



Significant event notice

18 January 2024

Important information about changes to PSSap Administration fees and costs

Tell me quickly

What are the changes?

From 1 March 2024, CSC is making changes to the Administration fees and costs (referred to as Administration fees). In addition, the tax rebate on the Administration and Insurance Administration fees will be retained within PSSap to cover Administration costs.

How are the Administration fees changing?

We're reducing the current \$7 per month (\$84 per year) flat dollar Administration fee to \$4 per month (\$48 per year), and introducing an asset-based Administration fee of 0.05% per year. The total combined Administration fee will be capped at \$25 per month (\$300 per year).

Why are the Administration fees changing?

All super funds charge administration fees. At CSC we're committed to keeping our fees affordable for all our customers. Despite rising costs, our Administration fees have

not changed for four years. CSC as a profit for member fund invests 100% of your Administration fees in the products and services we provide to you. CSC's Administration fees, after this change, remain below average compared to other Super Funds*.

The introduction of an asset-based Administration fee, and a corresponding reduction in the existing flat dollar fee, means that members with low balances will receive a fee reduction, whilst those with a higher balance will pay somewhat higher fees, capped at \$25 per month.

The fee changes we're making will help fund the types of enhancements customers should expect across our products, services and guidance, now and into the future, to aid you in optimising your retirement income.

* As at 30 September 2023, based on average Administration Fees and Costs for MySuper products as calculated by us, using SuperRatings MySuper industry data.

Are my Administration fees increasing or decreasing?

The total Administration fees charged to your account each month will depend on your account balance. As your balance changes daily due to investment returns and contributions, the asset-based Administration fee is calculated on your average balance for the month.

The table below shows examples of the current and new monthly Administration fee based on account balance.

Account balance	Administration fee Current fee per month (net of tax rebate)	Administration fee New fee per month	Administration fee Change per month
\$25,000	\$5.95	\$5.04	\$0.91 reduction
\$50,000	\$5.95	\$6.08	\$0.13 increase



Account balance	Administration fee Current fee per month (net of tax rebate)	Administration fee New fee per month	Administration fee Change per month
\$100,000	\$5.95	\$8.17	\$2.22 increase
\$250,000	\$5.95	\$14.42	\$8.47 increase
\$400,000	\$5.95	\$20.67	\$14.72 increase
\$504,000 or more	\$5.95	\$25.00	\$19.05 increase

Give me the detail

The table below compares the current Administration fee, and the 1 March 2024 changes.

Fee type	How and when paid*	Administration fee Current	Administration fee New (1 March 2024)
Flat dollar Administration fee	Charged monthly in arrears. Deducted from your account at the beginning of the next month.	\$7 per month (\$84 per year)	\$4 per month (\$48 per year)
Asset-based Administration fee	Charged monthly in arrears. Deducted from your account at the beginning of the next month. The monthly asset-based administration fee is calculated using the average of your account balance at the beginning of the month, and at the end of the month.	Nil, not in place	0.05% per year
Administration fee cap (\$ + % fee) per account	This is the maximum total Administration fee you'll be charged each month.	Nil, not in place	Maximum Administration fee of \$25 per month (\$300 per year)

* Note: The flat and the asset-based administration fees are charged on a pro-rata basis, e.g. if you were not a customer for the full month, you will be charged based on the number of days you were a customer and not the full monthly fee.

What are the changes to fee tax rebates?

Superannuation funds are eligible to claim tax deductions on some expenses—such as Administration fees. Currently, these tax deductions are passed back to customers as tax rebates.

From 1 March 2024, tax deductions from the Administration fee and Insurance Administration fee (only charged if you hold insurance) will be retained within PSSap to cover Administration costs. If you hold lifePLUS insurance through PSSap, you will continue to receive a tax rebate on the insurance premiums you pay.

The table below compares the tax rebate from the Administration and Insurance Administration fees currently paid to customers, and the 1 March 2024 changes.

Tax rebate type	Fee deducted	Tax rebate paid to your account Current	Tax rebate paid to your account New from 1 March 2024
Administration fee	Administration fee: \$7 per month (\$84 per year)	\$1.05 per month (\$12.60 per year)	Nil Retained in PSSap to cover administration costs.
Insurance fee*	Insurance fee: \$1.50 per month (\$18 per year)	\$0.225 per month (\$2.70 per year)	Nil Retained in PSSap to cover administration costs.

* The Insurance fee covers the administration cost of providing insurance to you.

Changes to the Administration reserve

We maintain an administration reserve that was established during the 2020–21 financial year. From 1 March 2024, net Administration fees and any tax credits from Administration & Insurance fee tax deductions will be paid into the Fund's administration reserve. The administration reserve allows CSC to sustainably invest in future strategic projects for the benefit of members, and funds operations and member services over the long term.

The administration reserve is managed in accordance with CSC's administration reserve strategy:

- If administration costs are higher than the administration fees charged to members in a given financial year, we have the option to cover any shortfall from the administration reserve.
- If the administration costs are lower than the administration fees charged to members in a given financial year, we have the option to allocate these monies to the administration reserve.

Changes to the PSSap PDS

The **PSSap Product Disclosure Statement (PDS)** and the **Your PSSap fees and costs** booklet will be updated to include changes to Administration fees, the treatment of tax deduction benefits and to the Administration reserve. These will be available at csc.gov.au/PDS from 1 March 2024.

General advice

Any financial product advice in this document is general advice only and has been prepared without taking account of your personal objectives, financial situation or needs. Before acting on any such general advice, you should consider the appropriateness of the advice, having regard to your own objectives, financial situation and needs. You may wish to consult a licensed financial adviser. You should obtain a copy of the relevant Product Disclosure Statement and consider its contents before making any decision regarding your super. Commonwealth Superannuation Corporation (CSC). ABN 48 882 817 243 AFSL 238069 RSE Licence No: L0001397.

Target Market Determination

To ensure that CSC is keeping customers at the centre of our approach to the design and distribution of our products, a [Target Market Determination \(TMD\)](#) has been made for ADF Super, PSSap and CSCri. A [TMD](#) describes the types of customers a financial product is appropriate for, based on their likely needs, objectives and financial situation (target market), and it establishes the conditions and restrictions in relation to how the product can be distributed to customers. The [TMD](#) also describes our reporting requirements, and events or circumstances where we may need to review the [TMD](#).

Public Sector Superannuation accumulation plan (PSSap, or the Fund, ABN 65 127 917 725, RSE R1004601) is a superannuation fund for current and former employees of the Australian Government and other participating employers.

PSSap is issued by Commonwealth Superannuation Corporation (CSC, we or us, ABN 48 882 817 243, AFSL 238069, RSEL L0001397). To know more about us and to see other documents we have to disclose under law, [visit our website](#).



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