

## Fact sheet

As a Division D member, you have three options while you are on leave without pay (LWOP) from employment with the Commonwealth Bank Group.

### Option A—default option

Under Option A, for the period of LWOP, you:

- do not make personal contributions to Division D
- do not accrue new benefits
- do not maintain the same death and disability benefits.

Option A is the default option, which means that your **contributions will automatically cease** after you begin LWOP, unless you notify us that you are choosing Option B or C.

When you cease LWOP, your contributions will automatically recommence at the rate that applied before Option A began.

### Effect on retirement, resignation, retrenchment and super choice benefits

Depending on how your Division D benefits become payable, or which benefit calculation method you choose, your benefits may be based on:

- your period of fund membership and your final average salary (FAS), or
- your basic compulsory contributions (which is usually 6% of your super salary).

For the purpose of calculating your FAS, your super salary will be deemed to be the amount that applied immediately before your LWOP.

If you choose Option A, your period of LWOP will not count as a period of service or fund membership for the purposes of calculating a benefit, therefore you will not accrue any new benefits during this time.

Additionally under Option A, you will not be making personal contributions for the period of your LWOP. Your accumulated contributions will, however, continue to be adjusted for investment returns during your LWOP, which may be positive or negative.

When you return from LWOP, your fund membership will start increasing again and you will recommence new benefit accruals as normal.

### Effect on death and disability benefits

Under Option A, your prospective benefit accrual for death and disability benefits will cease. The benefit payable in these circumstances will therefore be the same as your retirement benefit.

### Option B

Under Option B, for the period of LWOP, you:

- do not make personal contributions to Division D
- do not accrue new benefits
- effectively pay an amount in order to continue your death and disability accruals – this amount is currently equal to 1% of your super salary and is non-refundable.

To choose Option B, **you must inform us in writing within one month of beginning LWOP**, by completing our 'Leave without pay arrangements' form. If you choose Option B, the amount you will need to pay will be payable in one instalment.

If you do not notify us, we will assume that you want to cease contributions, as well as death and disability accruals, and Option A will automatically apply.

### Effect on retirement, resignation, retrenchment and super choice benefits

Option B will have the same effect on these benefits as outlined for Option A in the previous section.

### Effect on death and disability benefits

Death and disability benefits in Division D are based on two components:

- i) your current resignation or retirement benefit (whichever is applicable), and
- ii) an additional value based on prospective service to age 60.

With Option B, you will not accrue benefits during your LWOP so the amount of the first component will be less than if you continue contributing while on LWOP.

Your prospective service component will continue to be calculated but your super salary will remain unchanged during this period.

Under Option B, your death and disability benefits will be **lower** than if you had continued making contributions while on LWOP.

Note: If you are over age 60, your prospective benefit is zero and your death and disability benefits are the same as your retirement benefit. You would not receive any additional benefit from taking this option.

### Option C

This option gives you the opportunity to maintain your Division D benefits at a similar level to those that would have applied had you not gone on LWOP.

Under Option C, for the period of LWOP, you:

- continue to make personal contributions to Division D
- continue to accrue new benefits
- continue to accrue death and disability benefits.

To continue to accrue benefits at a similar level, you must contribute 18% of your super salary for any period of LWOP, i.e. your basic member contribution rate of 6% plus additional contributions at a rate of 12%.

Your additional contributions during LWOP will fund your new benefit accruals and your death and disability accruals.

To choose Option C, **you must inform us in writing within one month of beginning LWOP**, by completing our 'Leave without pay arrangements' form. If you do not notify us, we will assume that you want to cease contributions, as well as death and disability accruals, and Option A will automatically apply.

### Effect on retirement, resignation, retrenchment and super choice benefits

Under Option C, your LWOP period is counted as fund membership for benefit calculation purposes. This enables you to accrue new benefits (employer and member financed) while on LWOP in the usual way, i.e. as if you were not on LWOP.

However, for the purposes of calculating your FAS, your super salary while you are on LWOP will be deemed to be equal to your super salary at the commencement of your LWOP.

Note: If you resign, exercise super choice or are retrenched before age 55 and elect to receive your Withdrawal Lump Sum benefit (as described in the Member Booklet for Division D, available from [oursuperfund.com.au/memberbooklets](http://oursuperfund.com.au/memberbooklets)), your 18% contributions while you are on LWOP are treated as 6% basic contributions and 12% special contributions.

### Effect on death and disability benefits

Death and disability benefits in Division D are based on two components, as outlined under Option B in the previous section.

Under Option C, you will continue to accrue new benefits (employer and member-financed) in the usual way during the LWOP period, so there is no effect on the first component.


Your prospective service component will continue to be calculated but your super salary will remain unchanged during your period of LWOP.


Note: If you are over age 60, your prospective benefit is zero and your death and disability benefits are the same as your retirement benefit. You would not receive any additional benefit from taking this option.


### Commonwealth Bank Group Super


#### Defined Benefit members and pensioners

 [oursuperfund.com.au](http://oursuperfund.com.au)

 **1800 135 970** from 8am to 7pm (AEST) Monday to Friday

 via online member login at [oursuperfund.com.au/login](http://oursuperfund.com.au/login)

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