

# CBA Group Super Plan Leave Without Pay (LWOP) Division B



13 11 84 [australianretirementtrust.com.au](http://australianretirementtrust.com.au)

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The CBA Group Super Plan is a superannuation plan within Australian Retirement Trust (ART). It's important for you to understand the implications and your options if you have a period of leave without pay (LWOP).

This document summarises the key implications and your options to help you make a more informed choice.

## Your options

If you're granted a leave of absence without pay, you need to choose between continuing the contributions to your account or stopping contributions during your period of LWOP.

### Option 1 – Continue contributions (default option)

You can continue paying your basic contributions of 5% and supplementary contributions of up to 5% while you're on LWOP. To continue your contributions, complete and return a Leave Without Pay Arrangements, Including Direct Debit Request: Divisions B and C form available at [art.com.au/cbasp](http://art.com.au/cbasp)

You must, within one month of your leave period starting, authorise us to deduct your contributions from your bank account for the duration of your LWOP. If you don't authorise us to deduct contributions, you'll be deemed to have chosen to stop your contributions (option 2 below).

#### What happens to my retirement, resignation and retrenchment benefits if I choose this option?

These benefits are generally based on your membership, age and salary.

While you pay contributions, your period of LWOP will count as assumed membership, so your benefit would be the same as if you hadn't gone on LWOP.

Your salary for calculating benefits will remain the same amount as immediately before you started your period of leave.

#### What happens to my invalidity retirement and death benefits?

If you are under age 60, your invalidity retirement and death benefits are calculated using a combination of your membership to date and a component relating to your potential future service until age 60. After age 60, your benefits are calculated using your membership to date only.

If you continue paying contributions at the same rate as you were paying before starting LWOP, both components will be calculated in the same way as they are calculated when you are working. As such, your benefits wouldn't be affected by your period of LWOP.

Your salary for calculating benefits will remain the same amount as immediately before you started your period of leave.

#### How do I pay contributions while I'm on LWOP?

If you want to continue your contributions, you must advise us by completing and returning a Leave Without Pay Arrangements, Including Direct Debit Request: Divisions B or C form. Contributions at 5% plus your current supplementary rate will be debited monthly from the bank account you nominate on the form.

Note the first contribution debited may include a catch-up payment for the period between your LWOP starting and the date of the first debit.

#### Can I change my rate while on LWOP?

If you choose to continue contributions while on LWOP, this will be based on 5% plus the rate of supplementary contributions you are currently paying. You can change your contribution rate for supplementary contributions at any time before or during your LWOP.

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To change your rate, complete and return a Change Contribution Rate – Division B, C or E form available from [art.com.au/cbasp](http://art.com.au/cbasp). Any change of contribution rate will continue to apply in the future, including after your LWOP ends, unless you request a subsequent change.

## When will the direct debit stop?

Your contributions will stop during your LWOP at the earliest of any of the below occurring:

- you reach age 65
- you leave employment with CBA Group
- you choose to close your Defined Benefit account in Division B and have your future contributions paid to another fund

If none of these occur, the direct debit will stop once you return to work.

## What happens to my contributions when I finish LWOP?

Your contributions will automatically re-start being deducted from your salary at your current rate when you return from LWOP.

## Option 2 – Stop contributions

You can advise us that you want to stop paying contributions. This option will automatically apply if you don't authorise us to deduct your contributions from your bank account for the duration of your LWOP.

## What happens to my retirement, resignation and retrenchment benefits if I choose this option?

These benefits are generally based on your membership, age and salary.

If you're not making contributions, your period of LWOP will not count as fund membership for the purposes of calculating these benefits, so you'll have a lower benefit on retirement, withdrawal, retrenchment or if you elect choice of fund than if you continued to pay contributions.

Your salary for calculating benefits will remain the same amount as immediately before you started your period of leave.

## What happens to my invalidity retirement and death benefits?

If you're under age 60, your invalidity retirement and death benefits are calculated using a combination of your membership to date and a component relating to your potential future service until age 60. After age 60, your benefits are calculated using your membership to date only.

The membership to date component doesn't increase while contributions aren't paid as outlined above. For the prospective service component, your assumed membership for the period until you attain age 60 will be zero. As such, your death and invalidity retirement benefit during your period of leave will be equal to your retirement benefit.

Your salary for calculating benefits will remain the same amount as immediately before you started your period of leave.

## What happens to my contributions when I finish LWOP?

Your contributions will automatically re-start when you return from LWOP at the same rate, including supplementary contributions, as you were paying before your leave started. Your accrued benefits multiple will start increasing once contributions re-start.

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## We recommend you seek financial advice

If you'd like financial advice, speak to your adviser. If you don't have a personal financial adviser, Australian Retirement Trust has qualified financial advisers who can help you over the phone with advice about your Super Savings account. This service is included in your membership.<sup>1</sup> If the advice you need is more complex or comprehensive in nature, we may refer you to an accredited external financial adviser.<sup>2</sup> Advice of this nature may incur an additional fee.

## We're here to help

For more information about your membership in CBA Group Super Plan, visit [art.com.au/cbasp](https://art.com.au/cbasp) or call us on **13 11 84** between 8:00am and 7:30pm AEST/AEDT, Monday to Friday.

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<sup>2</sup> The Trustee has established a panel of accredited external financial advisers who are not employees of the Australian Retirement Trust group. The Trustee is not responsible for the advice provided by these advisers and does not receive or pay any referral fees. These advisers will explain to you how their advice fees are determined.

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