For information about the CBA Group Super Plan Lifetime Pension, see page 21.

Child allowance

In addition to the disability retirement benefit above, a child allowance may be paid if you have a 'child' who would be wholly or substantially dependent upon the receipt of the allowance.

The annual allowance at 1 July 2024 is $6,305. The allowance is adjusted on 1 July each year using the *All Groups CPI, Weighted Average of Eight Capital Cities* figures published by the Australian Bureau of Statistics for March of each year.

The child allowance will to be paid fortnightly to:

- the 'child'
- a parent or guardian or a person having the custody of the 'child'
- such person or person on behalf of or for the benefit of the 'child' as, having regard to the circumstances of the 'child', the Trustee considers appropriate

The allowance will only be paid while the 'child' meets eligibility requirements.

Review of eligibility for disability retirement pension

Whilst you're receiving a disability retirement pension, the Trustee can review whether you continue to suffer a 'disability'. Following their review, they may continue to pay the pension, reduce the pension or stop the pension.

The Trustee may stop the disability retirement pension where:

- you fail to provide any information or submit to any medical examination required by the Trustee
- in the opinion of the Trustee, you're no longer disabled and are receiving remuneration equivalent to your position at the date you left employment or are offered employment with CBA Group

If your pension is stopped, your membership may re-start, or a lump sum benefit may be paid depending on the reason for your pension stopping.

Lump sum options

At the time the Trustee approves your disability claim, you can elect to have a lump sum equal to your withdrawal benefit instead of a CBA Group Super Plan Lifetime Pension. The Trustee can also elect to pay your disability retirement benefit as a lump sum in lieu of the annual pension.

If you've received payments from the disability pension for 3 years or more, you can elect to stop the pension and be paid a lump sum. The lump sum will be the amount calculated as if you had died on the date you left employment with CBA Group, adjusted in line with changes in Melbourne AWOTE, *less* the total amount of the disability retirement pension payments you've received.

If you elect to convert to a lump sum, any child allowance will stop and you won't be able to change back to the CBA Group Super Plan Lifetime Pension in future.

Withdrawal benefit

Where you leave the employment of CBA Group or elect choice of fund and aren't entitled to a retirement benefit or a benefit on any other grounds (i.e. death or 'disability'), a withdrawal benefit is payable.

Option 1 – available to all members

Your withdrawal benefit is the greater of:

(a) Your 'member-financed benefit'
plus your 'bank-financed benefit'
plus your Transfer-in account
less your Offset account

or

(b) Your SG minimum benefit

Your 'member-financed benefit' and your Transfer-in account must be transferred from Division E of the Plan.

If you've resigned from CBA Group or elected choice of fund to an external fund, you can have this amount transferred to the Super Savings – Corporate Former CBA Group Super Plan or another fund of your choice.

If you elected choice of fund to an Accumulation account in the CBA Group Super Plan, this amount will be transferred to your Accumulation account unless you advise us otherwise.

For your 'bank-financed benefit' less your Offset account, you can choose between:

- keeping the benefit as a retained member in Division E until you attain age 60 and have your benefit indexed in line with *Average Weekly Earnings, Victoria (Dollars) – Original: Full-time Adult Ordinary Time Earnings Index* (AWOTE)
- transferring this amount to the Super Savings – Corporate Former CBA Group Super Plan
- transferring this amount to another fund of your choice

If you don't provide instructions within 90 days, your 'member financed benefit' portion will be transferred to the Super Savings – Corporate Former CBA Group Super Plan and your 'bank-financed benefit' portion will be retained in Division E.

For more information about retained membership, see the 'Retained members' section on page 18.

Option 2 – only available to former division B member of the State Bank of Victoria Staff Superannuation Fund

If you're a former division B member of the State Bank of Victoria Staff Superannuation Fund, you have the option of taking the following benefit (your SBV benefit) instead of the benefit outlined above:

2 *times* your Member account
plus your Transfer-in account
plus your LWOP Contribution account
less your Offset account

If you want to have the SBV benefit, you must advise us within 90 days of the date you left or the date you elected choice of fund. If you don't choose this benefit within 90 days, the benefit outlined in option 1 will apply.

If you've resigned from CBA Group or elected choice of fund to an external fund, you can have this amount transferred to the Super Savings – Corporate Former CBA Group Super Plan or another fund of your choice. If you don't provide instructions, your benefit will be transferred to the Super Savings – Corporate Former CBA Group Super Plan.

If you elected choice of fund to an Accumulation account in the CBA Group Super Plan, this amount will be transferred to your Accumulation account unless you advise us otherwise.

Benefit on retrenchment

If you leave CBA Group due to retrenchment or redundancy when you are aged 55 or over, your retirement benefit will be payable. If you're under age 55, your withdrawal benefit will be payable.

What can I do with my lump sum benefit?

Retain your benefit in Division E

If you're entitled to a withdrawal benefit before age 55 and you choose option 1 as shown above, you can retain the 'bank-financed benefit' portion of benefit in Division E until age 60.

Keep your super growing in an Accumulation account

If you elect to take a lump sum benefit, this will be transferred to a Super Savings Accumulation account or to another complying superannuation fund.

If you've ceased employment with CBA Group or elected choice of fund to an external fund

You can transfer your lump sum benefit to a Super Savings – Corporate Former CBA Group Super Plan account or to another complying superannuation fund.

If you're going to be working for an employer outside the CBA Group, you can tell your employer to pay your super into your Super Savings – Corporate Former CBA Group Super Plan account. You can also request to have insurance cover in your account.

For further information about the Super Savings – Corporate Former CBA Group Super Plan account, see the Super Savings – Corporate Product Disclosure Statement for Accumulation Account Former CBA Group Super Plan available at **art.com.au/cbasp**

If don't provide instructions for your lump sum within 3 months of becoming eligible for the benefit, your lump sum benefit will automatically be transferred to a Super Savings – Corporate Former CBA Group Super Plan.

If you've elected choice of fund to an Accumulation account in the CBA Group Super Plan

If you elected choice of fund to have your future contributions from CBA Group paid to an Accumulation account in the CBA Group Super Plan, your lump sum benefit will be transferred to your Accumulation account in the CBA Group Super Plan unless you advise us otherwise.

For more information see the Super Savings – Corporate Product Disclosure Statement for Accumulation Account CBA Group Super Plan at **art.com.au/cbasp**

Receive your lump sum benefit in cash

Preserved lump sum benefits can only be paid to you as cash if you qualify under the 'preservation rules'. Generally, you'll qualify where:

- you've reached age 60 and you're permanently retiring from the workforce
- you cease employment after age 60
- you're aged 65 or over
- you meet the definition of permanent incapacity stated in the *Superannuation Industry (Supervision) Regulations 1994*.

If you have an unrestricted non-preserved component in your benefit, you can have this paid to you as cash.

Cash payments are tax-free from age 60. Under age 60, tax may apply to your cash payments.

For more information about 'preservation rules' and tax on cash payments, see the Super Savings Accumulation Guide, available at **art.com.au/cbasp**

Turn your super into income

If you want to turn your super into a regular income stream, you can consider:

Opening a Retirement Income account: Turn your super into regular income with our Retirement Income account. Your money stays invested so your savings may continue to grow. You may be able to get tax benefits to help you grow your super in retirement.

Buy a Lifetime Pension: A Lifetime Pension provides an income for the rest of your life, so you don't have to worry about your savings running out. It may even increase your Age Pension payment, if you're eligible.

Income payments are generally tax-free from age 60. Under age 60, tax may apply to your income payments. A 15% tax offset may apply to income payments if you have a total and permanent disability.

Information about Income accounts and our Lifetime Pension can be found in the Super Savings Product Disclosure Statement for Income Account and Lifetime Pension at **art.com.au/pds**

The Australian Retirement Trust Lifetime Pension information included in the Super Savings Product Disclosure Statement for Income Account and Lifetime Pension is different to any CBA Group Super Plan Lifetime Pension that you may be eligible for.

Your death benefit

This section outlines what happens if you die while employed by CBA Group.

How much is my death benefit?

From age 55

If you die on or after age 55, your beneficiaries will be eligible for a death benefit equal your retirement benefit at the date of your death.

Before age 55

If you die before age 55, your beneficiaries will be eligible for a death benefit which is:

> Your 'death benefit multiple' *times* your 'final average salary'
> *less* your Offset account

A child allowance as described under "Disability retirement benefit" on page 10 may be payable in addition to this lump sum benefit.

Who receives my death benefit?

If you have a 'spouse' at the time of your death, your death benefit will be paid to your 'spouse' or if you have more than one 'spouse', to one or more of them in such shares as the Trustee determines.

If you don't have a 'spouse' at the time of your death, your death benefit will be paid to your legal personal representative.

If we can't find a 'spouse' or legal personal representative after making reasonable inquiries, we will retain the benefit in the Plan. Payment will be made if a person subsequently establishes that he or she is your 'spouse' or legal personal representative.

The way tax on your death benefit money works will depend on who gets it and how they receive the payout.

Investment of your benefit if you die

Once we receive notification of your death, any lump sum amounts payable will be invested in the Cash investment option and will remain invested there until the Trustee finalises payment of your death benefit. This amount will be subject to the investment returns applicable to the Cash investment option during this period. Changes in the daily unit price mean the value of the benefit will change daily from the date we receive notification of your death until the date of payment.

For more details on the Cash investment option refer to the Super Savings Investment Guide available at **art.com.au/cbasp**

Additional insurance cover

You can't have any additional death or disablement insurance cover or Income Protection cover included in your Defined Benefit account.

If you wish to have a higher death benefit than you're entitled to in your Defined Benefit account or to hold lump sum Total and Permanent Disablement cover or Income Protection cover, you can open an Accumulation account in the CBA Group Super Plan and apply for cover through that account.

For information about Accumulation accounts, including how to open an account, see the Super Savings – Corporate Product Disclosure Statement for Accumulation Account CBA Group Super Plan. For information about the insurance options available in the Accumulation account, see the Super Savings – Corporate Insurance Guide CBA Group Super Plan. You can access these documents at **art.com.au/cbasp**

What happens to my death and disability retirement benefits if I leave CBA Group or elect choice of fund?

Leaving CBA Group or electing choice of fund to an external fund

When we're told you've left CBA Group or you elect choice of fund to an external fund (and you choose not to defer your benefit), your eligibility for the death and ill health retirement benefits provided under Division E of the CBA Group Super Plan will cease.

You have 90 days from the date you ceased employment or elected choice of fund to opt in for Death and Total and Permanent Disablement (TPD) cover in the Super Savings – Corporate Former CBA Group Super Plan. The maximum amount of Death & TPD cover available is calculated using a multiple equal to four times your 'salary', subject to a maximum automatic acceptance limit of $1.5 million. Between ages 61 and 69, the multiple used to calculate your TPD cover reduces annually by 10%. When cover is provided in the Former CBA Group Super Plan it will be provided as 'fixed cover'. Your cover would commence on the date of acceptance by the insurer.

Insurance premiums for any cover held will be payable in full by you and deducted from your Super Savings – Corporate Former CBA Group Super Plan account. If you don't have a lump sum amount to transfer to a Super Savings – Corporate Former CBA Group Super Plan account, you'll have to make a contribution to ensure premiums can be paid. If you're going to be working for an employer outside the CBA Group, they'll be able to pay contributions to your Super Savings – Corporate Former CBA Group Super Plan account. To apply for cover please complete the Defined Benefit – Insurance Continuation Application and return to us. The form is available at **art.com.au/cbasp**

For information about the Super Savings – Corporate Former CBA Group Super Plan see the Super Savings – Corporate Product Disclosure Statement for Accumulation Account Former CBA Group Super Plan available at **art.com.au/cbasp**

Insurance cover for Super Savings – Corporate Former CBA Group Super Plan accounts is provided through group life policies issued by AIA Australia Limited ABN 79 004 837 861 AFSL No. 230043 to the Trustee of the Australian Retirement Trust. For information about the cover and premiums payable, see the Super Savings – Corporate Insurance Guide Former CBA Group Super Plan available at **art.com.au/cbasp**

Electing to convert your Defined Benefit to an Accumulation account in the Accumulation Division of the CBA Group Super Plan

When you elect to convert your Defined Benefit to an Accumulation account in the Accumulation division of the CBA Group Super Plan, your eligibility for the death and ill health retirement benefits provided under Division E of the CBA Group Super Plan will cease.

If you have an existing Accumulation account in the CBA Group Super Plan, CBA Group will direct future SG contributions to that account. If you don't have an existing Accumulation account, one will be opened for you when CBA Group pays the first SG contribution.

If you're eligible for insurance cover, the Standard cover available to members in the Accumulation category will be allocated to your account from the later of your balance reaching $6,000 and CBA Group paying the first SG contribution to your account. Insurance premiums for any cover held will be payable in full by you and deducted from your account.

Insurance cover for Super Savings – Corporate CBA Group Super Plan accounts is provided through group life policies issued by AIA Australia Limited ABN 79 004 837 861 AFSL No. 230043 to the Trustee of the Australian Retirement Trust.

For information about Accumulation accounts, see the Super Savings – Corporate Product Disclosure Statement for Accumulation Account CBA Group Super Plan. For information about the cover and premiums payable, see the Super Savings – Corporate Insurance Guide CBA Group Super Plan. These documents are available at **art.com.au/cbasp**

About death and disability claims

Let us help you

We understand death and disability retirement claims can be difficult and stressful. We understand the circumstances of every claim are as different as the individuals making them.

To help you and your family through this difficult time, we have a team of dedicated and experienced staff who can assist you. Our claims representatives are trained specialists who'll handle your claim journey with compassion and professionalism.

Our claims representatives are trained to understand and explain our claims process. Once you make the initial contact with us to start a claim, you'll be assigned an individual claims representative to help you through the process and answer your questions.

We're here to help. Please call us as soon as you can on **13 11 84** if you'd like help making a claim or have any questions.

How to make a claim

While we hope you never need to, the following information will help you in understanding the claim process if you need to make a claim. The claims process involves:

- notification to us
- gathering information and providing it to us
- assessment by the Australian Retirement Trust Trustee, including determination of the beneficiary/s
- decision by the Australian Retirement Trust Trustee
- payment of the claim, if approved.

These steps do take some time, although our experienced claims representatives will help you at every stage of the process.

Further information may be requested at different stages of the process, and with invalidity claims you may be required to undergo an examination by a medical practitioner or professional of the claims assessor's choice. The claims assessor will usually meet the costs associated with any additional information requests.

Death claims

It's important that in the event of your death, Australian Retirement Trust is notified by a relative or legal personal representative to enable the claims process to begin.

Disability claims

Australian Retirement Trust should be notified as soon as reasonably possible after an event that's likely to give rise to a disability claim.

Claims after your benefit has stopped

If an event occurs before the date your benefit stops or is terminated, and that event entitles you to make a claim, you may still be eligible for that payment even after your benefit has ceased.

Claim investigation

If you make a claim, the claims assessor reserves the right to investigate the claim including but not limited to conducting surveillance and requesting information and medical examinations.

Incorrect information and eligibility for benefits

If your recorded age is incorrect, we'll adjust the benefit based on the correct information. Generally, your eligibility for benefits won't be assessed until you make a claim.

Financial advice

When you make a claim or receive a benefit, not only is it likely to be a difficult time, but it can be hard to know what your next step is. You don't need to panic, and you don't need to be rushed into a course of action.

Speak to your adviser or contact Australian Retirement Trust.

You can find out more about financial advice options at **art.com.au/advice** or by calling us on **13 11 84**.

Other terms and conditions

Changing from full-time to part-time

If you change from full-time employment to part-time employment, your Defined Benefit account will continue in the Plan. You'll be required to continue paying your member contributions at your chosen percentage contribution rate times your part-time 'super salary'.

The accrual rate for your 'accrued benefits multiple' will be multiplied by the percentage of your part-time hours compared to regular full-time hours.

Your 'super salary' used in calculating your 'final average salary' for your benefits will be the full-time equivalent of your part-time 'super salary'.

If you're under age 55, your death and ill health retirement benefits will be reduced if you reduce your working hours as the calculation of your 'death multiple' includes a part-time prospective benefits factor for your prospective service to age 55.

Leave of Absence

Secondment or Leave With Pay

If you're on secondment or granted a leave of absence with full pay, you'll remain a member. Your contributions should continue to be paid at the rate that applied before your leave started, however you can elect to vary your contribution rate once per year on the anniversary of the date you joined CBA Group. Your benefits will be based on the contribution rate paid through your period of secondment or leave of absence. If you fail to pay contributions, you'll be deemed to have made 0% contributions and you'll get benefits on that basis for the period contributions aren't paid.

Leave Without Pay

If you're granted a leave of absence without pay for a period of 2 weeks or more, you must elect one of the below options within one month of being advised of your options. If you don't make an election, option 3 (cease contributions) will apply.

Option 1 – Continue contributions

You can continue paying contributions to keep your benefits at a level similar to what you'd have received if you didn't go on leave without pay.

You'll be required to pay contributions at a higher rate than usual to have your period of leave without pay be counted as plan membership when calculating your retirement, withdrawal, disability retirement and death benefits.

Under this option, you'll continue to accrue new benefits and your prospective death and disability retirement benefit will continue to be calculated as usual during your period of leave of leave without pay.

Option 2 – Pay limited contributions to continue death and disablement benefit through your period of leave

If you're under age 55, you can elect to pay a reduced contribution amount that will continue the prospective accrual rate portion of your 'death multiple' calculation.

You won't accrue new benefits during this period. This means you'll have a lower benefit on retirement, withdrawal, disability retirement or death than if you continued to pay contributions. Your prospective death and disability retirement benefit will continue to calculated as usual during your period of leave.

Option 3 – Cease contributions (default option if you don't choose option 1 or option 2)

For any period where your contributions are ceased, you won't accrue new benefits. This means you'll have a lower benefit on retirement, withdrawal, disability retirement or death than if you continued to pay contributions. If you're under age 55, during your period of leave the prospective accrual rate portion of your 'death multiple' calculation will be zero. As such, your death and disability retirement benefit during your period of leave will be equal to your retirement benefit.

Your 'final average salary' for benefits will be calculated using your 'super salary' immediately before you started your leave.

Your contributions will automatically re-start when you return from leave without pay at the same rate as you were paying before your leave started.

Returning to employment with CBA Group

If you cease working for CBA Group and elect to leave your benefit in the retained category or commence a CBA Group Super Plan Lifetime Pension, there will be no change to your accrued benefits or payments if you later return to employment with CBA Group. Your pension will continue to be paid if it's commenced and your options remain unchanged if your benefit is in the deferred category.

You can't re-commence your membership in Division E to receive new or higher benefits. CBA Group will pay contributions for your new employment period to the Accumulation division of the CBA Group Super Plan.

Choice of fund and electing to convert to an Accumulation account

You can request CBA Group pay your future super contributions to the Accumulation division of the CBA Group Super Plan or to another fund or at any time. Before CBA Group can act on your request, you'll need to provide us with an election to cease your defined benefit. The opening balance of your Accumulation account on conversion of your Defined Benefit is whichever of the withdrawal or retirement benefit you'd have been eligible for if you'd ceased employment on the day your defined benefit ceases (unless you have elected to defer your defined benefit or start a pension with your defined benefit amount).

Choosing to cease your defined benefit is a decision that can't be reversed. Before making an election, you should call us on **13 11 84** to understand the impact the decision will have on your benefits.

Early release of your defined benefit

Your super can generally be accessed in cash at the earliest of permanently retiring, or stopping work after age 60, or from age 65. Under superannuation legislation, there's certain circumstances where you're permitted the early release of your benefit.

If you satisfy the requirements for the early release of your Defined Benefit account and receive a payment, the Trustee will deduct the payment from your Offset account. See page 6 for information about Offset accounts.

For more details, or to request the release of your super benefits under special circumstances, visit **art.com.au/early-access** or call us on **13 11 84.**

Partial withdrawals and portability

You can't take any cash payments or transfer any part of your Defined Benefit account to a Super Savings Accumulation account, Income account, or to another complying superannuation fund until you cease employment with CBA Group, unless you want your Defined Benefit account to cease.

Choosing to cease your Defined Benefit account is a decision that can't be reversed. Before making an election, you should call us on **13 11 84** to understand the impact the decision will have on your benefits.

Family Law payments

If a benefit payment involves a split as required under the Family Law Act, the Trustee will reduce the amount of your benefit by the amount paid to your spouse or former spouse. The payment to your spouse or former spouse will be added to the balance of your Offset account.

For more information about Offset accounts, refer to page 6.

Retained members

This section provides information for members who left employment with CBA Group or elected choice of fund before age 55 and retained their 'bank-financed benefit' in Division E.

Division E members leaving CBA Group for other reasons aren't eligible to retain their benefit. Retained benefits must be taken by age 60.

Contributions and rollovers

You can't make contributions to or rollover benefits into your retained Defined Benefit account.

If you have a Super Savings – Corporate Former CBA Group Super Plan account or an Accumulation account in the CBA Group Super Plan, you can make contributions to your account and transfer benefits from other funds into the account.

If you have an employer outside the CBA Group, they can make contributions to your Super Savings – Corporate Former CBA Group Super Plan account.

For information about the Super Savings – Corporate Former CBA Group Super Plan account, see the Super Savings – Corporate Product Disclosure Statement for Accumulation Account Former CBA Group Super Plan available at **art.com.au/cbasp**

For information about Accumulation accounts in the CBA Group Super Plan account, see the Super Savings – Corporate Product Disclosure Statement for Accumulation Account CBA Group Super Plan available at **art.com.au/cbasp**

Fees and costs

The fees and other associated costs of providing your benefit are paid by CBA Group and don't impact your benefit.

Fees and costs paid by CBA Group are rebated to your account and count towards your concessional contributions cap.

Fees will change if you leave the retained category and have any amount transferred to a Super Savings - Corporate Former CBA Group Super Plan account, Income account or Lifetime Pension.

How we invest your money

The Trustee, in consultation with CBA Group and the Plan actuary, decides on the investment of the assets that support your defined benefit entitlements. You can't select the investments that support your defined benefits. The Plan's defined benefit reserve is invested in the Balanced investment option.

For more details on the Balanced investment option refer to the Super Savings Investment Guide available at **art.com.au/cbasp**

Your benefits

Withdrawal benefit

You can withdraw your retained benefit at any time, but it must be taken by age 60.

Your benefit will be indexed in line with *Average Weekly Earnings, Victoria (Dollars) – Original: Full-time Adult Ordinary Time Earnings Index* (AWOTE) while you're a retained member. Your indexation factor is calculated as:

> Index factor up to the 30 June immediately preceding the most recent 1 September
> *divided* by the index factor at the date you became a retained member

Before age 55

If you choose to withdraw as retained member before you attain age 55, your benefit will be reduced by 2% for each year between the date you left employment with CBA Group or elected choice of fund and age 55. Your benefit will be a lump sum calculated as:

> Your 'bank-financed benefit' at the date you became a retained member
> *times* the index factor up to the 30 June immediately preceding the most recent 1 September
> *divided* by the index factor at the date you became a retained member
> *times* your 'discount factor'
> *less* your Partial Withdrawals*
> *less* your Offset account

* Your Partial Withdrawals is the sum of any partial withdrawal payments you have made ***divided by*** the index factor at the date of withdrawal ***times*** the index factor at the date of calculation.

After age 55

If you've attained age 55, your benefit on withdrawal as a retained member will be a lump sum calculated as:

> Your 'bank-financed benefit' at the date you became a retained member
> *times* the index factor up to the 30 June immediately preceding the most recent 1 September
> *divided* by the index factor at the date you became a retained member
> *less* your Partial Withdrawals*
> *less* your Offset account

* Your Partial Withdrawals is the sum of any partial withdrawal payments you have made ***divided by*** the index factor at the date of withdrawal ***times*** the index factor at the date of calculation

Your retained benefit must be taken once you reach age 60. If you don't provide instructions upon attaining age 60, your benefit will automatically be transferred to a Super Savings – Corporate Former CBA Group Super Plan account.

Your disability retirement benefit

If you meet the definition of 'disability' whilst a retained member, your benefit will be a lump sum amount of:

> Your 'bank-financed benefit' at the date you became a retained member
> *times* the index factor up to the 30 June immediately preceding the most recent 1 September
> *divided* by the index factor at the date you became a retained member
> *less* your Partial Withdrawals*
> *less* your Offset account

* Your Partial Withdrawals is the sum of any partial withdrawal payments you have made ***divided by*** the index factor at the date of withdrawal ***times*** the index factor at the date of calculation

What can I do with my lump sum benefit?

You must take the lump sum from Division E of the Plan by age 60.

You may be able to:

- Keep your super growing in an Accumulation account
- Receive your lump sum benefit in cash
- Turn your super into income

For information about these options, see the "What can I do with my lump sum benefit?" section for Employee members on page 11.

Your death benefit

If you die while a retained member, your beneficiaries will be eligible for a lump sum death benefit equal to:

> Your 'bank-financed benefit' at the date you became a retained member
> *times* the index factor up to the 30 June immediately preceding the most recent 1 September
> *divided* by the index factor at the date you became a retained member
> *less* your Partial Withdrawals*
> *less* your Offset account

* Your Partial Withdrawals is the sum of any partial withdrawal payments you have made ***divided by*** the index factor at the date of withdrawal ***times*** the index factor at the date of calculation

The allocation and payment of your death benefit is as described in the "Your death benefit" section for Employee members on page 13.

Investment of your benefit if you die

Once we receive notification of your death, any lump sum amounts payable will be invested in the Cash investment option and will remain invested there until the Trustee finalises payment of your death benefit. This amount will be subject to the investment returns applicable to the Cash investment option during this period. Changes in the daily unit price mean the value of the benefit will change daily from the date we receive notification of your death until the date of payment.

For more details on the Cash investment option refer to the Super Savings Investment Guide available at **art.com.au/cbasp**

About death and disability claims

See the "About death and disability claims" section for Employee members on page 15.

Additional insurance cover

You can't have any additional death or disablement insurance cover or Income Protection cover included in your retained account.

If you wish to have a higher death or disability benefit than you're entitled to in your retained account or to hold Income Protection cover, you can apply for cover through a Super Savings – Corporate Former CBA Group Super Plan account.

For information about the insurance options available, see the Super Savings – Corporate Insurance Guide Former CBA Group Super Plan available at **art.com.au/cbasp**

Other terms and conditions

Family Law payments

If a benefit payment involves a split as required under the Family Law Act, the Trustee will reduce the amount of your benefit by the amount paid to your spouse or former spouse. The payment to your spouse or former spouse will be added to the balance of your Offset account.

For more information about Offset accounts, refer to the "Offset accounts" section for Employee members on page 6.

CBA Group Super Plan Lifetime Pension members

This section details the lifetime pension payable to former employees of the CBA Group and associated employers who left employment due to 'disability'.
Division E members leaving CBA Group for other reasons or electing choice of fund aren't eligible to have their benefit paid as a CBA Group Super Plan Lifetime Pension.

Risks of the CBA Group Super Plan Lifetime Pension

Risks of the CBA Group Super Plan Lifetime Pension include:

- Your CBA Group Super Plan Lifetime Pension depends on ongoing support by CBA Group.
- Once your pension has commenced you may not be able to convert your pension into cash.
- Laws may change in the future (e.g. tax, social security).
- Your CBA Group Super Plan Lifetime Pension may not be enough to provide adequately for your retirement.

Your CBA Group Super Plan Lifetime Pension

The CBA Group Super Plan Lifetime Pension provides an annual pension amount, payable to you in regular payments throughout the year.

How long will a pension be paid?

If you're a 'pensioner', the pension will generally be paid for your life and, if you have a 'spouse' at the time of your death, for the life of your 'spouse'.

If you stopped working with CBA Group due to 'disability' and you become able return to work, your pension may be stopped. See the "Review of eligibility for disability pension" information on page 10.

If you remain eligible to receive pension payments and are paid an allowance for your 'child' or 'children', the allowance will continue while they meet the definition of 'child' unless you elect to commute your pension to a lump sum. In this case, the child allowance would stop being paid.

When are pension payments paid?

Your pension will be paid fortnightly on a Wednesday (or the previous business day if Wednesday is a public holiday).

If your pension starts part way through a payment period, the payment will be a proportionate amount of the pension amount for that period.

How are payments treated for social security purposes?

Your CBA Group Super Plan Lifetime Pension is classified as a Defined Benefit income stream when assessing your eligibility for any age pension by Services Australia. We are not able to provide information concerning social security implications of pensions. Entitlements can require complex calculations and depend on when the pension commences and how much is from a tax-free source. Refer to **servicesaustralia.gov.au** for further information about how your payments will be treated for social security purposes.

Fees and costs

The fees and other associated costs of providing your CBA Group Super Plan Lifetime Pension are paid by CBA Group and don't impact your benefit.

Continuation of pension

To ensure your pension benefits continue to be paid, we'll send you a Lifetime Pension Declaration form each July. You can make your declaration over the phone by calling us on **13 11 84** or by completing and returning the form by the required date. Your benefits may be discontinued if the declaration isn't made within the required timeframe.

Will my CBA Group Super Plan Lifetime Pension payment be increased in the future?

Your CBA Group Super Plan Lifetime Pension may increase on 1 September each year to account for inflation.

Any adjustment to your pension is calculated using the *Average Weekly Earnings, Victoria (Dollars) – Original: Full- time Adult Ordinary Time Earnings Index* figures published by the Australian Bureau of Statistics for May of each year.

The change in your pension will generally be the percentage change in the index number from May of the previous year to May of the current year. This is called the indexation rate. If you commenced your CBA Group Super Plan Lifetime Pension during the financial year, your indexation amount will be a pro-rata amount based on the number of days you received the pension.

If the indexation rate is negative, your pension amount remains the same – it won't reduce for that year. In this case, the next indexation rate will be calculated using the last index number where indexation occurred.

An example of how indexation is calculated using example index numbers is below.

Year	Example 1 Increase in index	Example 2 Decrease in index
1	120	120
2	122	118
3	123.5	123

In example 1, the indexation rate for year 2 is (122 – 120)/120 = 1.67%. For year 3, it is (123.5-122)/122 = 1.23%. Your pension will automatically increase by 1.67% from the first payment day in year 2 and by 1.23% from the first payment day in year 3.

In example 2, the indexation rate for year 2 is (118 – 120)/120 = -1.67%. As this is a negative amount, there will be no change to your payment amount for year 2. For year 3, the decreased index number in year 2 isn't used as the starting index number. Instead, we calculate the increase from year 1 to year 3 index numbers. (123 – 120)/120 = 2.5%. Your pension will automatically increase by 2.5% from the first payment day in year 3.

If you're receiving child allowance payments, the allowance is adjusted on 1 July each year using the *All Groups CPI, Weighted Average of Eight Capital Cities* figures published by the Australian Bureau of Statistics for March of each year.

Tax on CBA Group Super Plan Lifetime Pensions

This section gives a summary of the way your CBA Group Super Plan Lifetime Pension will be taxed. Australian Retirement Trust is not a tax agent, and we recommend you consider obtaining your own financial and/or tax advice.

This tax information is based on the tax laws current when this Handbook was prepared and on the rates and thresholds in force for the 2024-25 tax year. You can find up-to-date tax information, including thresholds, at **ato.gov.au**

Your CBA Group Super Plan Lifetime Pension will be subject to tax if one or more of the following apply:

- you're under age 60
- your annual pension is above the defined benefit income cap as described below.

Payments received before age 60

The taxable component of your pension will be subject to PAYG withholding tax. We'll withhold the required tax from your pension payment and remit it to the Australian Taxation Office.

Payments received after age 60

The defined benefit income cap is $118,750 (one-sixteenth of the transfer balance cap) for 2024-25. This amount is indexed in increments of $6,250.

If your annual lifetime pension payments are under this amount, your pension will be paid tax-free.

If your annual lifetime pension payments are higher than $118,750, you may be required to pay tax on the excess. Generally, half the excess amount must be included in your assessable income and taxed at your current marginal rate. If you started your lifetime pension or reached age 60 during the year, the defined benefit income cap may be a reduced pro-rata amount for that year. For more information on how tax applies to lifetime pensions you can visit **ato.gov.au**

Transfer balance cap

There are limits on how much you transfer into retirement income streams. This limit is known as the transfer balance cap and is managed by the ATO. The general transfer balance cap is $1.9 million for 2024-25. This is indexed in increments of $100,000 based on the December *All Groups CPI* rate. Your personal transfer balance cap may be different depending on when you first started a retirement income stream. You can check your personal transfer balance cap using ATO myGov.

The usual transfer balance cap rules apply differently to lifetime pensions. The ATO prescribes the calculation for determining the reportable balance of your CBA Group Super Plan Lifetime Pension. This is known as the special value. The special value counts towards your personal transfer balance cap.

If you go over your personal transfer balance cap due to a combination of your CBA Group Super Plan Lifetime Pension and any other account-based income streams you start (like a Super Savings Income account), you may need to commute your account-based pension and be liable for excess transfer balance tax. For more information on how the transfer balance cap applies to lifetime pensions you can visit **ato.gov.au**

What happens on the death of a 'pensioner'?

When you die, a residual lump sum may be payable to your 'spouse' or between your 'spouses' as the Trustee decides if you have more than one 'spouse'. If you don't have a 'spouse', the payment will be made to your legal personal representative.

The lump sum will be the amount calculated as if you had died on the date you left employment with CBA Group, adjusted in line with changes in AWOTE, less the total amount of the disability retirement pension payments you've received.

No residual benefit will be paid if the payments you have received are more than the amount of the adjusted death benefit or if you don't have a 'spouse' or legal personal representative at the time of your death.

If you were receiving or paying child allowance payments at the time of your death, these payments will continue while the 'child' meets eligibility requirements.

Delay in notification of the death of a 'pensioner'

If you die part way through a payment period, the full value of your pension payment for the final period will be paid.

If we aren't notified of your death and your pension continues to be paid, there may be an overpayment that we'll need to recover.

If an overpayment occurs, we'll recover this by:

- If you have a residual benefit, we'll adjust the amount of this benefit by the overpaid amount.
- If you don't have a residual benefit, we'll seek recovery of any overpayment from your estate.

Lump sum options and commutation of CBA Group Super Plan Lifetime Pension

If you've received payments from the CBA Group Super Plan Lifetime Pension for 3 years or more, you can elect to stop the pension and be paid a lump sum. The lump sum will be the amount calculated as if you had died on the date you left employment with CBA Group, adjusted in line with changes in AWOTE, *less* the total amount of the disability retirement pension payments you've received.

If you elect to commute your CBA Group Super Plan Lifetime Pension, the whole pension will be commuted - you can't elect a partial commutation to have some of your benefit as a lump sum and some as a lifetime pension.

If you elect to convert to a lump sum, any child allowance will stop and you won't be able to change back to the CBA Group Super Plan Lifetime Pension in future.

Family Law splits

If you separate from your spouse (including same-sex and de facto), family law legislation means you may be required to split your CBA Group Super Plan Lifetime Pension and have a portion paid to your former spouse.

While you're alive and receiving pension payments, the non-member spouse will receive their entitlement from each of your pension payments. If you're a 'pensioner' and you have a 'spouse' eligible for a reversionary pension, the non-member spouse's entitlement will continue to be paid from the reversionary pension after your death. If you don't have a 'spouse', or once both you and your 'spouse' die, the non-member spouse's pension payments will cease and no further payments to the non-member spouse will be made.

If the non-member spouse dies before you or your 'spouse', pension entitlements will continue be paid to the non-member spouse's estate until payments cease to be made to you and your 'spouse' (if any).

Cooling off

If you choose to receive your entitlement as a CBA Group Super Plan Lifetime Pension, a 14-day cooling off period applies from the earlier of:

- the date we make your first pension payment
- 5 days after we confirm your election to be paid a CBA Group Super Plan Lifetime Pension.

During this period, you may write to the Trustee revoking your choice to commence a CBA Group Super Plan Lifetime Pension and instead elect to receive your entitlement as a lump sum.

If we've paid any pension amounts to you, the amount paid will need to be refunded to us before we can pay your entitlement as a lump sum.

Financial advice

You can find out about financial advice options at **art.com.au/advice** or by calling us on **13 11 84**.

Concerns and complaints

If you have a complaint related to any Australian Retirement Trust entity, including about any financial product or services we've provided, we want to know about it as soon as possible.

You can find out about our complaints process at **art.com.au/complaint**

Definitions

Important terms used in this Handbook include:

Accrued benefit multiple

Your accrued benefit multiple is calculated as:

> The accrued benefit multiple advised by your 'former fund' for your membership period prior to 4 November 2023
> *plus* the number of years and days of membership of the Plan in Australian Retirement Trust during which you contribute at the stated contribution rate times by the accrual rate relevant to that contribution rate.

For any periods you work part-time, your accrual rate will be multiplied by the percentage of your part-time hours compared to regular full-time hours.

Your accrued benefit multiple will stop accruing at the earliest of the date the multiple reaches 8, your 65th birthday or the date you leave employment with CBA Group.

If you have transferred amounts into the Plan, your accrued benefit multiple will include an additional multiple for your rollover amount.

Bank-financed benefit

Your bank-financed benefit is calculated as:

> Your 'accrued benefit multiple' *less* your 'buy-back multiple'
> *times* by your 'final average salary'

Your 'member-financed benefit' is deducted from this amount.

The remaining amount is then multiplied by a discount factor of 1 *minus* (2% *times* the number of years and days from the date of calculation to age 55)

Buy-back multiple

If you have transferred amounts into the Plan, your rollover provides you with an additional multiple in your 'accrued benefit multiple' for benefits paid after age 55. If you leave CBA Group or exercise choice of fund before age 55, your Transfer-In account will be paid instead of an additional multiple. The 'buy-back multiple' is the amount your 'accrued benefit multiple' is reduced by to reflect the payment of your Transfer-In account as part of your withdrawal benefit.

Child

Child means any of:

- a child within the meaning of the *Superannuation Industry (Supervision) Act 1993*
- a child in your regular care, custody or control before (and as at) the date you stopped being an employee
- a child for whose support or maintenance you were wholly or partially responsible immediately before stopping being an employee

but, unless the Trustee determines otherwise, does not include any person whose claim to being your child depends upon a relationship created or which started after you stopped being an employee.

Condition of release

You'll have met a condition of release if:

- you've reached age 60 and you're permanently retiring from the workforce
- you cease employment on or after age 60
- you're aged 65 or over
- you retired due to permanent incapacity or have a terminal medical condition.

Contribution review date

Your contribution review date is the date at which you can vary your rate of contributions each year. This is the anniversary of your joining CBA Group each year.

Death multiple

Your death benefit multiple is:

> Your 'accrued benefit multiple'
> *plus* the number of years and days of membership until attaining age 55 *times* your prospective accrual rate

Your prospective accrual rate is the lower of:

- your average accrual rate for the past 2 years (based on the rate you contributed at over those 2 years)
- 20%

Your death multiple is subject to a maximum of 8.

Disability

Disability means being absent from employment through continuing or recurring injury, disease, infirmity or other medical condition (whether physical or mental) and in such state of health (not due to or induced by any wilful action on your part or by any dependant designed or intended to bring about a state of health to obtain a benefit from the Plan) as in the opinion of the Trustee, after consideration of all the facts and evidence before them, renders you permanently incapable of performing your duties or duties for which you are or were by reason of education, training or experience suited or for which you would be suited as a result of retraining.

'Disabled' has a corresponding meaning.

Discount factor

The discount factor for retained members withdrawing their benefit before age 55 is:

> 1 *less* (2% *times* the number of years and days from the date you left employment with CBA Group or elected choice of fund to age 55).

Final Average Salary (FAS)

Your final average salary is half of your aggregate 'super salary' for the 2 years ending on the last day of your qualifying membership.

Your qualifying membership stops on the earliest of the date you leave employment with CBA Group, the date you elect choice of fund or your 65th birthday.

Fixed cover

Fixed cover basis means your amount of insurance cover stays the same, but your weekly premium will generally increase as you get older.

Former fund

The superannuation fund known as Commonwealth Bank Group Super.

Maximum accrued benefit multiple

Your maximum accrued benefit multiple is 0.2 for each year (and any fraction of an incomplete year) of your period of qualifying membership of this Plan and the former fund.

For any periods you work part-time, your membership will be multiplied by the percentage of your part-time hours compared to regular full-time hours to determine your qualifying membership.

Member-financed benefit

Your member-financed benefit is:

> Your 'member multiple' *times* your 'super salary'.

Member multiple

Your member multiple is calculated as:

> The member multiple advised by your 'former fund' for your membership period prior to 4 November 2023
> *plus* the number of years and days of membership of the Plan in Australian Retirement Trust during which you contribute at a contribution rate *times* by the contribution rate.

Notional taxed contributions

An amount calculated using a formula specified in legislation which generally represents the equivalent employer contributions your employer would make if you were a member of an accumulation fund.

Pensioner

Any person who in consequence of and on his or her retirement from employment with the CBA Group is, or in the case of a deceased pensioner was, in receipt of a pension under or in connection with this Division E.

Preservation rules

For information on the preservation rules refer to the Super Savings Accumulation Guide.

Super salary

Your super salary is the remuneration periodically and regularly paid to you in respect of your services rendered or work done for CBA Group and includes:

a) permanent salary allowances, house allowances, higher duties allowances and fortnightly payments of a permanent and recurring nature (including whilst on secondment) which are deemed by CBA Group to be in the nature of salary

b) if you're a manager or of managerial status and are occupying a residence provided by CBA Group, the value of the occupation of such residence being a sum equal to the house allowance which would be paid to a non residential manager employed by CBA Group at the same location

Your salary doesn't include bonuses, commissions, gratuities, overtime, living away from home allowances, shift allowances, payments for holiday loading or allowances expenses or payments of a temporary or non-recurring nature.

If your salary reduces, other than due to going to part- time, returning from secondment or a reduction in or loss of a higher duties or other recurring allowance, you can elect to continue paying contributions based on your higher previous salary and have benefits based on that salary. This election must be made within 30 days of your salary reducing.

Spouse

The spouse of a member means, at the time of your death:

- a person who was legally married to you;
- a person who, although not legally married to you, lives with the you on a genuine domestic basis in a relationship as a couple; or
- a person (whether of the same sex or a different sex) with whom you were in a relationship that is registered under a law of a State or Territory prescribed for that purpose

and at the time of your death that person was:

- living with you;
- wholly or mainly maintained by you; or
- in the opinion of the Trustee, entitled to be or to have been wholly or mainly maintained by you.

Total superannuation balance (TSB)

Your total super balance (TSB) is the total value of your superannuation interests in all your superannuation funds.

It is calculated effective 30 June each year and is used to determine whether you are eligible for super-related measures for the following financial year, including:

- Carry-forward concessional contributions
- Non-concessional contributions cap and the bring-forward of your non-concessional contributions cap
- Work test exemption
- Government co-contribution
- Spouse tax offset

Australian Retirement Trust

13 11 84 art.com.au

13 11 84 (+61 7 3516 1009 when overseas)

GPO Box 2924 Brisbane QLD 4001

art.com.au

Need assistance? Call our translation service on **13 14 50** and say your language at the prompt.

Preparation date: 9 September 2024

CBA Group Super Plan – C59444 DBHBE (07/24)