

## Fact sheet

As a Division E 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 E
- 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.

Your contributions will recommence when your LWOP period ends, at the rate that applied before Option A began.

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

Your benefits are based on an accrued benefits multiple (ABM)<sup>1</sup> and your final average salary (FAS)<sup>2</sup>.

For the purpose of calculating your FAS, your super salary is deemed to be that which 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 accruals for death and disability benefits will cease. The benefit payable in these circumstances will 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 E
- 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** 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 E 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 55.

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 factor will continue to be calculated but your super salary will remain the same during your period of LWOP.

Under Option B, your death and disability benefits will be **lower** than if you continue contributing while on LWOP.

Note: If you are over age 55, your prospective service factor is zero, therefore your death and disability benefits will be the same as your retirement benefit. You would not receive any additional benefit from taking this option.

<sup>1</sup> Your accrued benefit multiple (ABM) is calculated as your Accrual Rate (applicable for your contribution rate) multiplied by the years and days you have contributed to Division E, subject to a maximum ABM of 8 or when you turn 65 (if you are still employed by the Group).

<sup>2</sup> Your final average salary (FAS) is your average super salary over the last two years of your membership.

### Option C

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

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

- continue to make personal contributions to Division E, although at a higher rate than your usual contributions
- continue to accrue new benefits
- continue to accrue death and disability benefits.

To continue accruing benefits at a similar level, you must contribute at a higher contribution rate than your usual rate. This rate is based on a percentage of your salary.

Usual contribution rate	Contribution rate on LWOP under Option C
0%	9%
2%	12%
4%	15%
6%	18%
8%*	21%

\*Note: Contributing at 8% is generally only allowed in limited circumstances – refer to your Member Booklet for more details.

The additional contributions above your usual rate will fund your new benefit accruals and your death and disability accruals.

To choose Option C, **you must inform us in writing** 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 will be counted as fund membership for the purposes of calculating a benefit.

This enables you to continue accruing new benefits (employer and member-financed) while on LWOP in the usual way, i.e. as if you are not on LWOP.

### Effect on death and disability benefits

Death and disability benefits in Division E 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 LWOP, so there is no effect on the first component.


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


Note: If you are over age 55, your prospective service fact is zero, therefore your death and disability benefits will be 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

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

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

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