Australian Government
Commonwealth Superannuation Corporation

CSCri Product Disclosure Statement

Thirteenth edition,
Issued 23 September 2024

What's inside

CSC — CSCri CSC retirement income

If you would like us to send you a copy of this document or any additional information referred to, or if you have any questions about this document or CSCri in general, call us on 1300 736 096 or contact us using the details on the last page of this publication.

Things to remember when reading this document

Commonwealth Superannuation Corporation retirement income (CSCri) offers a competitive retirement income product for eligible customers of Public Sector Superannuation accumulation plan (PSSap), Public Sector Superannuation Scheme (PSS) and Commonwealth Superannuation Scheme (CSS).

CSCri is issued by Commonwealth Superannuation Corporation (referred to as CSC, we, our or us) (ABN 48 882 817 243, AFSL 238069, RSEL L0001397) through the Public Sector Superannuation accumulation plan (referred to as PSSap or the Fund) (ABN 65 127 917 725, RSE R1004601).

CSC manages all aspects of CSCri including investment strategy, administration and customer communications.

Important note about this Product Disclosure Statement (PDS)

Any information in this document is general information only and does not take into account your personal financial situation or needs. You should obtain financial advice tailored to your personal circumstances.

Information in this document may change from time-to-time. Information that is not materially adverse to you may be updated on our website, **csc.gov.au**, or contact us for a free paper copy. Find important information, including our Trust Deed, Annual Report and remuneration for executive officers, on our website.

This PDS refers to the following website information, which forms part of this PDS and should be considered before making a decision:

- csc.gov.au/esg

This document provides links to additional website information. That information does not form part of this PDS.

The offer to which this document relates is available only to persons eligible to acquire a CSCri income stream in Australia under the PSSap Trust Deed made under section 10 of the *Superannuation Act 2005 (Cth)*.

01

About CSCri

Feeling excited about leaving paid work? Or daunted, wondering how long your super savings will last? We get it, and we can help you with that.

Commonwealth Superannuation Corporation retirement income (CSCri) is our profit-for-members retirement product that's offered through the Public Sector Superannuation accumulation plan (PSSap). CSC is the trustee of and issuer of interests in PSSap. The PSSap PDS and Target Market Determination are available on our website. You should consider the PSSap PDS in deciding whether to acquire or to continue to hold an interest in PSSap.

CSCri is an account-based pension that operates under super retirement phase rules, which means there's usually less tax to pay and you'll receive regular payments until your balance runs out. Plus, while you receive payments, we'll keep your balance invested in the tax-friendly super environment.

Customers of:

- Public Sector Superannuation accumulation plan (PSSap) can apply to open a CSCri account.
- Public Sector Superannuation Scheme (PSS) or Commonwealth Superannuation Scheme (CSS) can apply if they were employed by an eligible employer for at least 12 continuous months, and:
  - they are currently a Contributing or Preserved member of PSS or CSS; or
  - they were contributing their PSS or CSS account at any time on or after 7 March 2021, and they've since claimed their PSS or CSS benefit.

CSCri—one service, two great offerings

Preparing to leave paid work vs actually retiring calls for different approaches to getting the most out of your super money

CSCri, our competitive retirement product, offers you a choice of two income stream options:

1. A **Transition to retirement income stream** if you're aged 60 to 64 and still working. This product may be suitable for you if you're looking for tax savings and a regular income stream to top up your salary, or you want to reduce your work hours but not your take-home pay.
2. A **Standard retirement income stream**, if:
   - you're permanently retired (i.e. you're not in paid work for more than 10 hours a week) and you've reached age 60;
   - you've ceased an employment arrangement after turning 60;
   - you're 65, whether working or not; or
   - you're permanently incapacitated[1].

This product may be suitable for you if:

- you're after a regular income stream along with the ability to draw down lump sums when you need to
- you're interested in tax savings through a retirement phase account
- you're working and you'd like to top up your income stream account with money from super
- you're permanently retired and have a defined benefit (like CSS or PSS), and you want to invest and access a lump sum that's outside of your defined benefit (called your 'transfer amount').

See Your CSCri income stream options on page 4 for a summary and a side-by-side comparison.

Brought to you by CSC

CSCri is brought to you by us—the Commonwealth Superannuation Corporation (CSC)

We're proud to have managed super for current and former Australian Government employees for more than 30 years. Over the years, we've made sure we understand and aim to deliver what you expect from your super. We've transformed that knowledge into products that build wealth while you're working and offer flexibility as you move away from paid work.

CSCri received a Platinum rating - A 'best value for money' pension fund by SuperRatings Pty Ltd (ABN 95 100 192 283), a research house that assesses super funds. SuperRatings assessed CSCri as well balanced across all key assessment criteria in a robust, secure and proven risk framework in their September 2023 review. CSC was awarded the `Smooth Ride' award at the 2023 fund of the year awards.

We hope you find this Product Disclosure Statement easy to understand, but please let us know if anything's unclear—you'll find our contact details on the last page.

[1] This means you're unlikely to ever again engage in gainful employment that you are reasonably qualified for by education, training or experience because of injury or ill health. For more information visit the Australian Taxation Office website.

02

Your CSCri income stream options

You can use a CSCri account to keep some or all of your super invested while you're planning your retirement or when you stop paid work

Your age and work status generally determine whether you're eligible to apply for a **Transition to retirement income stream** or a **Standard retirement income stream**.

Let's compare

Investing in a CSCri retirement income stream means your account balance continues to work for you in the tax-effective super environment while you receive regular retirement income payments. And, if you're retired, you can withdraw optional lump sum payments too.

Transition to retirement or Standard retirement income stream?

Main points	Transition to retirement income stream	Standard retirement income stream
Who it's for	Eligible CSS, PSS or PSSap customers	
Age and access conditions	You're aged 60 to 64 and still working	• You've turned 65; • You're permanently retired and you've reached age 60; • You've ceased an employment arrangement on or after age 60; or • You're permanently incapacitated.
Minimum account balance	$20,000 to open a CSCri account	
Maximum account balance	No maximum	Up to $1.9 million, See The transfer balance cap on page 37.
Flexible payment options	Get paid fortnightly, monthly, quarterly, half-yearly or once a year directly to the bank account of your choice	
Lump sum withdrawals	Not available	Make lump sum withdrawals when you want to.
Minimum/Maximum annual income payment rules	Minimum: 4% of account balance Maximum: 10% of account balance	• Minimum 4% or more of your account balance, depending on your age • You choose, up to the balance of your account.
Investment options	Four investment options • TRIS Cash • TRIS Income Focused • TRIS Balanced (default) • TRIS Aggressive	Four investment options: • CSCri Cash • CSCri Income Focused • CSCri Balanced (default) • CSCri Aggressive.
Tax on investment earnings	Taxed at concessional rates of up to 15%	Tax free
Tax on income stream payments—tax-free component	Tax free	Tax free
Tax on income stream payments—taxable component	Tax free	• **If under age 60:** Marginal tax rate plus Medicare levy, minus 15% tax offset • **If 60+:** Tax free
Tax on lump sum withdrawals	Not available	**If under age 60**: On the taxable component, you'll pay 20% tax plus the Medicare levy. **If 60+**: Tax free.

Main points	Transition to retirement income stream	Standard retirement income stream
Fees	$4 per month, plus 0.05% per year capped at $21 per month, plus investment fees and costs, which are calculated as a percentage of your account balance. See Fees and other costs on page 26.	
If you die	Account balance will be paid as: • a retirement income stream or lump sum to your spouse or dependants; or • a lump sum to your estate.	
Minimum amount to restart your account (to add money)	$10,000 to restart (on top of your existing balance). See Top up your retirement income stream on page 42.	
Keeping you informed	You'll get: • access to your CSCri account online, where you can view your account details and update certain details. See The CSC Navigator on page 45. • confirmation of any transactions undertaken on your account. • an Annual Statement. • an annual review letter that confirms your retirement income stream for the. following financial year. • an Income Stream Schedule. • a PAYG payment summary (if you're under 60).	

Transition to retirement income stream

You can set this up if you're aged 60 to 64 and still working

Why choose this?

A Transition to retirement income stream:

- may let you reduce your working hours or pay more into PSSap as before-tax (salary sacrifice) contributions, and top up the pay you miss out on with regular payments from your income stream account
- may help you reduce tax and the income stream payments are tax free
- allows you to keep your super balance invested while you access some of your super savings.

For more information about financial strategies available as part of a Transition to retirement income stream, visit the Australian Government's MoneySmart website (www.moneysmart.gov.au).

Eligibility

You can start a Transition to retirement income stream if you're aged 60 to 64 and still working.

How Transition to retirement income stream payments work

Regular income payments; you choose how often. You choose the amount and how often you'd like to be paid. Select from fortnightly, monthly, quarterly, half-yearly or annual payments. See our website for a calendar of payment dates.

How much you can receive in a year. The amount you receive works within an annual minimum and maximum range that's set according to super law.

- The minimum amount you must withdraw as an income payment each year is 4% of your account balance.
- The maximum amount you can withdraw each year is up to 10% of the value of your account.

We calculate the minimum and maximum payments at the start date of your Transition to retirement income stream and at 1 July every year after that.

Payment exceptions. With a Transition to retirement income stream, you generally can't withdraw a lump sum unless you meet some other super condition of release, for example permanently retiring. And if you do meet a condition of release before you turn 65, we'll convert your Transition to retirement income stream to a Standard income stream.

Tax on retirement phase accounts. See:

- Tax and your CSCri account on page 34
- Beneficiary nominations and tax considerations on page 40.

When your account may change to a Standard retirement income stream

If you hold a Transition to retirement income stream, we'll change your account to a Standard retirement income stream automatically when:

- you tell us you've permanently retired;
- you tell us you've ceased an employment arrangement on or after turning 60; or
- you turn 65.

If this applies to you, we'll let you know ahead of time so you can consider what the change means to you.

The benefit of this automatic change to a Standard retirement income stream is that the investment returns on your CSCri account balance will become tax free.

Standard retirement income stream

You can take this up if you've reached age 60 and you're permanently retired; or you've ceased an employment arrangement on or after turning 60; or you're 65; or you're permanently incapacitated

Why choose this?

A Standard retirement income stream account:

- is tax effective—investment earnings are tax-free, and your income stream payments are tax-free from age 60
- allows you to invest your super savings in one or more CSCri investment options while you access your super savings
- offers flexible retirement income stream payments and access to lump sum withdrawals when you need a cash boost.

Eligibility

You can start a Standard retirement income stream if:

- you've permanently retired and you've reached age 60;
- you've ceased an employment arrangement on or after age 60;
- you've turned 65; or
- you're permanently incapacitated.

How Standard retirement income stream payments work

Regular income payments; you choose how often. You choose the amount and how often you'd like to be paid. Select from fortnightly, monthly, quarterly, half-yearly or annual payments. See our website for a calendar of payment dates.

Participate in your investment. If you invest in more than one investment option, you can also select how your income payments are funded. There are three methods that you can choose from, having regard to your level of comfort with investment risk:

1. **The Default (Pro-rata) method**—here your payments are withdrawn from each investment option in proportion to the balance that's held in each investment.
2. **The Priority method**—here you pick the order of investment options your payments are withdrawn from.
3. **The Proportional method**—here you nominate the proportion of each investment option that your payment is withdrawn from.

How much you must receive as an income payment in a year. There's a minimum amount you must receive as an income payment each year, which is a percentage of your annual account balance, based on your age. This limit is set under super law.

If you are	The minimum % you must withdraw is
Under 65	4%
65–74 years old	5%
75–79 years old	6%
80–84 years old	7%
85–89 years old	9%
90–94 years old	11%
95 and older	14%

We calculate the minimum income payment percentage based on your account balance and age at 1 July every year.

When you first open your CSCri account and you select the minimum payment option, we'll pay you a proportion of the annual minimum amount (see the table above), based on the number of days left in the financial year. For example, if you join in the middle of the year, you'll receive half the annual minimum during the remainder of the financial year. If you open your account in June there's no minimum payment for that financial year.

How long will your payments last? This depends on a range of factors—your starting balance, the amount you draw down, any lump sum withdrawals you make, the investment options you choose and the performance of the investment options.

We will make payments to you until your account balance is zero or until you die. With this in mind, when you set up an account, it's important to consider where you would like your account balance to go to if you die. You can choose to have amounts remaining in your account paid to your beneficiaries. See Nominating a beneficiary on page 38.

Tax on retirement phase accounts. See:

- Tax and your CSCri account on page 34
- Beneficiary nominations and tax considerations on page 40.

Get the advice you need

If you're like most of us, you'll want to maintain your current lifestyle as you transition to or enter retirement. That takes a lot of forethought and planning.

Fee-for-service advice

As a CSC customer, you have access to comprehensive financial advice that's personalised to your retirement story. This 'fee-for-service' advice is delivered by our experienced financial planners. You'll get a no-obligation, fixed quote up front.

It's good to know we don't pay commissions to financial planners, and there are no hidden fees.

Our authorised financial planners[2] will always act in your best interest, even if that means recommending a financial product not provided by CSC. For further information visit csc.gov.au/financial-planning, or to arrange an appointment call **1300 277 777**.

Before you take a meeting with a financial planner, it's a good idea to think through these questions:

- What age do you think you'll want to start accessing your super balance as a retirement income stream?
- How long does your money need to last?
- Do you think you'll be eligible for the Age Pension? (If so, it's a good idea to know what assets you have, including your super balance.)
- What kind of growth are you hoping to achieve through a retirement income account?
- Do you know what your investment risk profile is? How much fluctuation in the value of your investments can you tolerate?

[2] Our authorised financial planners are authorised to provide advice by Guideway Financial Services (ABN 46 156 498 538, AFSL 420367). Guideway is a licensed financial services business providing CSC financial planners with support to provide customers with specialist advice, education and strategies.

What's your retirement story?

You've done the hard work to accumulate your super—so now what?

The information in the below table is general information only and has been prepared without taking account of your personal objectives, financial situation or needs. Before acting on this information, 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.

I'm 63 and have a PSSap account. I'm reducing my work days to look out for Mum.

What can I do through super?

A CSCri Transition to retirement income stream may meet your needs because it lets you access some of your super while you're still working.

You may be able to drop a day and top up what you lose in earnings with regular payments from your income stream account.

Plus, you'll still get super contributions while you're working and your super stays invested in PSSap.

Points to note:

- You'll need to roll in at least $20,000 from your PSSap account (there's no maximum).
- You can get up to 10% of your CSCri income stream account balance a year in regular payments. You choose how often and how much.
- You'll have to withdraw a minimum of 4% of your CSCri account balance annually as an income stream.
- You can't withdraw lump sums.
- When you turn 65, we'll automatically change your Transition to retirement account to a Standard retirement income stream account.

More information

- Transition to retirement income stream on page 5
- Transition to retirement on ASIC's MoneySmart website
- Withdrawing your super on the ATO website
- Start your CSCri account on page 41.

I'm with PSS and am about to leave the APS. I'm going to take a 100% PSS Pension. I'm 61.

What options do I have for my 'transfer amount'?

If you have a transfer amount in your PSS account, you'll see this on your annual PSS statement. It's an amount that's in addition to the defined benefit you'll get from PSS when you retire.

You can set up a CSCri Standard retirement income stream account with your transfer amount (must be a minimum of $20,000), which may give you some extra flexibility in retirement.

For example, with a Standard retirement income stream account you can:

- get a second, regular income stream to top up your PSS defined benefit payments or draw down lump sums
- continue to invest in the tax-friendly super environment—your investment returns and withdrawals are tax-free if you're 60 or older.

Standard retirement income stream accounts are subject to minimum annual payment and transfer balance cap rules.

More information

- Transfer amount on the PSS website
- Account-based pensions on ASIC's MoneySmart website
- Standard retirement income stream on page 7
- Transfer balance cap rules on the ATO website
- Minimum annual payments for super income streams on the ATO website
- Start your CSCri account on page 41.

I've sold my house and would like to put the sale proceeds into an income stream account

What do I need to know?

You may be able to make a one-off 'downsizer' contribution of up to $300,000 from the proceeds of selling your house. Conditions apply (see More information, right) and you'll need to check the transfer balance cap rules.

If you have a CSCri Standard retirement income stream account, you can restart it to add the one-off contribution to your account, as long as you're adding at least $10,000 to your existing balance.

If you don't have an account, you can start one with minimum of $20,000.

Standard retirement income stream accounts:

- allow you to continue to invest in the tax-friendly super environment—your investment returns and withdrawals are tax-free if you're 60 or over
- are subject to minimum annual payment and transfer balance cap rules.

More information

- Downsizer eligibility on the ATO website
- Transfer balance cap rules on the ATO website
- Minimum annual payments for super income streams on the ATO website
- Start your CSCri account on page 41
- Top up your retirement income stream on page 42.

I'd to like grow my super and get some tax breaks before I leave work

Got any tips for me?

You could think about opening a CSCri Transition to retirement income stream account, which lets you access some of your super while you're working hard to top up your PSSap account.

Topping up your PSSap account while you're working may be tax effective in a few ways:

- Tax on super is generally lower than income tax.
- You'll be able to contribute the maximum before and after-tax contribution limits each year (called concessional and non-concessional contributions).
- Paying more in pre-tax contributions out of your salary might move you to a lower income bracket, which could reduce your income tax.

While you're doing this, you'll get regular payments from your CSCri account to top up what you're not getting in your hand because of the extra contributions you're making to PSSap.

Points to note:

- You'll need to roll in at least $20,000 from your PSSap account (there's no maximum).
- You can get up to 10% of your CSCri income stream account balance each year in regular payments—and you choose how often and how much.
- You'll have to withdraw a minimum of 4% of your CSCri account balance annually as an income stream.
- You can't withdraw lump sums.

When you turn 65, we'll automatically change your Transition to retirement account to a Standard retirement income stream account.

More information

- Transition to retirement income stream on page 5
- Transition to retirement on ASIC's MoneySmart website
- Withdrawing your super on the ATO website
- Minimum annual payments for super income streams on the ATO website
- Growing your super on the ATO website
- Financial advice on our website
- Start your CSCri account on page 41.

I get a regular income stream payment. Can I get a lump sum as well?

Yes, if you have a CSCri Standard retirement income stream account (not available through Transition to retirement income streams).

You can make one or more lump sum withdrawals for any amount you hold in your account.

All income payments including lump sums are reportable to Centrelink—they may affect your eligibility to receive the Age Pension.

It’s good to know about tax implications on lump sum withdrawals because they vary depending on your age.

- **Under age 60:** On the taxable component, you’ll pay 20% tax plus the Medicare levy.
- **Aged 60+:** It’s tax free.

More information

- Standard retirement income stream on page 7
- Tax and your CSCri account on page 34
- Age Pension eligibility on the Services Australia website.

My wife died. She had a retirement income stream with CSCri and had nominated me as her beneficiary.

Where do I start and what do I need to know?

First up, call our contact centre on **1300 736 096** and we’ll explain how to get the claims process started.

When we have everything we need, we’ll pay the benefit (the CSCri income stream account balance) in line with your late wife’s nomination.

If you are a:

- **reversionary beneficiary**, you’ll be able to take the benefit as a lump sum or as a regular income stream that’s paid to you.
- **binding beneficiary**, we’ll pay the benefit as a lump sum.
- **non-binding beneficiary**, we’ll consider how to pay the benefit under super law, but will take the non-binding beneficiary nomination into account.

Tax may apply to death benefits. The amount you pay depends on the age of the late customer, who we’re paying the benefit to, and if it’s being paid as an income stream or a lump sum.

More information

- Who can I nominate as a beneficiary? on page 38
- Beneficiary nominations and tax considerations on page 40.

I want to make sure my de facto partner receives an income stream from my CSCri account if I die

How do I arrange this?

You'll need to nominate your partner as a reversionary beneficiary when you open your CSCri account.

You can nominate a reversionary beneficiary in the CSCri Application form available on our website.

Then, if you should die, your partner can choose to receive the benefit (your CSCri account balance) as an ongoing income stream payment or as a lump sum.

Tax applies to death benefits. The amount you pay depends on the age of your late partner, who we're paying the benefit to, and if it's being paid as an income stream or a lump sum.

More information

- Start your CSCri account on page 41
- Who can I nominate as a beneficiary? on page 38
- Beneficiary nominations and tax considerations on page 40
- Tax on death benefits on page 36.

I need to change my CSCri income stream payments

What are my options?

Change the frequency: Receive fortnightly, monthly, quarterly, half-yearly or annual payments. If you choose:

- fortnightly, we pay to your bank account generally every second Thursday. The bank may take longer to process the payment, depending on who you're with.
- monthly, quarterly, half-yearly or annual, we pay to your bank account generally on the 21st day of the month the payment is due. If the 21st day is a weekend or public holiday, we'll generally pay it on the business day that falls before the 21st day of the month.

Change the payment amount or your draw down strategy: You can change your payment amount, or how the income is drawn down from your CSCri investment option(s). Choose:

- the **Default (Pro-rata) method**
- the **Priority method**
- the **Proportional method**

How to make a change: Log in to the The CSC Navigator and go to the My account > Income stream payments or complete the Change your account details form and send it to us.

More information

- Log in to the CSC Navigator
- Change your account details form
- Calendar of payment dates on our website.

It's all in the timing

Changing online? It's immediate, unless you submit it within two business days of an upcoming payment date. (And in this scenario, we'll process it straight after your next payment.)

Sending a form? Allow at least five business days for us to process the request (from the date we receive it).

I'm new to income streams. What are my annual minimum and maximum withdrawal amounts?

What are the rules?

For Standard retirement income streams:

- there's a minimum per cent of your account balance you need to withdraw each year, which varies according to your age
- there's no annual maximum you need to withdraw.

For Transition to retirement income streams:

- there's a minimum of 4% of your account balance you need to withdraw as an income stream (no lump sum withdrawals)
- there's an annual maximum of 10% of your account balance that you can withdraw.

More information

- How Standard retirement income stream payments work on page 7
- How Transition to retirement income stream payments work on page 6
- Minimum annual payments for super income streams on the ATO website.

04

Investment options and risks

When CSCri investments grow, your super savings do too

How your retirement investment works

An advantage of retirement income stream investments over certain other investment types is that your investment returns generally attract a lower rate of tax through the super environment.

When you have a retirement income stream account, your account balance will be invested. We aim to invest strategically—purchasing assets with the view that they'll grow in value over time, outpacing the cost of living, to extend your retirement income as far as possible into the future.

A retirement income stream investment, like any investment, has risks—and you should feel comfortable with the potential risks and fluctuations associated with the investment option(s) you choose. See Managing and measuring investment risks on page 24.

How we manage your investment

1. We use your money to buy 'assets'

We place your money into a 'pooled' retirement income stream trust and buy the assets we believe will grow the pool and therefore your retirement income, in one of these ways:

1. Assets may increase in value over time creating capital growth.
2. Assets may provide investment income returns through interest, rent or dividends.

2. We include different assets for each investment option to achieve investment goals

Our investment options are designed to suit all types of customers. Whether you're after low risk to preserve your wealth in the shorter term or you're happy to take measured risks to grow your wealth longer-term, there's an option for you.

We construct a portfolio for each investment option by including different assets and considering each asset's potential role in the portfolio. Here are some examples:

- Does the asset generate returns above inflation by investing in businesses that are expected to grow?
- Does the asset protect the value of your savings and diversify against market downturns?
- Can this asset be easily sold when required?
- Under what economic scenarios and market conditions will these assets grow or reduce in value?
- How stable and sustainable is the expected income from this asset over time?
- How sustainable and reliable is the expected capital growth from this asset over time?

See CSCri investment options on page 18.

3. We look to invest in new opportunities early, and proactively manage investment risks

We hunt for untapped investment opportunities, which allows you to enjoy early mover profits. Our portfolio construction is designed to recognise and move quickly into new investment opportunities, before others crowd in.

See:

- Asset classes on page 15
- CSCri investment options on page 18
- Managing and measuring investment risks on page 24.

See also Our guiding investment principles in the next section.

Our guiding investment principles

Having many loyal, long-term CSCri customers means there is a large pool of money invested with us

We invest in five broad categories of opportunity:

- **Corporations.** By investing in public and private corporations, we aim to grow the real value of your savings.
- **Property and infrastructure.** By investing in and operating property and infrastructure assets, we aim to protect against the risk of inflation eroding the real value of your savings.
- **Government bonds.** By owning the debt of stable governments, we aim to protect your investments against adverse events like economic recessions.
- **Active-risk strategies.** By proactively managing investment risks throughout the investment cycle, across a wide variety of opportunities and in different economic environments, we aim to protect your capital, preserve your purchasing power and grow the real value of your savings. (This is where we bring in our investment strategy expertise, to augment and manage our investment performance in underlying financial markets.)
- **Currency risk.** We proactively manage foreign currency risk through foreign currency hedging. See What's currency hedging? on page 16 for a definition.

We acknowledge the important responsibility we have in investing your retirement income, and we put checks and balances in place to help us make sound investment decisions for your benefit

Our guiding investment principles summarise our approach.

- **We aim to avoid loss and waste.** We focus on getting you the best return, after costs, per unit of risk. To do this, first we aim for the lowest cost when it comes to putting your investment portfolio together. Sometimes we'll choose a higher cost alternative if we expect to:
  - boost your investment returns after costs; or
  - lower the variability of returns.
- **We prioritise outcomes.** We use our knowledge of the investment market to take up investment opportunities with the highest potential to improve your retirement outcomes.
- **We focus on mitigating and managing risks.** We were the first Australian super fund to implement a fully integrated, portfolio-wide risk system that gives us consistent analysis of the key risks that matter for your total portfolio. This allows us to consider the complex interactions between asset classes, and the evolving world in which they operate. See our website for more information.
- **We value simplicity and flexibility in all stages of the investment process.** We make decisions quickly, enabled by our robust and unique governance structure. We are recognised for globally-leading investment governance and investment innovation capabilities.
- **We work in collaboration with our service providers.** We partner with a relatively small number of specialist investors around the world, which allows us to structure our working relationships with their teams in ways that enhance alignment between those service providers and your retirement goals. For more information about who we work with, go to Investment on our website.
- **We behave as active owners of the investments we make on your behalf.** For information about the extent to which we consider environmental, social and governance risks for the purpose of achieving our investment objective, see csc.gov.au/esg. The information contained on this webpage forms part of the PDS and should be read before making a decision. We can provide you with a copy of the information on request, free of charge.

Asset classes

What's in the mix?

The investment industry refers to groups of similar assets as 'asset classes' and the weightings to each asset class as the 'asset allocation'. CSCri's investment options are made up of a mix of these asset classes:

- Cash
- Fixed interest
- Equities
- Property
- Infrastructure
- Alternatives

Cash

Investing in the short-term money market

Cash investments are made up of:

- deposits with banks
- short-term money market securities issued or guaranteed by a government, bank or corporate entity
- All short-term securities must have a minimum credit rating of A1 (or its floating rate equivalent) by Standard & Poor's (S&P) or the equivalent from Moody's or Fitch (if there's no S&P rating available). Unlike bank deposits, short-term money market securities can deliver negative returns on a particular day if there are large, unusual movements in interest rates
- money market funds invested in the above securities
- Australian unit trusts are benchmarked against bank bill indices.

Fixed interest

Lending to borrowers

When entities like governments and large corporates need access to cash, we may lend them money. In return, they'll repay a set amount by agreed dates, and then repay the loan amount in full plus interest at the end of an agreed, fixed-term loan.

Government bonds

Investing in government bonds means we lend your money to governments who want to raise funds. Generally, in return, you'll receive a fixed rate of interest until the bond matures and the amount invested is repayable.

We invest in both Australian and international government bonds. This is generally considered a 'moderate risk' investment (i.e. a borrower can't or won't repay the money, or general interest rate fluctuations change the value of the bonds).

Corporate credit

Investing in corporate credit means we lend your money to corporate organisations who want to raise capital by issuing corporate bonds. And just like government bonds, you'll generally receive a fixed rate of interest until the bond matures and the amount invested is repayable.

We invest in Australian and international corporate credit. This is generally considered a moderate risk investment (i.e. borrower can't or won't repay the money, or general interest rate fluctuations change the value of the bonds).

Equities

Buying stocks, also called buying equities

When we invest in stocks, we buy shares in companies. Not all companies are listed on a stock exchange (e.g. private companies).

Australian shares

Investing in Australian shares means you're investing in companies listed on the Australian Securities Exchange (ASX).

As companies' fortunes change—up or down—so does the value of their shares. This fluctuation is reflected in your return. The companies' profits determine the return on share investments, which is returned to shareholders in:

- dividends—usually once or twice a year
- capital gains or losses that have come from share-price fluctuations.

Asset classes

Market forces can affect share prices, and investing in shares is considered a riskier investment because there may be significant short-term fluctuations. Over the longer term, though, shares may offer relatively higher returns.

International shares

Investing in international shares is like investing in Australian shares except that the companies are listed on international stock exchanges, rather than the ASX.

As well as being exposed to global stock market fluctuations, investment returns are also influenced by foreign currency exchange movements.

We manage foreign currency exposure through currency hedging against the Australian dollar. We determine the level of hedging and it may change from time to time.

Private equities

Investing in private equities means we invest in companies that aren't listed on a stock exchange.

These companies may be in Australia or overseas, and this investment gives us access to sectors or segments of economic growth that we may not access as efficiently through listed markets. Examples include the information technology and health care sectors, which can both create interesting and innovative change rapidly.

Private companies are generally managed by teams that have operational experience in their specialist industry.

What's currency hedging?

It's a risk management strategy designed to manage fluctuations in the value of investments due to currency movements.

When we invest in other countries, we use currency hedging to guard against foreign currencies changing in value relative to the Australian dollar.

Property

Investing in real estate like shopping centres, office space, factories, hotels, residential developments (completed or in-progress)

Investing in property includes buying into established and in-development buildings and properties. We also invest in property trusts and property companies, which means we pool your money with other investors to achieve the scale required to buy a share of very large properties.

The investment returns on property may come from rent and changes to property values over time (also called capital growth).

Our property portfolio generally has lower rates of return than Australian shares because the risk profile is more moderate.

Infrastructure

Investing in public works and services

Investing in infrastructure means investing in important public works facilities and services in Australia and overseas. Examples include traditional assets like toll roads, airports, schools, water systems and the power supply, as well as emerging areas like renewable energy, telecommunications and data centres. Indeed, we were an early mover into data centres, recognising that this was the infrastructure relevant to a digital age.

Alternatives

Hedging against share and bond markets

Alternative investments are investments that don't fall within the main asset class groupings. They can be based on publicly traded securities like shares, bonds and derivatives, and can include hedge funds and absolute return funds.

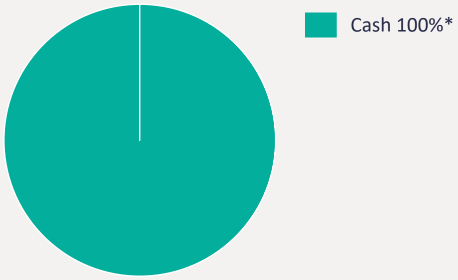
Investing in alternative investments can allow us to hedge against negative returns from traditional markets like bonds and shares.

Putting it together

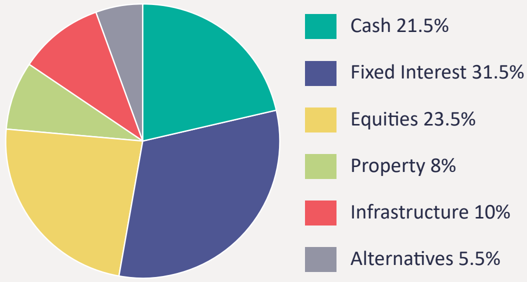
Transition to retirement income stream

The diagram below shows you how the mix of our asset classes in different percentages made up the four investment options for the CSCri Transition to retirement income stream as at 23 September 2024. This is known as the target asset allocation.

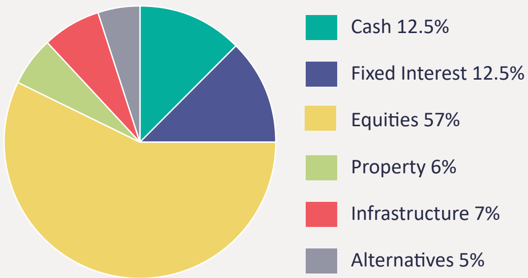
TRIS Cash*



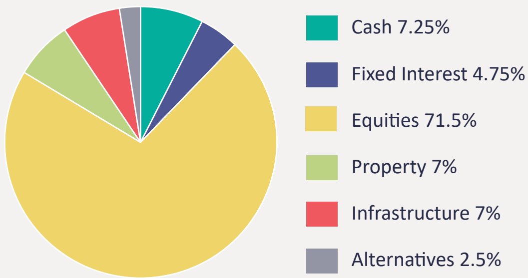
TRIS Income Focused*



TRIS Balanced*



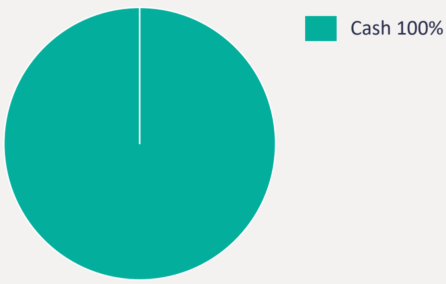
TRIS Aggressive*



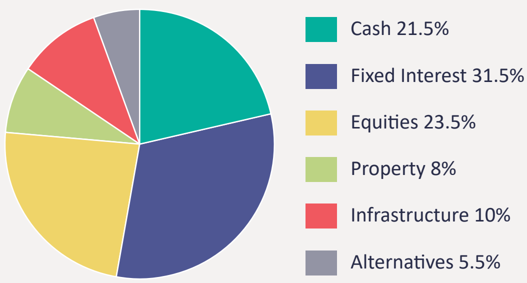
Standard retirement income stream

The diagram below shows you how the mix of our asset classes in different percentages made up the four investment options for the CSCri Standard retirement income stream as at 23 September 2024. This is known as the target asset allocation.

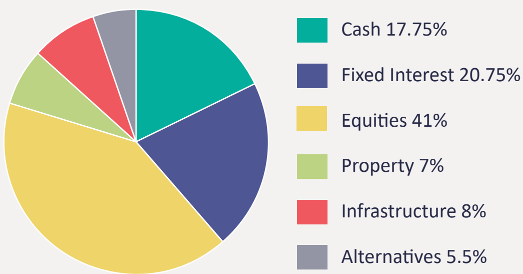
CSCri Cash*



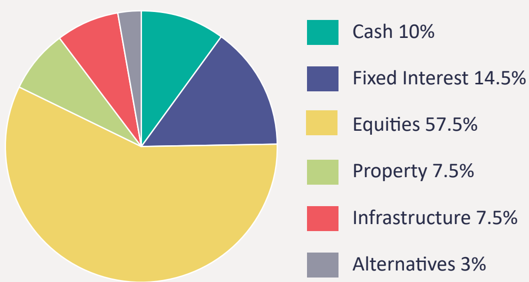
CSCri Income Focused*



CSCri Balanced*



CSCri Aggressive*



*Investment information is current at the date of publication and may change from time to time. See csc.gov.au/AssetAllocation for updated information. Investment returns aren't guaranteed.

CSCri investment options

The investment option(s) choices you make now will determine how long your super savings will last, and will make a difference to how you live in retirement

CSCri investment options have varying levels of risk and return. Generally, the higher the risk, the higher the potential for growth or loss, and the lower the risk, the lower the potential for growth or loss.

For example, at the start of your retirement you may want to invest in assets that are expected to grow over time, like shares and property. Or, if you're after lower levels of risk and more stable returns, you might choose to invest in more defensive assets by choosing Income Focused or Cash investment options.

Your investment, your choice

You can mix and match your investment options in a number of different ways to suit your retirement needs and goals

Transition to retirement income stream customers can choose to invest in one or more of our four investment options—TRIS Cash, TRIS Income Focused, TRIS Balanced (default) and TRIS Aggressive.

Standard retirement income stream customers can choose to invest in one or more of our four investment options—CSCri Cash, CSCri Income Focused, CSCri Balanced (default) and CSCri Aggressive.

If you don't pick your investment option(s), we'll invest your money in the applicable Balanced (default) option.

To give you a better understanding of the investments that make up your super, here we describe the characteristics of each CSCri investment option, including its objective, its risk profile and the asset classes and asset allocations that it consists of.

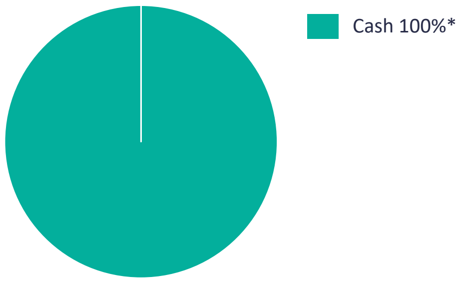
When we may change your investment option

If you or your reversionary beneficiary dies and the benefit has not yet been paid, we may change your account's investment options to an investment option we select. For example, we may switch to the Cash option to protect the capital while we are processing the benefits.

CSCri Cash | TRIS Cash

Its objective

To preserve its capital and earn a pre-tax return that's close to the Bloomberg AusBond Bank Bill Index, by investing 100% in cash assets. (The Bloomberg AusBond Bank Bill Index is a market-accepted index that measures the performance of short-term, cash investment portfolios within the Australian money market.)



Risk profile—very low

If you prefer less risk, this investment option may suit you. And if you choose this option, we suggest you hold onto it for a minimum of one year, and more if you can. This is called the minimum investment time frame.

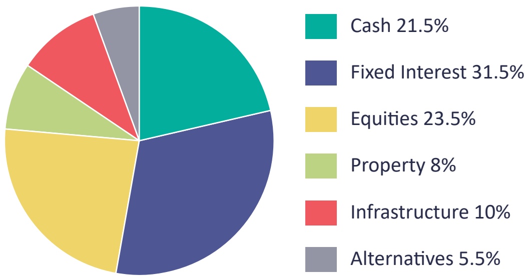
The Cash option has a very low risk rating (Band 1), and we estimate that your investment may lose value (have a negative return) in less than six months over any one 20-year period.

Target asset allocation

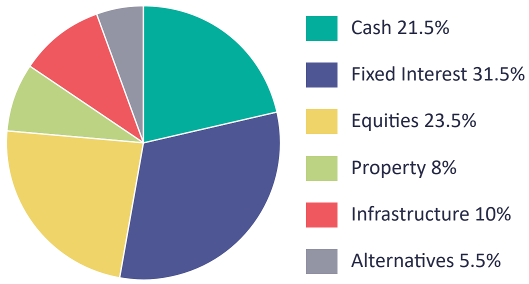
All of the Cash option is invested in the cash asset class. For more information see Asset classes on page 15.

*Investment information is current at the date of publication and may change from time to time. See csc.gov.au/AssetAllocation for updated information. Investment returns aren't guaranteed.

CSCri Income Focused*



TRIS Income Focused*



Objective

To outperform the Consumer Price Index (CPI) by 1.5% per year after fees and tax, over 10 years.

Risk profile—medium

This investment option may suit you if you're after an investment with a medium risk. If you choose this option, we suggest you hold it for a minimum of five years. This is called the minimum investment time frame.

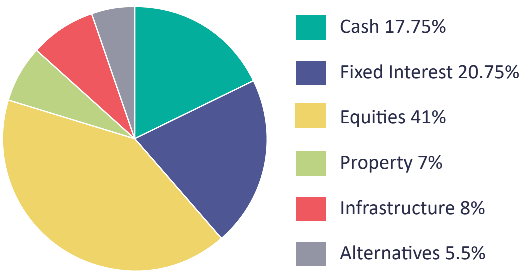
The Income Focused option has a medium risk rating (Band 4), and we estimate that your investment may lose value (have a negative return) in two to less than three years over any 20-year period.

Target asset allocation

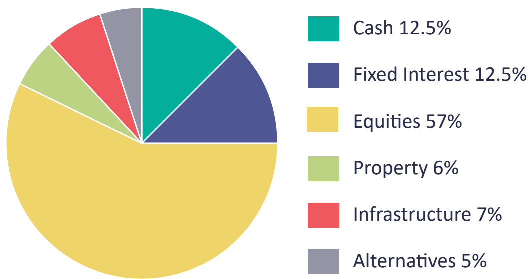
The Income Focused option invests in the CSCri asset classes shown in the diagram above. The diagram shows the investment allocation percentage by class as at 23 September 2024. See also Asset classes on page 15.

CSCri Balanced*

The default options



TRIS Balanced*



Its objective

To outperform the Consumer Price Index (CPI) by 3.5% per year after fees and tax, over 10 years.

Risk profile—high

If you're prepared to accept a higher risk than Cash or Income Focused in exchange for potentially higher returns over the medium-to-long term, this option may suit you. If you choose this option, we suggest you hold it for a minimum of 10 years. This is called the minimum investment time frame.

The Balanced option has a high risk rating (Band 6), and we estimate that your investment may lose value (have a negative return) in four to less than six years years over any 20-year period.

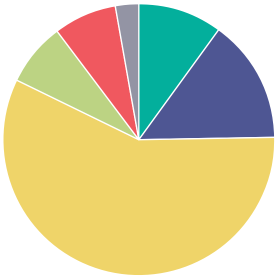
Target asset allocation

The Balanced option invests in the CSCri asset classes shown in the diagram above. The diagram shows the investment allocation percentage by asset class for as at 23 September 2024. See also Asset classes on page 15.

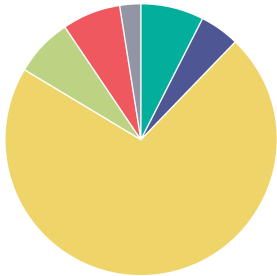
*Investment information is current at the date of publication and may change from time to time. See csc.gov.au/AssetAllocation for updated information. Investment returns aren't guaranteed.

CSCri investment options

CSCri Aggressive*



TRIS Aggressive*



Its objective

To outperform the Consumer Price Index (CPI) by 4.0% per year after fees and tax, over 10 years.

Risk profile—high

This investment option may suit you if you're prepared to take more risk in exchange for potentially higher returns over the long term. If you choose this option, we suggest you hold it for a minimum of 15 years. This is called the minimum investment time frame.

The Aggressive option has a high risk rating (Band 6), and we estimate that your investment may lose value (have a negative return) in four to less than six years over any 20-year period.

Target asset allocation

The Aggressive option invests in the CSCri asset classes shown in the diagram above. The diagram shows the investment allocation percentage by asset class as at 23 September 2024. See also Asset classes on page 15.

Our target asset allocation ranges

When it comes to investing your money, our eyes are fixed on making your super money go as far as it can. We frame this up with a tool called the 'target asset allocation range'—which is simply a mid- to long-term strategy for your investments.

We consider short, medium and long-term risks with a view to maximising retirement outcomes for our customers. We regularly rebalance individual asset class allocations for CSCri and TRIS Income Focused, Balanced and Aggressive investment options within target asset allocation ranges.

Each investment option has a specific target asset allocation range for its asset class. We monitor market movements to make sure the investment options are within the target asset allocation ranges shown in the table below.

	Target asset allocation range		
Asset class	CSCri Income Focused/ TRIS Income Focused	CSCri Balanced/ TRIS Balanced	CSCri Aggressive/ TRIS Aggressive
Cash	10–100%	0–65%	0–35%
Fixed interest	10–100%	0–65%	0–35%
Equities	0–40%	15–75%	20–95%
Property	0–35%	0–25%	0–50%
Infrastructure	0–35%	0–25%	0–50%
Alternatives	0–70%	0–30%	0–70%
Foreign currency hedge ratio	0–100%	0–100%	0–100%

i

Currency hedging is a risk management strategy that's used to manage fluctuations in the value of investments due to currency movements.

The foreign currency hedge ratio is the proportion of currency exposure that's hedged back to the Australian dollar, to minimize volatile returns.

*Investment information is current at the date of publication and may change from time to time. See csc.gov.au/AssetAllocation for updated information. Investment returns aren't guaranteed.

Check our performance

Super is a long-term investment. Past performance is not an indication of future performance. Investment markets are volatile, so it's not possible to predict when they will go up or down or how quickly this could happen.

We publish CSCri investment option performance on our website and you can select a short or long-term view of how we've done, going back to 2013. Check it out at Performance CSCri.

Changes to investment options

From time to time we may add, change or remove an investment option. If this happens, we'll be in touch beforehand with information about how the change may affect you.

If we can't reach you or you don't select a new investment option, we'll switch any funds you have in the investment option we are closing to our default option for your income stream; that is, CSCri Balanced or TRIS Balanced.

Getting involved in your investment

When choosing your investment option(s), you should always consider:

- how long your money will be invested before you'll be accessing it
- the level of investment performance you're expecting
- the level of risk you can tolerate for the return
- your own personal objectives, financial situation and needs.

Note that past performance is no indication of future performance.

Understand how and when we calculate unit prices

The unit price for an investment option represents the total value of assets in the investment option (less fees not deducted directly from your account, expenses and tax), divided by the number of all units issued in that investment option.

Generally, we calculate:

- the value of assets in each investment option using the latest available market value at the end of each business day, and
- the unit prices for a given business day using these asset values, on the next business day.

We don't make any unit price calculations on weekends or public holidays. If we make a calculation the day before a weekend or public holiday, we publish the unit price on the next business day[3].

If we can't determine a unit price for a business day because of an unforeseeable event, like a trading suspension in a market, we'll take all reasonable steps to start unit pricing as soon as possible.

The costs to buy or sell units are included in the unit price through the buy–sell spread. For more information, see Fees and other costs on page 26.

Good to know.

Your retirement income investment is in it for the long haul, so don't be alarmed if your unit prices fluctuate in any given week or month. Unit prices may move up and down in line with investment performance.

We proactively manage investment risks and are nimble in identifying new opportunities.

[3] A business day is defined as a day that is not a Saturday or Sunday, and is a day on which banks are open for business in Sydney and Canberra, other than a Public holiday or day which is a public holiday in Sydney or Canberra.

Keep track of your CSCri account balance

When you choose your investment option(s), we manage the investment strategy for you and other customers who have selected the investment option(s). Still, it's a good idea to keep an eye on your super balance and understand what makes it change.

Here's how:

- Because your CSCri Transition to retirement income stream or Standard retirement income stream account is valued in units, you buy units in the investment option(s) you choose. You can log in to the CSC Navigator to see the number of units you have in your chosen investment option(s).
- We generally deduct fees, management costs and taxes before we calculate the unit price. If fees are payable, we deduct them from your account; for example, customer account fees and switching fees (we sell units in your account to cover these fees).
- We generally publish unit prices on our website each business day, and prices may fluctuate (up or down) in line with investment performance.
- You can calculate the balance of your account on any business day by multiplying the number of units you hold in each investment option by the relevant 'sell' unit price shown on Unit prices CSCri on our website.

Switch investment options

Buy–Sell spreads apply to switches.

You can switch investment option(s) any time. To do this:

- log in to the CSC Navigator to make the switch;
- complete and return a Change your account details form; or
- call **1300 736 096** and we'll email or post you the form.

After you've make your switch, we'll process your request and let you know when it's done.

Note: If we receive your switch request within two business days of a fortnightly payment date or a 21st of month payment date (or the earlier business day if the payment due date is on a weekend or public holiday), we won't process it before your payment date. (It will be noted as being received after the payment date.)

Transaction Processing

When a contribution, rollover in, rollover out, cash withdrawal or form based switch request is received on a business day[4], together with all necessary information, it will be processed using the unit price issued for the date the transaction is processed, which is generally within 3 business days. There may be some delays at the end of June and the beginning of July as a result of necessary maintenance on your accounts[5].

Because units are issued or redeemed based on prices described above, there can be an effect on underlying performance, either positive or negative, depending on market movements, between the day your transaction request is received and the date of the unit price used when the transaction is processed.

Online switches

If an online switch request is submitted prior to 2.30pm (AEST/AEDT) on a business day, it will generally be processed using the unit price issued for that day. If an online switch request is submitted on or after 2.30pm on a business day, it will be generally be processed using the unit price issued for the next business day.

In the event of a delay in receipt of unit prices, the 2.30pm cut-off may be extended in which case the transaction will be processed using the unit price issued on the next business day. If a current switch is made, it is processed as a withdrawal (sell down of units) from one investment option, and an investment (purchase of units) into the other investment option.

[4] A business day is defined as a day that is not a Saturday or Sunday, and is a day on which banks are open for business in Sydney and Canberra, other than a Public holiday or day which is a public holiday in Sydney or Canberra.
[5] There may also be occasional delays if there is a IT system outage/issue, or if incorrect information is provided by an employer or Super Fund.

Transaction processing discretion and unit price delays

In certain circumstances allowed under superannuation law and the Trust Deed (for example, where it would prejudice the interests of the other customers of CSCri), we may delay, suspend or not process your application, switch or withdrawal request.

We reserve the right to delay or suspend unit prices[6], apply a special price or not process future application, switching or withdrawal requests.

Annual statements

The effective date of each transaction listed in your annual statement and on our secure customer portal, is based on the date of the unit price used to process that transaction.

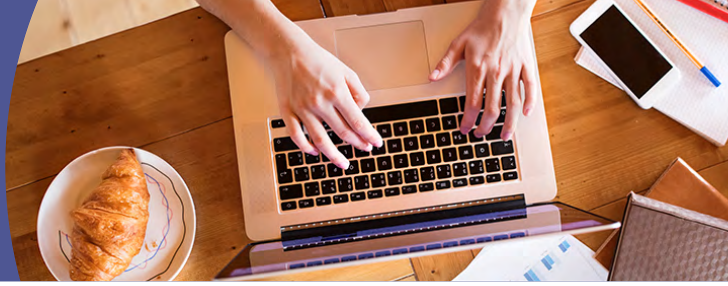
Operational risk financial requirement

All trustees of super funds are required to establish and maintain an operational risk reserve. The purpose of a risk reserve is to provide a source of financial resources to help protect members' interests should an operational risk event occur, such as the use of an inaccurate unit price to process a transaction that results in losses to the Fund or to members.

A target amount of 0.35% of funds under management was set for the operational risk reserve for CSCri. While the target amount has been reached, maintaining this will result in a minor impact on investment earnings. The operational risk reserve is monitored on a quarterly basis. An update will be provided if there are material changes to it.

[6] CSCri uses forward unit pricing. Where a unit pricing suspension occurs, all pending transactions are processed using the latest unit prices available on the day of processing.

Managing and measuring investment risks



The standard risk measure (SRM)

The SRM is a guide to the likely number of negative annual returns we should expect over any 20-year period. Its purpose is to give you a way of assessing risk so you can choose the investment option that fits your super goals.

To determine investment risk, we use the standard risk measure (SRM), which is recommended by the Australian Prudential Regulation Authority (APRA), the Australian Securities and Investments Commission (ASIC), the Association of Super Funds of Australia (ASFA) and the Financial Services Council (FSC).

The SRM is not a complete assessment of investment risk—for instance it won't go into detail about the size of a negative return or the potential for your positive return to be less than you expected. It also doesn't take into account administration fees and tax on the likelihood of a negative return.

The table below shows the estimated number of negative annual returns you could expect over a 20-year period. This determines the risk band and label.

Risk band	Risk label	Estimated number of negative annual returns over a 20-year period
Band 1	Very low	Less than 0.5
Band 2	Low	0.5 to less than 1
Band 3	Low-to-medium	1 to less than 2
Band 4	Medium	2 to less than 3
Band 5	Medium-to-high	3 to less than 4
Band 6	High	4 to less than 6
Band 7	Very high	6 or greater

For more information about how we calculate the SRM, go to Your investment options on our website.

Significant risks—what are they?

A retirement income stream, like any investment, has risks—and you should feel comfortable with the potential risks and fluctuations associated with the investment option(s) you choose. Here are the significant risks you should know about.

Risk type	Description of risk
Asset investment risk	Individual assets we buy can change in value for many reasons; e.g. there may be changes in the internal operations or management of a fund or company we invest in, or in its business environment.
Counterparty risk	If another party to a contract can't meet its obligations under the contract, this may have a negative effect on the value of the investments in the Fund.
Currency risk	When we invest in assets in other countries, if their currencies change in value relative to the Australian dollar, the value of the investment can change.
Derivatives risk	A derivative is a contract that has an agreed financial value, and that value is derived from anticipated fluctuations to the underlying asset (market or index) that is the subject of the contract. It's used to reduce risk or gain exposure to investment markets when we think it's appropriate. Risks associated with derivatives include the value of the derivative failing to move in line with the value of the underlying asset, market or index.
Environmental, social and governance risks	See csc.gov.au/esg
Fund risk	There are certain events that we classify as CSC fund risks. These include if CSC should stop operating, if fraud occurs against us, if our board is restructured and/or if our investment professionals change.

Risk type	Description of risk
Inflation risk	There is a risk that inflation may exceed the return on an investment.
Interest rate risk	Changes in interest rates can have a positive or negative effect on investment value or returns.
Liquidity risk	Assets that we invest in may become difficult to trade under certain market conditions.
Market risk	Market sentiment can change, as can economic, technological, political or legal conditions, all of which affect the value of investments.
Super and tax law risk	Super and tax laws change frequently and this may affect the value of your investment and your ability to access it. For example, changes made may affect the tax you pay on your super.

Methods for managing risk

We can't ever eliminate it, but we can manage and even minimise it

No matter how skilled the investment manager is or how strong performance has been in the past, there's always a chance you could receive less than you invested.

To manage and minimise risk we:

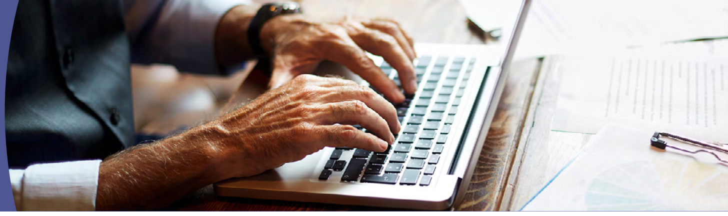
- make it our job to understand any inherent risks a particular type of investment may be exposed to
- diversify investments across asset classes, individual assets, investment styles and investment managers
- continuously monitor market performance, investment manager performance and relevant legislation
- run systematic compliance and fraud control programs
- run a continuous program of research and analysis, including environmental, social and governance (ESG) analysis. See csc.gov.au/esg

Our investment governance focuses on managing risk and it's driven by our primary investment objective, which is to **maximise long-term real returns (i.e. returns above inflation) within strictly defined risk limits**.

Professional investment managers make day-to-day investment decisions within agreed parameters, and we regularly review these parameters.

08

Fees and other costs



Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.

For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from $100,000 to $80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You or your employer, as applicable, may be able to negotiate to pay lower fees.* Ask the fund or your financial adviser.

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission (ASIC) MoneySmart website (www.moneysmart.gov.au) has a superannuation fee calculator to help you check out different fee options.

* We are required by law to provide you with this information; however, you can't negotiate lower fees for CSCri.

This section shows fees and other costs that you may be charged. These fees and other costs may be deducted from your money, from the returns on your investment or from the assets of the superannuation entity as a whole.

Other fees, such as activity fees and advice fees for personal advice may also be charged, but these will depend on the nature of the activity chosen by you. Entry and exit fees cannot be charged.

Taxes are set out in the Tax and your CSCri account on page 34.

You should read all the information about fees and other costs because it is important to understand their impact on your investment. The fees and other costs for each investment option are set out on page 27.

Fees and costs summary

Commonwealth Superannuation Corporation retirement income (CSCri)			
Type of fee or cost	**Amount**	**How and when paid**	**More information**
Ongoing annual fees and costs[7]			
Administration fees and costs	$4 per month plus 0.05% per year capped at $21 per month	• 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. • This fee is 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.	Administration fees and costs definition on page 29.

[7] If your account balance for a product offered by the superannuation entity is less than $6,000 at the end of the entity's income year, certain fees and costs charged to you in relation to administration and investment are capped at 3% of the account balance. Any amount charged in excess of that cap must be refunded.

Commonwealth Superannuation Corporation retirement income (CSCri)			
Type of fee or cost	**Amount**	**How and when paid**	**More information**
Ongoing annual fees and costs[7]			
Administration fees and costs	Plus 0.00% per year[8]	• Administration costs paid from reserves that are not otherwise charged as administration fees. These costs are not directly charged to your account but have reduced the reserve balance held by the Fund to cover future administration costs.	Administration fees and costs definition on page 29.
Investment fees and costs[8,9]	Estimated at **Investment option — % per annum** CSCri Cash 0.12% CSCri Income Focused 0.52% CSCri Balanced 0.62% CSCri Aggressive 0.67% TRIS Cash 0.12% TRIS Income Focused 0.52% TRIS Balanced 0.68% TRIS Aggressive 0.55%	• Not deducted directly from your account. • Paid from or reduces the amount of investment returns or assets related to each investment option. • Reflected in the unit price of each investment option, which is published each business day.	• Investment fees and costs definition on page 30. • Investment fees and costs entry on page 32.
Transaction costs[8]	Estimated at **Investment option — % per annum** CSCri Cash 0.00% CSCri Income Focused 0.05% CSCri Balanced 0.06% CSCri Aggressive 0.08% TRIS Cash 0.00% TRIS Income Focused 0.05% TRIS Balanced 0.06% TRIS Aggressive 0.06%	• Not deducted directly from your account. • Paid from or reduces the amount of investment returns or assets related to each investment option. • Reflected in the unit price of each investment option, which is published each business day.	Transaction costs definition on page 30.
Member activity related fees and costs			
Buy–sell spread	**Investment option — Buy spread — Sell spread** CSCri Cash 0.00% 0.00% CSCri Income Focused 0.00% 0.09% CSCri Balanced 0.00% 0.12% CSCri Aggressive 0.00% 0.12% TRIS Cash 0.00% 0.00% TRIS Income Focused 0.00% 0.09% TRIS Balanced 0.00% 0.13% TRIS Aggressive 0.00% 0.14%	Deducted from your account when you buy or sell units (this is what happens when you transfer money in or out, contribute to or withdraw from your super account or switch investments, or when we deduct fees). Buy and sell spreads are subject to change, refer to csc.gov.au/buysellspread for current spread values.	• Buy–sell spreads definition on page 30. • Buy–sell spreads entry on page 31.
Switching fee	Nil	We do not charge a switching fee. However, buy–sell spreads apply.	
Other fees and costs	Where these fees and costs are applied to your account, they are deducted as described in the Additional explanation of fees and costs on page 28.		

[8] These costs are based on the 2023–24 financial year and are rounded to the nearest two decimal places. The actual amount will change from year to year and may be different to the amounts shown. The Calculation basis for these amounts is set under Additional explanation of fees and costs on page 29.

[9] Investment fees and costs includes an amount of 0–0.21% for performance fees.

Example of annual fees and costs for a superannuation product

This table gives an example of how the ongoing annual fees and costs for the CSCri Balanced investment option for this superannuation product can affect your superannuation investment over a 1 year period. You should use this table to compare this superannuation product with other superannuation products.

Example—CSCri Balanced investment option		Balance of $50,000
Administration fees and costs	$48 plus 0.05% plus 0.00% paid from the administration reserve	For every $50,000 you have in the superannuation product, you will be charged or have deducted from your investment **$25**[10] in administration fees and costs, plus **$48** regardless of your balance.
Plus investment fees and costs	0.62% (estimated)	**And**, you will be charged or have deducted from your investment **$310** in investment fees and costs.
Plus transaction costs	0.06% (estimated)	**And**, you will be charged or have deducted from your investment **$30** in transaction costs.
Equals cost of product		If your balance was $50,000 at the beginning of the year, then for that year you will be charged fees and costs of **$413** for the superannuation product.

Additional fees may apply. This example is illustrative only.

Cost of product for 1 year

The cost of product gives a summary calculation about how ongoing annual fees and costs can affect your superannuation investment over a 1-year period for all superannuation products and investment options. It is calculated in the manner shown in the 'Example of annual fees and costs'.

The cost of product information assumes a balance of $50,000 at the beginning of the year. (Additional fees such as a buy–sell spread may apply: refer to the Fees and costs summary for the relevant superannuation product or investment option.)

You should use this figure to help compare superannuation products and investment options.

Investment option	Cost of product
CSCri Cash	$133
CSCri Income Focused	$358
CSCri Balanced	$413
CSCri Aggressive	$448
TRIS Cash	$133
TRIS Income Focused	$358
TRIS Balanced	$443
TRIS Aggressive	$378

[10] This includes an amount of $0 that was paid from the administration reserve and not directly from your account.

Additional explanation of fees and costs

Defined fees

There are fees that are 'defined' under super law that we must tell you about. The table below:

- lists defined fees in the left column and gives you the super law definition of those fees. Note that not all defined fees will apply to you.
- provides you with more information about how they translate to your CSCri account in the column on the right.

A–Z list for a speedy lookup

To support this list of Defined fees, we've also included an A–Z list of CSCri fees and costs on page 31. It gives you more information about the different fee types that may apply to you.

Defined fees	How they relate to your CSCri account
Activity fees A fee is an activity fee for a superannuation product if: a. the fee relates to costs incurred by the trustee of a superannuation entity that are directly related to an activity of the trustee: i. that is engaged in at the request, or with the consent, of a member; or ii. that relates to a member and is required by law; and b. those costs are not otherwise charged as administration fees and costs, investment fees and costs, transaction costs, a buy–sell spread, a switching fee, an advice fee or an insurance fee.	CSCri's only activity fee is the Family law fee. See Family law fee on page 32.
Administration fees and costs Administration fees and costs are fees and costs that relate to the administration or operation of the superannuation entity and includes costs incurred by the trustee of the entity that: a. relate to the administration or operation of the entity; and b. are not otherwise charged as investment fees and costs, a buy–sell spread, a switching fee, an activity fee, an advice fee or an insurance fee.	Administration fees and costs may include amounts deducted from the Administration reserve. See Administration reserve on page 31.
Advice fees A fee is an advice fee if: a. the fee relates directly to costs (other than intra-fund advice costs) incurred by the trustee of a superannuation entity because of the provision of financial product advice to a member by: i. a trustee of the entity; or ii. another person acting as an employee of, or under an arrangement with, a trustee of the entity; b. those costs are not otherwise charged as administration fees and costs, investment fees and costs, transaction costs, a switching fee, an activity fee, or an insurance fee.	CSCri customers have access to 'fee-for-service' advice that is chargeable. This is also called comprehensive advice. See Advice fees on page 31.

Fees and other costs

Defined fees	How they relate to your CSCri account
Buy–sell spreads A buy–sell spread is a fee to recover costs incurred by the trustee of a superannuation entity in relation to the sale and purchase of assets of the entity.	'The sale and purchase of assets of the entity' is how we describe buying or selling units of your super investment. This means, when you transfer money in or out, contribute to or withdraw from your super account or switch investments, or are charged fees, you are effectively buying or selling units of your investment option(s)—and these activities incur costs like brokerage fees and taxes. To make sure transaction fees are borne by those doing the transacting, we pass the costs on at the time of the transaction through a buy–sell spread. See Buy–sell spreads on page 31.
Exit fees An exit fee is a fee, other than a buy–sell spread, that relates to the disposal of all or part of a member's interests in a superannuation entity.	We don't charge exit fees.
Investment fees and costs Investment fees and costs are fees and costs that relate to the investment of the assets of a superannuation entity and includes: a. fees in payment for the exercise of care and expertise in the investment of those assets (including performance fees); and b. costs incurred by the trustee of the entity that: i. relate to the investment of assets of the entity; and ii. are not otherwise charged as administration fees and costs, a buy–sell spread, a switching fee, an activity fee, an advice fee or an insurance fee.	Investment fees and costs include the fees we pay to our investment managers, made up of investment-related costs and fees, and performance fees. See Investment fees and costs on page 32.
Performance fee A performance fee means an amount paid or payable, calculated by reference to the performance of a collective investment product, a superannuation product, a MySuper product, an investment option, an interposed vehicle; or part of such a product, option or vehicle.	Investment fees and costs include the fees we pay to our investment managers, made up of investment-related costs and fees, and performance fees. See Investment fees and costs on page 32.
Switching fees A switching fee is a fee to recover the costs of switching all or part of a member's interest in the superannuation entity from one investment option or product in the entity to another.	We don't charge switching fees. Buy–sell spreads apply when you switch investments. See Buy–sell spreads on page 34.
Transaction costs Transaction costs are costs associated with the sale and purchase of assets of the superannuation entity other than costs that are recovered by the superannuation entity charging buy–sell spreads.	Transaction costs are additional costs to CSCri customers and they are reflected in unit prices. The total estimated transaction costs for the financial year ended 30 June 2024 are shown in the Fees and costs summary on page 26 and are net of any amount recovered by the buy–sell spread that is charged.

Changes to fees and costs

We may change fees and costs from time to time. We will let you know of any fee change that we believe will materially affect you at least 30 days before the change takes effect. Fees and costs can be changed without a member's consent.

A–Z list of CSCri fees and costs

Administration fees and costs

See Administration fees and costs on page 29.

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 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.

The additional administration costs paid from the reserves are shown in the Fees and costs summary on page 26. The actual amount will change from year to year and may be different to the amounts shown and may be nil.

Advice fees

We offer access to comprehensive advice that is personalised for you by CSC's authorised financial planners[11], who take into account your financial situation and objectives. It:

- is 'fee for service' advice, which means you'll need to pay for it. You pay these fees directly. They are not deducted from your CSCri account balance.
- starts off with a fixed quote up front, and there's no obligation to take up the advice after getting a quote.
- is provided by CSC's authorised financial planners who are required to and will always act in your best interests, even if that means recommending a financial product not provided by CSC.
- is provided without generating commissions—we don't pay commissions to financial planners
- has no hidden fees.

For further information visit csc.gov.au/financial-planning, or call **1300 277 777**.

Buy–sell spreads

When we buy or sell investments as a result of our customers' transactions, we incur costs like brokerage fees and taxes. We pass these costs onto you, for example, when you start an account or switch investments, or when we deduct fees.

A buy price applies when we buy units, which happens for example when you restart a Standard retirement income stream account to add extra funds to your retirement savings or you switch into a new investment option.

A sell price applies when we sell units, which happens for example when you're charged a fee, when you receive an income payment or when you switch out of an investment option.

The difference between the buy and sell prices is called the buy–sell spread. The buy–sell spread can change from time to time, although typically only by small amounts.

It's good to know that no part of the buy–sell spread is paid to CSC. In line with industry standards, the balance we provide in your Transition to retirement income stream or Standard retirement income stream account and in your annual statement is your total balance minus the sell cost.

[11] Our authorised financial planners are authorised to provide advice by Guideway Financial Services (ABN 46 156 498 538, AFSL 420367). Guideway is a licensed financial services business providing CSC financial planners with support to provide customers with specialist advice, education and strategies.

The table below shows the buy and sell spread for each investment option expressed as a percentage and shows worked examples

Investment option	Buy spread	Sell spread	Worked example—buy spread	Worked example—sell spread
CSCri Cash	0.00%	0.00%	x $5,000 = $0.00	
CSCri Income Focused	0.00%	0.09%	x $5,000 = $0.00	x $5,000 = $4.50
CSCri Balanced	0.00%	0.12%	x $5,000 = $0.00	x $5,000 = $6.00
CSCri Aggressive	0.00%	0.12%	x $5,000 = $0.00	x $5,000 = $6.00
TRIS Cash	0.00%	0.00%	x $5,000 = $0.00	
TRIS Income Focused	0.00%	0.09%	x $5,000= $0.00	x $5,000= $4.50
TRIS Balanced	0.00%	0.13%	x $5,000= $0.00	x $5,000= $6.50
TRIS Aggressive	0.00%	0.14%	x $5,000= $0.00	x $5,000= $7.00

Exit fees

We don't charge exit fees.

GST

All fees and costs in this section are inclusive of GST less any reduced input tax credits the fund may be entitled to.

Family law fee

- When customers request super information in line with what is allowed under family law legislation, we charge $150 to CSCri customers and $165 ($150+GST) to non-CSCri customers to provide that service. The fee covers the cost of the work required to respond to a request.
- We do not charge a fee to split a customer's retirement income account because of a family law arrangement.
- The family law fee is an activity fee.

Transaction costs

Transaction costs are additional costs to CSCri customers and they are reflected in unit prices.

The total estimated transaction costs are based on actual and estimated costs incurred during the 2023–24 financial year and are shown in the Fees and cost summary on page 28.

Investment fees and costs

CSCri's investment fees and costs includes investment fees and performance fees. The total estimated Investment fees and costs are based on actual and estimated costs incurred during the 2023–24 financial year and are shown in the Fees and cost summary on page 28.

Performance fees

We pay performance fees to investment managers who charge these fees if (and only if) the performance of their investment exceeds certain benchmarks. When this happens, performance fees are deducted from earnings before the return to CSCri is calculated, and this increases the investment fees and costs.

We've carefully and deliberately designed our fee agreements with our fund managers to make sure they align with your interests, and two outcomes are possible:

- We pay less in fees when investment performance is below target. This means the investment manager more equitably shares the downside risk.
- We pay more in fees when performance is above target. Note, we set maximum performance fee limits for strong performance in any one year.

Actual performance fees depend on the level of performance achieved by investment managers who charge performance fees, and the weighting of those managers in the relevant investment option. In turn, our investment fees and costs varies from year to year in line with the performance recorded by underlying fund managers.

Fees and other costs

The following estimated performance fees are reflected in the Investment fees and costs.

Investment option	Performance fees
CSCri Cash	0.00%
CSCri Income Focused	0.18%
CSCri Balanced	0.20%
CSCri Aggressive	0.18%
TRIS Cash	0.00%
TRIS Income Focused	0.18%
TRIS Balanced	0.21%
TRIS Aggressive	0.10%

It's worth noting that amounts previously paid in performance fees may not be indicative of performance fee amounts that may be payable in the future. The performance fee is calculated as the average performance fee for each investment option for the previous 5 years (or the number of financial years in which it operated or had a performance fee charging mechanism in place, if in either case it was less than 5 years).

We regularly review the estimates of performance fees that we reflect in CSCri unit prices and we may change them, for example, because of changes to the:

- asset allocation
- weighting and composition of underlying investments
- fees charged by underlying investments.

Performance fees do not affect administration fees and costs.

Operational risk reserve

We're required by the Australian Prudential Regulation Authority (APRA) to fund and maintain an operational risk reserve. The operational risk reserve may form an additional cost that has a minor negative impact on investment earnings.

For more information, see Operational risk financial requirement on page 23.

Tax

If you have a Transition to retirement income stream, CSCri is eligible for a tax deduction of 15% on the administration fees associated with your account. This tax deduction is retained within the Fund or the Fund Administration Reserve to cover Administration costs.

See Tax and your CSCri account on page 34 for more information on tax.

09

Tax and your CSCri account

Tax and super—it's a complex topic and varies depending on your age and work status. Even so, it's good to get a handle on the main points.

Depending on your age and stage of retirement, putting super into a retirement income stream account can be tax effective while you're still working and mostly tax free if you've permanently retired and you're 60 or older.

Here we outline general information about the more significant tax implications for a Transition to retirement income stream and a Standard retirement income stream, organised by:

- Tax on account setup (this page)
- Tax on income stream payments on page 35
- Tax on lump sum withdrawals on page 35
- Tax on investment earnings on page 35
- Tax and social security on page 36
- Tax on death benefits on page 36
- The transfer balance cap on page 37
- Providing your TFN—for under 60s on page 37.

For a high-level comparison of the main tax points, see also Transition to retirement or Standard retirement income stream? on page 4.

Retirement income payments are generally taxed less than regular income, so you can enjoy more of your money for longer.

Contact a professional who's in the know about all things tax—like a financial adviser or tax accountant—to get personal advice that's specific to your situation.

You can also head to the Australian Taxation Office (ATO) website at ato.gov.au/super for more information.

Tax on account set up

Generally, there's no tax on amounts transferred to set up a Transition to retirement or Standard retirement income stream account (including amounts transferred from another fund) **unless** the amounts include taxable components that haven't been taxed yet, such as:

- amounts rolled in to CSCri from some public sector super funds
- personal contributions that you've submitted a personal tax deduction notice for.

You'll be taxed 15% on untaxed taxable components when you transfer money to set up or restart your CSCri account.

The funds (including rollovers from other super funds) you use to open a CSCri account will include a tax-free portion and a taxable portion

The tax-free portion

Your tax-free component is part of your standard super account (for example, PSSap) before that super balance was rolled into your CSCri account.

The tax-free portion, therefore, may include:

- personal contributions to your super from your after-tax salary (where you didn't claim a tax deduction)
- spouse contributions
- government co-contributions
- downsizer contributions (visit the ATO website for more on this)
- tax-free components transferred to CSCri from other super funds
- any tax-free amount that was 'crystallised' (the name for an ATO tax-mapping process) as at 1 July 2007
- a capital gains tax (CGT) exempt component.

Your tax-free component is a fixed amount that we calculate when we set up your CSCri account.

The taxable portion

The taxable component of your CSCri account is your total account balance minus the tax-free portion.

Generally, although your taxable component was taxed on entry into your super account, further tax may apply on withdrawals depending on the nature of the withdrawal. For example, tax applies on withdrawals if you're under 60 or if a death benefit is paid to a non-dependant.

Tax on income stream payments

If you're under 60

If you've provided your TFN, you'll pay tax on the taxable component of your income stream payment at your personal marginal tax rate plus the Medicare levy.

If you're permanently incapacitated, you'll also receive a 15% tax offset.

If we don't have your TFN, the amount of tax we will withhold is the highest marginal tax rate plus the Medicare levy.

If you're 60 or older

You won't pay tax on your Transition to retirement or Standard retirement income stream payments, and we don't need your TFN.

Tax on lump sum withdrawals

This applies to Standard retirement income streams only—you can't get a lump sum through a Transition to retirement income stream

If you're under age 60

- You won't pay tax on the tax-free portion of your lump sum withdrawal.
- You'll pay a maximum tax rate of 20% plus the Medicare levy on the taxable component of a lump sum withdrawal.

If you're 60 or older

You won't pay tax on lump sum withdrawals.

Tax on investment earnings

Irrespective of your age, if you hold:

- a Standard retirement income stream account, there's no tax to pay on investment earnings.
- a Transition to retirement income stream account, investment earnings are taxed at concessional rates of up to 15% because we're a complying super fund. Sometimes the tax rate is less than 15% because of the concessional tax treatment allowed for long-term capital gains and franking credits.

Tax and social security

You may be eligible for the Age Pension when you are 67 years or older.

If you qualify for the Age Pension, any changes to your income and assets (which includes income stream and lump sum payments from your CSCri Standard retirement income stream account) are reportable to Centrelink—and this could affect your pension.

Centrelink asks you to tell them about changes to your income stream within 14 days of the changes occurring. This includes if you withdraw a lump sum that's outside your regular income stream payment, and restarting an income stream to add funds.

To learn more about the Age Pension's income and assets test, call Centrelink's older Australians line on **13 23 00** or visit the Services Australia website.

Before you set up your CSCri account, it's worth seeking independent advice from a financial adviser who will help you work through the rules and potential impacts. If you'd like comprehensive advice from one of our financial planners[12], you'll receive an obligation-free quote to help you decide if you'd like to go ahead.

Tax on death benefits

If you die and your CSCri account balance is paid to one or more of your beneficiaries, the benefit may be taxable. Let's look at tax by the beneficiary nomination types that are possible; that is, reversionary, binding and non-binding.

Tax payable by a reversionary beneficiary

If a CSCri customer dies and they had a reversionary beneficiary in place, generally the benefit is payable as an income stream to that person. The benefit will be tax free:

- if the deceased customer was 60 or older when they died; or
- if the reversionary beneficiary is 60 or older when the retirement income stream payments are made.

Otherwise, the reversionary beneficiary is subject to these tax rules until they turn 60:

- They won't pay tax on any tax-free portion of the benefit.
- The taxable component of the benefit will be included in the reversionary beneficiary's assessable income, and they will be entitled to a tax offset of 15% (of the taxable component).

Lump sum payments

Payments to your estate: Where CSC makes a payment to your estate it will be paid as a tax-free lump sum and the estate will be responsible for the tax treatment of the death benefit.

Payments to a dependant: If you die and your CSCri super balance is paid as a lump sum to a dependant, the tax treatment of this payment will be based on whether the recipient is a dependant under tax law.

A person is a dependant under tax law if they are (in relation to the CSCri customer):

- a spouse or former spouse (including a de facto spouse of the same sex or opposite sex, who lived with the CSCri customer on a genuine domestic basis);
- a child aged under 18 (including an adopted child and a child by a previous relationship);
- any other person in an interdependency relationship just before the CSCri customer died; or
- any other person who was financially dependent on the CSCri customer just before they died.

If the person receiving a death benefit:

- **is a dependant under tax law**, the lump sum will be tax-free
- **is not a dependant under tax law**, tax at a maximum rate of 15% plus the Medicare levy will be payable on the taxable component of the lump sum. No tax will be payable on the tax-free component.

[12] Our authorised financial planners are authorised to provide advice by Guideway Financial Services (ABN 46 156 498 538, AFSL 420367). Guideway is a licensed financial services business providing CSC financial planners with support to provide customers with specialist advice, education and strategies.

The transfer balance cap

From 1 July 2017, super law changed to include a lifetime limit on how much super you can hold in standard retirement income stream accounts. This is called the transfer balance cap.

For CSCri, this only applies to Standard retirement income stream accounts and to Transition to retirement income stream accounts at the time they are converted to a Standard retirement income stream account.

What's my transfer balance cap?

Your transfer balance cap will be between $1.6–$1.9 million.

A cap of $1.9 million will apply only if you opened a retirement income stream account (e.g. CSCri) for the first time on or after 1 July 2023. If you started a retirement income stream account before this date, your personal transfer balance cap will vary between $1.6 million and $1.9 million.

The cap applies to combined balances you hold in any retirement income stream account. The ATO monitors the amounts.

You can view your personal transfer balance cap if you have a MyGov account and you've linked your ATO account to it. See the ATO website for more information.

If your account balance goes up or down

The good news is that if the total amount in your retirement income stream accounts grow over time (for example, through investment earnings) to more than your transfer balance cap, that's OK. This isn't considered to be exceeding your cap.

If the amount in your retirement phase account(s) goes down over time, you can't 'top it up' if you have already reached your transfer balance cap. So, for example, if you restart a new Standard retirement income stream to add further money to your account, this is counted towards your transfer balance cap.

If you exceed your cap

You may have to remove excess money from one or more retirement income stream accounts and pay tax on the investment earnings related to that excess money. The ATO will let you know if this applies to you.

Providing your TFN—for under 60s

If you're under 60, while you don't have to give us your tax file number (TFN), giving it to us means you may pay less tax—and that's good for your account balance

How we use it

If you're under 60, we'll ask you to complete the Tax File Number declaration form when you set up your CSCri account.

We only use your TFN for approved, legislative reasons, which may include receiving it from another super fund if you're transferring money to your CSCri account (unless you ask us not to, in writing).

Why provide it?

From our perspective, having your TFN makes it easier for us to process rollovers when you start or restart a retirement income stream account. Other reasons to provide it are that:

- we'll be able to accept all permitted types of contributions to your account(s)
- you won't pay more tax than you have to—which may affect both contributions to your super and your benefit payments when you start drawing from an income stream account
- it'll make it much easier to help you find the different super accounts in your name so that you'll receive all your super benefits when you retire.

Good to know

Under the *Superannuation Industry (Supervision) Act 1993*, we're authorised to collect, use and disclose your TFN.

The reasons for supplying your TFN and what happens if you choose not to may change if legislation changes. We'll let you know if it does.

Nominating a beneficiary

If you die, having a beneficiary nomination in place lets us know who your income stream account balance must go to or who you'd prefer it to go to (depending on your nomination type)

Who can I nominate as a beneficiary?

Super law describes the beneficiaries you can nominate for your CSCri account. These are your dependants of your estate.

Under super law, your **dependants** are:

- your spouse, including a de facto spouse of the same sex or opposite sex, who lives with you on a genuine domestic basis;
- your children of any age, including adopted children, foster children and those by a previous relationship; or
- any person with whom you have an interdependency relationship.

An **interdependency relationship** is defined under super and tax law as being between two people:

- who have a close personal relationship;
- who live together;
- where one or each of them gives the other financial support; and
- where one or each of them gives the other domestic support and personal care.

An interdependency relationship may also exist if there is a close personal relationship between the two persons, but one or more of the other requirements for interdependency are not satisfied because of a physical, intellectual or psychiatric disability.

If you nominate your estate as a beneficiary, this is your legal personal representative, who is the executor of your will or administrator of your estate. Note, you cannot nominate your estate as a reversionary beneficiary.

Reversionary? Binding? Non-binding?

We've included a run-down on the three options to help you decide which nomination works for you, listed in order of most enforceable to least.

Making a reversionary beneficiary nomination

Why make one?

A reversionary beneficiary nomination binds CSC to pay your Standard retirement income stream or Transition to retirement account balance when you die to the single dependant you nominate. Choosing this option:

- provides certainty about who will receive your CSCri income stream account balance
- overrules any previous nominations of any type
- does not expire
- means it's the only nomination possible—you can't have a reversionary nomination as well as a binding or non-binding nomination.

How we'll pay your benefit

We'll pay your income stream to your nominated dependant until your account balance reaches zero. While your dependant is receiving the income stream, they will have the authority to manage the account, for example switch investment options, change the annual payment amount and make lump sum withdrawals.

Note that if an income stream is payable to a child over 18 who is:

- disabled, we will pay the income stream until the account balance reaches zero
- not disabled but who is a financial dependant, we will pay this only until the child turns 25, at which time we will pay them a lump sum for the remaining account balance. (Otherwise the income stream stops at age 18.)

Nominating a beneficiary

How to make a reversionary beneficiary nomination

When you apply for a CSCri account and complete the CSCri Application, there is a section for nominating your reversionary beneficiary (if applicable).

You can also complete and return a Beneficiary Nomination Form, available from our website.

Making a valid binding beneficiary nomination

You can't make a binding beneficiary nomination if you have a reversionary nomination in place

Why make one?

A valid binding beneficiary nomination generally binds CSC to pay your CSCri income stream account balance when you die to the binding beneficiaries you nominate.

Choosing this option:

- provides certainty about who will receive your CSCri income stream account balance
- overrules any previous non-binding or binding nominations, of any type—but not a reversionary nomination.

How we'll pay your benefit

We'll pay your income stream account balance to the beneficiary/beneficiaries you nominated as a lump sum—unless it's unlawful to do this under super law—for example, if the beneficiary you nominated doesn't meet the requirements listed under Who can I nominate as a beneficiary? on page 38.

How to make a valid binding beneficiary nomination

Complete the Beneficiary Nomination Form available on our website and return the form to us.

Note, under super law, strict rules apply to binding beneficiary nominations. For your nomination to be valid you must:

- nominate your dependant (see Who can I nominate as a beneficiary? on page 38) or your legal personal representative
- record the proportion of the benefit payable to each person in whole numbers and make sure all proportions add up to 100%
- date and sign the nomination in the presence of two witnesses who are both over 18 and not listed as beneficiaries in the nomination
- make sure the 'Witness declaration' section of the form is completed by each witness, confirming that you signed and dated the nomination before them
- keep the nomination up to date by reviewing it every three years and amending if you need to.

Failing to meet these conditions means the form you send us will be considered invalid, so we'll treat your nomination as non-binding. If you die, we'll make a decision about who receives your benefit and how to divide it. For more information, see Making a non-binding (preferred) beneficiary nomination on page 40.

How to renew your binding beneficiary nomination

Binding nominations are valid for three years from the date they are originally signed, subsequently confirmed or amended, and we'll help you keep it up to date by sending you a reminder three months before it's due to expire.

To keep your binding nomination current you must renew it in writing before it expires (that is, within three years of the date you originally signed it, last confirmed it or amended it). You can do this by logging in to your CSC Navigator account and completing the renewal declaration to confirm and extend your current beneficiary nomination, or complete a fresh copy of the Beneficiary Nomination Form available on our website and return it to us.

?

Did you know?

Invalid or expired binding death benefit nominations are treated as non-binding nominations for decision-making purposes.

Making a non-binding (preferred) beneficiary nomination

Why make one?

A non-binding (preferred) beneficiary nomination guides us in paying your CSCri income stream account balance to the person or people you'd prefer your benefit to go to when you die. This type of nomination is not binding on CSC.

Choosing this option:

- gives you a say in who you'd prefer your benefit to go to, but lets us manage the process under super law to consider first who it has to go to
- is fuss-free—a non-binding nomination doesn't expire.

How we'll pay your benefit

If you die, we may at our discretion pay your CSCri account balance to:

- one or more dependants and/or
- your legal personal representative, or
- if we cannot find a dependant or your legal personal representative, to any individual we decide.

In exercising our discretion, we usually consider any application made by your spouse, your child or a person in an interdependency relationship with you or any other person who considers they have a claim.

We may also take account of any beneficiaries nominated in an expired or invalid binding nomination, or in your will. We may use other available avenues to identify potential recipients too. This means, we may:

- ask your employer for help in identifying family members
- contact your family and/or solicitor to identify possible beneficiaries
- advertise in newspapers for potential claimants where we can't identify your family members.

How to make a non-binding beneficiary nomination

Log in to the CSC Navigator and click the Beneficiaries tab to make or change a non-binding nomination.
Or complete the Beneficiary Nomination Form available on our website and return the form to us.

Changing your beneficiary nomination

You can renew (binding), change or cancel your beneficiary nominations at any time by completing and returning the Beneficiary Nomination Form available on our website.

If you're not sure who you've nominated, or to check that any beneficiary changes you've asked for have gone through, log in to the CSC Navigator and go to **Beneficiaries**.

Beneficiary nominations and…

…your will

Having a beneficiary nomination in place has no bearing on how your other assets will be dealt with if you die. A super beneficiary nomination is not a substitute for a legally enforceable will.

If you're not sure, we recommend you seek advice from a licensed professional to decide whether you need a will in place to distribute other assets you hold in your estate.

…social security considerations

If a beneficiary is getting social security, like the Age Pension, receiving a death benefit may affect income and assets, which may affect their eligibility for their government benefit.

A licensed professional like a financial planner, accountant or solicitor can help you understand how receiving a benefit may apply to your particular circumstances.

…tax considerations

These vary according to the beneficiary type and the age of the beneficiary. See Tax on death benefits on page 36.

How to start, top up and manage your CSCri account

When you're ready, here's how to apply

To apply for a Transition to retirement or Standard retirement income stream account:

1. We recommend you consider seeking professional advice from a licensed financial planner as part of planning for your retirement. CSC's authorised financial planners[13] provide a personalised service that takes your objectives, financial situation and needs into account. To make an appointment call **1300 277 777** or visit csc.gov.au/advice.
2. Read this Product Disclosure Statement and call us if there's anything you need to know.
3. Complete the CSCri Application and choose the retirement income stream type, how much you'll get paid and how often. You'll also be able to choose your investment options using this form and nominate a reversionary beneficiary if you'd like to. If you don't nominate a reversionary beneficiary in your application, you can complete and return the Beneficiary Nomination Form with your application and your proof of ID.
4. If you're under 60, complete the Tax file number declaration and send it to us with your application. (This isn't compulsory, but it may reduce the tax you pay. See Providing your TFN—for under 60s on page 37.)

Start your CSCri account

Where can the starting balance come from?

All eligible PSSap, CSS and PSS customers (contributing or not) are eligible to open a CSCri account using funds from:

- an existing PSSap account;
- another super fund; and/or
- an eligible super fund contribution like an after-tax (non-concessional) contribution.

An extra option for PSS and CSS

PSS and CSS customers who permanently retire **also** have the option of starting a Standard retirement income stream account with a lump sum 'transfer amount' from their defined benefit scheme. See also Transfer amount on our website.

If you have funds from multiple sources

If you're starting your CSCri account with funds coming from multiple sources and you're not already a PSSap customer, we'll set up a PSSap holding account for you so we can consolidate your amounts.

This process can take a couple of days to a bit longer to complete, depending on whether the roll-ins from other super funds come in on time. During this time:

- we'll invest your amounts in the Cash option; and
- you may have to pay administration fees of up to $4 per month, plus 0.05% per year up to a maximum of $21 per month (charged on a pro-rata basis) for the holding account. Refer to the PSSap Product Disclosure Statement for more information.

When your account is set up, we'll send you your customer account details in a welcome pack. You'll be able to register then log in to the CSC Navigator to manage some of your transactions online. See The CSC Navigator on page 45 for more information about what you can do online.

[13] Our authorised financial planners are authorised to provide advice by Guideway Financial Services (ABN 46 156 498 538, AFSL 420367). Guideway is a licensed financial services business providing CSC financial planners with support to provide customers with specialist advice, education and strategies.

Top up your retirement income stream

Restarting your income stream account is a way to add extra funds

Under super law we're not allowed to add money to an existing income stream account, so restarting allows us to consolidate your existing CSCri account balance with your new funds outside CSCri, and then restart your CSCri account.

You might want to do this when you have extra funds to invest, for example:

- if you sell an investment property
- if you downsize your family home
- if you receive an inheritance or other financial windfall
- to roll in other super savings.

Here's how it works

- Log in to the CSC Navigator and write down your payment amount and frequency, your investment strategy and your beneficiaries. (You'll need to add these again when your new CSCri account is set up.)
- Complete a CSCri consolidation and restart form and send it to us.
- If you don't have a PSSap account, we'll set a temporary one up for you and let you know the details.
- You'll add the extra money to the PSSap account. It must be a minimum payment of $10,000 that's over and above your existing CSCri balance.
- When your PSSap account receives your nominated amounts we will:
  - close your current CSCri account;
  - pay you any remaining pro-rata minimum income that's due to you for the financial year from your CSCri account (legislative requirement);
  - transfer your entire CSCri balance to your PSSap account; and
  - invest all amounts (the CSCri account balance and your new amount) in the Cash investment option.
- When consolidation is complete, we'll start a new CSCri account for you. It will have a higher account balance, and you'll get a new account number. We'll let you know the details when it's done.

The restart process takes around 5–10 working days to complete, from the date we receive the money you'd like to add

What happens during the consolidation timeframe?

Your existing CSCri account doesn't change until we receive all your additional money and your completed restart application.

We'll time the process so you'll hardly be aware it's happening. For example, if your next income payday is within 5 business days, we'll time your consolidation so that it starts as soon as possible after payday. And during consolidation, you will continue to get your income stream payments.

Cost to restart

There is no charge to restart your CSCri account but:

- you'll be charged a small administration fee while your funds are consolidated in PSSap
- you may incur buy–sell spread costs in your new CSCri account depending on the investment strategy you choose.

Cooling-off period

If you open a CSCri account and you change your mind, a 14 day 'cooling off' period applies. This period starts from the earlier of:

- the date of your CSCri account welcome experience, or
- five business days after the date your CSCri account was opened.

If you would like to cancel your membership during this period, please write to us at the address on the last page of this booklet, or let us know by email at formsandapplications@cscri.com.au

If you cancel your CSCri account during this period, we'll transfer your account to an approved super fund of your choice, or if you meet a condition of release we'll pay a final CSCri account balance to you in line with your instructions. Any tax we've paid on your behalf will be deducted beforehand. We'll also deduct any fees that are due. Your CSCri account will attract earnings (positive or negative) for the period of time your super has been with the Fund.

How we'll communicate with you

To make sure you get important information quickly and cost effectively, we'll communicate with you by email or text as the first option—unless you ask us not to. You can set up (and update) your communication preferences through the CSC Navigator or by calling **1300 736 096** or emailing members@cscri.com.au

When it comes to sending you important information, we'll check your preference. If electronic delivery's OK with you and we have your email address, we'll email you the information. If email communication fails or you've told us you'd prefer hardcopy mail, then we'll send the paper communication to your mailing address.

If you have a complaint or feedback

We're committed to handling complaints from CSCri customers promptly and fairly. Plus we're interested in any recommendations you have that you think will make things better.

Complaints

Please contact us first

If you have a complaint about your CSCri account, please contact us right away in any of these ways:

Online: Feedback form

Telephone: Within Australia: **1300 736 096**
From overseas: **+61 2 4209 5402**

Email: complaints@cscri.com.au

Mail: CSCri Complaints Officer
Locked Bag 20115
Melbourne VIC 3001 Australia

If you aren't satisfied with our resolution

We'll try our best to resolve your complaint, but if you're not satisfied with our response or you haven't received a response from our Complaints Officer in 45 days[14], you can contact the Australian Financial Complaints Authority (AFCA) in any of these ways:

Online: ACFA website

Telephone: **1800 931 678** free call

Email: info@afca.org.au

Mail: Australian Financial Complaints Authority
GPO Box 3, Melbourne Vic. 3001.

AFCA provides a fair and independent complaint resolution service for financial complaints, and it's free to consumers.

Time limits may apply. Visit the ACFA website to find out if a time limit applies to your circumstances.

Feedback

We're here to look after you, and if there's something you think we could do better or if you have a recommendation, we'd love to hear your thoughts. Just complete our online feedback form or give us call.

[14] In some circumstances, such as complaints about the distribution of death benefits, a response is required within 90 days.

Your privacy

Obtaining proof of ID

Under anti-money laundering and counter-terrorism financing legislation, we are required to obtain proof of identification before undertaking some transactions in relation to your account. This means we may need to identify you, your estate and/or beneficiaries, or anyone acting on your behalf (such as a power of attorney). Accordingly, we may be required to delay or refuse any request or transaction in relation to your account.

How we protect your privacy

We're committed to protecting your privacy. We collect your personal information for the purposes of providing superannuation services to you, improving our products and to keep you informed.

We will only share your personal information where necessary for providing superannuation services to you. This may include disclosing your personal information to our scheme administrator, service providers or government or regulatory bodies. Your personal information may be accessed overseas by our service providers. Please see our privacy policy for full details. Your personal information will not be otherwise used or disclosed unless required or permitted under law.

A full copy of our privacy policy as well as the privacy complaint process is available at csc.gov.au/Privacy-policy

The CSC Navigator

The CSC Navigator is your one-stop-shop for all things super. It keeps all your CSC super accounts and insurance products together in a single view.

Register…

If you haven't logged into the CSC Navigator before, you will first need to register. When you register, you'll get a one-time PIN by email or SMS. Just follow the prompts to set up your login details.

…then log in

Once you've registered, you will be able to log in to the CSC Navigator.

Screens and functions explained

Home page—view a summary of your accounts with CSC

On the home page you'll see a summary of your accounts with CSC.

Profile tab

Here you can access the:

- **Personal details** screen to add or change details like your home phone number, email address and your physical address
- **Contact preferences** screen to let us know how you prefer to receive correspondence from us
- **Bank details** screen which lets you change your nominated bank accounts details.

Documents tab

This tab is where you can view and download your Annual Statements and your Centrelink Schedule, which lists components of your income stream that are reported to Centrelink.

My account tab

This tab gives you access to the:

- **Dashboard** screen, which shows key account information like your account balance
- **Income stream payments** screen, which
  - displays important information about your income stream payments—like when they started, when the next one is due, how much you'll receive and your payment frequency
  - allows you to change your income stream payments, including payment method, the amount and the frequency. It also includes helpful information about your minimum and maximum draw down amounts.

Transactions tab

This tab gives you access to your transaction history which shows you your transactions like switches, regular income payments and lump sum withdrawals (Standard retirement income stream), and fees and charges.

Benefit quote tab

This tab is where you can view the components of your latest balance including the tax free and taxable components.

Investments tab

This tab is where you can:

- view your current investment options
- update your investment strategy across the four available investment options
- change your income payment funding option–choose from Pro-rata (Default), Priority or Proportional. See page 7.

Beneficiaries tab

Here you can view your nominated beneficiaries, renew an existing binding beneficiary nomination and nominate a non-binding beneficiary (see page 40 for more information).

If you need help

There are some things you can't do online, like change your name, date of birth or TFN.

If you see details that aren't right and you can't change them, or if you need help with the system, please call us on **1300 736 096** so we can help.

Email
members@cscri.com.au

Phone
1300 736 096

Financial Advice
1300 277 777

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