Essential Super

Reference Guide

This product is not accepting applications for new personal members or new standard employer sponsored arrangements. This information is for existing members and existing standard employer sponsored arrangements (including members joined by the employer in this product from 4 July 2018).

Issue No 2019/1, dated 16 March 2019

Investments in Essential Super (USI FSF1332AU) are offered from Commonwealth Essential Super ABN 56 601 925 435 by Colonial First State Investments Limited ABN 98 002 348 352 AFS Licence 232468 My Super authorisation identifier 56601925435909

Contents

The name and contact details of the trustee

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Colonial First State Investments Limited ABN 98 002 348 352 AFS Licence 232468 (Colonial First State or 'we' or 'us' or 'our') is the trustee and administrator of Commonwealth Essential Super ABN 56 601 925 435 (the fund) and the issuer of interests in Essential Super, which is a product of the fund. Colonial First State is a wholly owned subsidiary of Commonwealth Bank of Australia ABN 48 123 123 124 AFS Licence 234945 (the Bank). The Bank and its subsidiaries do not guarantee the performance of Essential Super or the repayment of capital by Essential Super. An investment in Essential Super is through a superannuation trust and is subject to superannuation rules. It is not an investment in, deposit with, or other liability of the Bank or its subsidiaries. An investment in Essential Super is subject to investment risk, including loss of income and capital invested. The Bank provides distribution and administrative services to the trustee.

The information in this document forms part of the Essential Super Product Disclosure Statement (PDS) dated 16 March 2019.

A reference to 'the PDS' in this Reference Guide is a reference to the PDS and all statements and information incorporated by reference as described in the Essential Super PDS.

This Reference Guide will be updated from time to time. You should always ensure that you are reading the most up-to-date version, together with the PDS, before making a decision to invest.

The information contained in the PDS is general information only and does not take into account your individual objectives, taxation or financial situation or needs. You should read the PDS carefully and assess whether the information is appropriate for you.

Information contained in this PDS is subject to change from time to time. Where a change to this information is not materially adverse, the information may be updated via our website and can be found at any time by visiting **commbank.com.au/essentialinfo**. A paper copy of any updated information is available free of charge on request by contacting us on **13 4074**. Where a change is material, the trustee will notify you in writing within the timeframes provided for in the relevant legislation.

Taxation considerations are general and based on present taxation laws, rulings and their interpretation as at the date of issue of the PDS. You should seek professional tax advice on your situation before making any decision based on this information.

Colonial First State is also not a registered tax (financial) adviser under the Tax Agent Services Act 2009, and you should seek tax advice from a registered tax agent or a registered tax (financial) adviser if you intend to rely on this information to satisfy the liabilities or obligations or claim entitlements that arise, or could arise, under a taxation law.

Insurance for Essential Super is provided by The Colonial Mutual Life Assurance Society Limited (the insurer) ABN 12 004 021 809 AFS Licence 235035.

As at 13 February 2019, CMLA is a wholly owned but non-guaranteed subsidiary of the CBA Bank. The Bank has agreed to sell CMLA to the AIA Group, with settlement due to complete in 2019. 'CommInsure' is a registered business name of CMLA.

1 About this Reference Guide

This Reference Guide is packed with essential information about your super account – how it works, how to invest and how to keep track of your super. Read this guide together with the Product Disclosure Statement to get the full picture.

In this guide, you'll find information on:

- Using your account: how to manage your account and grow your super by making extra contributions.
- Tracking your super: how we keep you informed, so you can make sure your super stays on track.
- Risks of super: important risks you need to understand before you invest.
- How we invest your money: essential information about your investment options.
- Fees and costs: what you may need to pay, depending on the options you choose.
- How super is taxed: an overview of the tax rules that could affect your super.
- Insurance in your super: more about the insurance cover you'll have as an Essential Super member.
- Other things you should know: our privacy policy, terms and conditions, and other important information.

Read the Product Disclosure Statement

This guide is intended to be read along with the **Essential Super Product Disclosure Statement (PDS) and forms part of the Essential Super Application** – on its own, it doesn't cover everything you need to know. To get the full picture, you need to read both of these documents.

This Reference Guide will be updated from time to time, so make sure you have the most up-to-date version, as well as the most recent PDS, before making a decision to invest.

2 Using your account

With easy online access through NetBank, it's never been easier to make contributions and keep an eye on your super.

How to use your account

Whether you're rolling over super from another fund, switching options or making an application to withdraw, Essential Super makes it easy, with 24-hour online access through NetBank. Here's a quick guide to using your account. For further information on how your transactions are processed, please refer to page 6.

Online	**netbank.com.au** via our a secure online system (e-Post)[1]
EFT or direct credit and BPAY®	Telephone and internet banking – BPAY® Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. More info: **www.bpay.com.au**

The table below provides you with information on how to transact on your account and the options available to you.

If you'd like to	Your options	How it works	Things you need to know
Roll over super from another fund	NetBank	Log on to Netbank to request a real time super search, and follow the prompts to choose which funds to rollover. (or) Log on to NetBank to download and complete a Request to Transfer form, then mail us your completed form or upload it via e-Post.	• When you consolidate your super into Essential super, any insurance cover you have with other super funds will end. Any insurance you have with Essential super will be different from the cover you previously hold with other super funds. It is important to understand what you may lose, what you might not be covered for, including cover for any illness, injury or condition, and the terms of the new insurance cover before you consolidation. Refer to Section 8 on page 52 of this Reference Guide for specific terms that apply to the new insurance cover. • Also consider the potential fees and costs for withdrawals from other super funds, as well as any investment tax implications. You should also decide which super fund you want your employer to pay your future employer contributions to and

1 e-Post is the fast and secure way to submit original forms and requests via NetBank. It is a secure online service, you no longer need to post the originals, saving you time and effort.

If you'd like to	Your options	How it works	Things you need to know
			complete a Super choice form if necessary.
Instruct your employer to pay contributions into your Essential Super account	NetBank	Log on to NetBank to download a pre-populated Super Choice form, and then provide this to your employer.	• This form contains all the information an employer requires to contribute to the fund.
Make a contribution	EFT or direct credit BPAY®	Log on to NetBank or contact your financial institution to transfer your contribution to: BSB: 067-979 Account number: Your Essential Super account number Account name: Your first name and surname Reference codes: Use one of these two-letter reference codes to tell us what kind of contribution you're making: • Personal contributions: MV • Spouse contributions: SP If you don't enter a code, or you put it in the wrong place, we'll treat your payment as a Superannuation Guarantee contribution. This means that contributions tax will be deducted from your contribution. Log on to NetBank or contact your financial institution to make a BPAY® payment: Biller codes: • Personal contributions: 989756 • Spouse contributions: 989772 Reference number: Your 15 digit Essential Super account number starting with 067979XXXXXXXXX	• No minimum amount applies. Please note: If we do not receive any deposits into your account, after 24 months, the account will be closed. • You'll need to provide your Tax File Number (TFN) to make personal contributions or for your spouse to make spouse contributions on your behalf. See the PDS for more about your TFN. • We'll accept contributions as described in the current PDS (which you can ask us for, free of charge), unless an option is suspended, restricted or unavailable. • In extraordinary circumstances, where an option is suspended, restricted or unavailable, we might not be able to process your additional investments or there may be a significant delay. • We also have the right to put your additional investment in another option. But, of course, we'll let you know if we do this. • If you are making a personal contribution and want to claim a personal tax deduction, you must send us a Notice of Intent to Claim a Tax Deduction form. Download a copy from NetBank or **www.ato.gov.au** • Unfortunately, we're unable to accept over-the-counter branch deposits.

If you'd like to	Your options	How it works	Things you need to know
Switch between options	NetBank Phone	Log on to NetBank or call us on **13 4074** to make a switch.	• Please check the current PDS for more information about your investment options before making a switch. • There's no minimum amount that you can switch. • We'll process any requests to switch options received on a NSW business day before 3pm (Sydney time) at that day's unit price. • In extraordinary circumstances, where an option is suspended, restricted or unavailable, we might not be able to process your switch or there may be a significant delay. • We also have the right not to accept your request to switch options. But, of course, we'll let you know if we choose a different investment option.
Make a withdrawal	Phone	Call us on **13 4074**. You may also need to complete a withdrawal form and upload it via e-Post.	• There is no minimum amount, but to take money out of your Essential Super account, you must meet a condition of release as outlined in **section 7**. • We can pay your withdrawals by cheque or to your nominated bank account. • We'll process any requests to withdraw money received on a NSW business day before 3pm (Sydney time) at that day's unit price. We'll usually pay them within seven working days. • If your fully completed transaction request is to roll over funds to another institution, it will generally be processed within three working days. • In extraordinary circumstances, we may suspend withdrawals. See page 7 for further details.
Update your personal details	NetBank Phone In person	Log on to NetBank, call **13 4074** or visit your nearest Commonwealth Bank branch.	Some changes need a signed written request, and some certified documents such as a driver's licence and birth certificate.

If you'd like to	Your options	How it works	Things you need to know
Nominate a person to receive your benefits if you die	NetBank Mail	Download a Non-lapsing Death Benefit Nomination form or call us on **13 4074**, then mail us your completed form or upload it via e-Post.	We may need personal identification for the person you nominate. In some circumstances, we may delay or be unable to make a payment to the person you nominate. For further information on super and death benefits, please see page 48.
Cancel a request	NetBank	To cancel a contribution, withdrawal or switch request, contact us before the cut-off time shown on page 7 on the day we receive the request you'd like to cancel.	We may need a signed written confirmation of the cancellation.

A member can only have one account in the Fund

You are only permitted to have one account in Essential Super and the insurer will only pay one benefit, even if you are paying premiums on more than one account. If we identify that you have more than one account, we will consolidate your accounts into one. Generally, we will do this by transferring the balance of the newest account into the oldest account. If we merge your accounts, you will be notified in advance and we will confirm the transaction once complete.

Transactions and unit pricing

Calculating unit prices

When you invest in super, you receive a number of units for each option you invest in. Each unit represents an equal part of the value of the portfolio of the option. Each of these parts has a dollar value, or a unit price.

We work out a unit price each day by:

- taking the total market value of all the assets of the option
- adjusting for any liabilities
- dividing this amount by the total number of units that members hold that day.

The number of units you have in each option will stay the same, unless there's a deposit to or withdrawal from your account. However, the unit price will change if the market value of the investment portfolio, or the total number of units issued for the option change.

We will work out each option's market value based on the most up-to-date information that we have. We may exercise certain discretions that could affect the unit price for that option.

The difference between entry and exit unit prices

An option's entry and exit unit price may differ, depending on the option's buy/sell spread of the option.

So that existing members don't have to continually pay transaction costs resulting from transactions that you make, all members pay a set, average amount whenever they deposit or withdraw money in an option. This is called a buy/sell spread. We calculate this amount depending on the types of investments the option holds.

Not all new investments or withdrawals have transaction costs – for instance, sometimes a new investment happens at the same time as someone else makes a withdrawal. However, to be consistent, we usually charge transaction costs to all the new investments and withdrawals from an option.

Find out more

You can find out more about the costs of buy/sell spreads by checking the 'Buy/sell spreads' section on page 36.

Unit pricing adjustment policy

Calculating unit prices can be complex as there are many factors involved.
These include:

- asset valuations
- liabilities
- debtors
- the number of units issued
- transaction costs.

If we find out that any of these factors are wrong, we correct the unit price. We generally use a variance of 0.30% (0.05% for a cash investment option) in the unit price before correcting it. If a unit pricing error is greater than or equal to these variances, we will:

- pay the difference to your account balance if you have transacted on an incorrect price, or
- send you a payment for a correction of over $20 (if you have closed your account).

These levels meet regulatory practice guidelines and industry standards. In some cases, we may pay you even if the unit pricing error is less than these levels.

Processing your transactions

Applications

When we receive your completed application, we'll divide your investment amount by the entry unit price for that date. If we receive your application before 3pm (Sydney time) on a NSW business day, we'll use the unit price for that day. Those arriving after that time will be processed using the following business day's entry unit price.

If you send us your money by EFT or direct credit, BPAY® or as a transfer from another financial institution, we'll use the unit price for the date that your money arrives in our bank account.

In extraordinary circumstances, we may suspend or restrict applications. We also have the right to reject applications. If we receive an application for a suspended, restricted or unavailable option, we'll invest your funds into the Lifestage option and send you a confirmation notice letting you know how your money has been invested.

If we are unable to proceed with your application because we have not received all the required information, or for any other reason, we will:

- attempt to contact you, and
- hold your application monies in a trust account until we receive the required information. Any interest on these monies may be retained by us.

Funds are held for a maximum period of 30 days commencing on the day we receive the funds. After this period, your application monies will be returned to the source of payment. At the time we process your application, your original application monies will be divided by the applicable unit price, to determine the number of units to be issued to you.

Switches

If you decide to switch options, we'll treat it as a withdrawal from one option and an investment into another. The money will leave one option at the exit unit price and be invested in the other at the entry unit price. We'll complete these two transactions on the same business day, unless your switch is from or into a suspended, restricted or unavailable option. In this case, we may not be able to process your switch. If we do make a switch later, the exit price used will be the one at the time the switch is made.

If you wish to switch into a suspended, restricted or unavailable option, we'll invest your funds into the Lifestage option and send you a confirmation notice letting you know how your money has been invested.

When switching, make sure you have a copy of the current PDS, which you should keep for future reference.

Withdrawals

Withdrawals are complex and can affect your tax. If you need help understanding any of the terms used in this section, please call us or talk about it with your financial or tax adviser.

We'll only be able to process withdrawals once we've cleared your application to withdraw, and received all the documents we need from you.

Here's what will happen if you don't give us all the information we need:

- If you don't select a payment method, we'll send you a cheque.
- If you don't choose an investment option for withdrawal, we'll redeem in line with your existing investment weightings.
- We can only make payments to Australian financial institutions. If you are overseas, we'll send you a cheque in Australian dollars instead.

We'll calculate your amount based on the exit unit price at the time we receive your completed withdrawal request and proof of identity in line with our transaction cut-off times below. In extraordinary circumstances, we may suspend withdrawals.

If an option is suspended, restricted or unavailable, we might not process withdrawal requests, depending on the best interests of all our members. If we do make a payment, we'll use the exit price at the time we make the payment.

Transaction processing, cut-off times and unit prices

We calculate unit prices each NSW business day. If we receive your completed investment, switch or withdrawal request in our office by 3pm (Sydney time) on a NSW business day, we'll process it that day and use the next determined unit price.

If we receive your completed transaction request after the cut-off time shown above, we'll process your transaction on the following NSW business day. Keep in mind that we work out the next unit price for any NSW business day at the close of trading of all markets on that day. This means the price isn't actually available until the following business day.

If your fully completed transaction request is to roll over funds to another institution, it will generally be processed within three working days.

Please note: If you ask us for a unit price or what your investment is worth, we can only give you an historical amount, as these amounts change each day.

Even if you complete a valid transaction request, there may be reasonable circumstances which prevent us from processing the request or cause a delay in processing the request. If a transaction is delayed, you will receive the unit price that applies on the day your request is processed.

3 Tracking your super

With regular updates and 24-hour online access, it's easy to make sure your super stays on track.

Keeping you up to date

We'll make sure you always know where your investment stands, by contacting you with regular updates through NetBank. Simply go to **netbank.com.au** and log on to your account using your NetBank client number and password. When you do, you'll see your Essential Super account right next to your other accounts and your NetBank inbox at the top of the page.

NetBank inbox

Here you can see:

- when a transaction or change has been made to your account
- when you need to take action on your account
- tips on how to make the most of your super.

It is important that you check your NetBank inbox regularly.

Annual reports

We'll publish our annual report by 31 December each year

on **commbank.com.au/essentialinfo**

It will outline the fund's financial position and performance over the last financial year.

We can also email or post you a copy free of charge, simply call us on **13 4074**.

Getting the latest information about your account

Online

You can use NetBank to:

- check your account balance and transaction history and any important notices or information we have sent you
- make additional investments
- make changes to your investment option
- send us scanned forms or documents uploaded via e-Post
- update some of your personal details
- view tax information (if applicable)
- make changes to your insurance
- submit your work test declaration.

Telephone

Call us on **13 4074** Monday to Friday, 8am to 7pm (Sydney time).

Email

Contact us at **contactessentialsuper@cba.com.au**

For security and privacy reasons, we will not send account specific information via email or accept changes to your details via email.

Find out more

You can find out more about our current investment options, their performance and historical unit prices by visiting **https://www.commbank.com.au/essentialunitprices** or calling **13 4074** for the cost of a local call within Australia.

4 Risks of super

Like any investment, super has its risks. This section outlines the main risks you should know about before you invest.

General risks for all options

No matter what investment option you've chosen, they all contain some risks. These risks include:

Market risk

Investment returns are influenced by the performance of the market as a whole. This means that your investments can be affected by things like changes in interest rates, investor sentiment and global events, depending on which markets or asset classes you invest in and the timeframe you are considering.

Security and investment-specific risk

Within each asset class and each option, individual securities like mortgages, shares, fixed interest securities or hybrid securities can be affected by risks that are specific to that investment or that security. For example, the value of a company's shares can be influenced by changes in company management, its business environment or profitability. These risks can also impact on the company's ability to repay its debt.

Management risk

Each option in the PDS has an investment manager to manage your investments on your behalf. There is a risk that the investment manager will not perform to expectation. Management risk may arise from the use of financial models by the investment manager to simulate the performance of financial markets. The performance of financial markets may differ to that anticipated by the financial models.

Liquidity risk

Liquidity risk refers to the difficulty in selling an asset for cash quickly without an adverse impact on the price received. Assets such as shares in large listed companies are generally considered liquid, while 'real' assets such as direct property and infrastructure are generally considered illiquid. Under abnormal or difficult market conditions, some normally liquid assets may become illiquid, restricting our ability to sell them and to make withdrawal payments or process switches for investors without a potentially significant delay.

Counterparty risk

This is the risk that a party to a transaction such as a swap, foreign currency forward or stock lending fails to meet its obligations such as delivering a borrowed security or settling obligations under a financial contract.

Legal, regulatory and foreign investment risk

This is the risk that any change in taxation, corporate or other relevant laws, regulations or rules may adversely affect your investment. In particular, for funds investing in assets outside Australia, your investment may also be adversely impacted by changes in broader economic, social or political factors, regulatory change and legal risks applicable to where the investment is made or regulated.

Environmental, social and governance (ESG) and climate risk

The value of individual securities may be influenced by environmental, social and governance factors. These factors include the potential impact that climate change and global warming may have on the valuation of a security. For example, a company's revenue may be reduced due to weather events, and this may then reduce the value of the company's shares.

Option-specific risks

Here's an outline of risks for the investment options offered to you by Essential Super. The risk table on page 12 shows you the specific risks for each option.

Currency risk

Investments in global markets or securities which are denominated in foreign currencies give rise to foreign currency exposure. This means that the Australian dollar value of these investments may vary depending on changes in the exchange rate.

Investment options in the PDS which have significant currency risks adopt different currency management strategies. These strategies may include currency hedging, which involves reducing or aiming to remove the impact of currency movements on the value of the investment, whereas some investment options remain unhedged.

Because different options have different currency management strategies, you should consult your financial adviser on the best approach for you.

Derivatives risk

Derivatives are contracts between two parties that usually derive their value from the price of a physical asset or market index. They can be used to manage certain risks in investment portfolios or as part of an investment strategy. However, they can also increase other risks in a portfolio or expose a portfolio to additional risks. Risks include: the possibility that the derivative position is difficult or costly to reverse; that there is an adverse movement in the asset or index underlying the derivative; or that the parties do not perform their obligations under the contract.

In general, investment managers may use derivatives to:

- protect against changes in the market value of existing investments
- achieve a desired investment position without buying or selling the underlying asset
- leverage a portfolio
- manage actual or anticipated interest rate and credit risk
- alter the risk profile of the portfolio or the various investment positions
- manage currency risk.

Derivatives may be used in an option to provide leverage and may result in the effective exposure to a particular asset, asset class or combination of asset classes exceeding the value of the portfolio. The effect of using derivatives to provide leverage may result not only in capital losses but also an increase in the volatility and magnitude of returns (both positive and negative) of the option.

As financial instruments, derivatives are valued regularly, and movements in the value of the underlying asset or index should be reflected in the value of the derivative.

Emerging markets risk

Due to the nature of the investments in emerging markets, there is an increased risk that the political and/ or legal framework may change and adversely impact your investments. This could include the ability to sell assets. Options that invest in global markets may have exposure to emerging markets.

Credit risk

Credit risk refers to the risk that a party to a credit transaction fails to meet its obligations, such as defaulting under a mortgage, a mortgage-backed security, a hybrid security, a fixed interest security or a derivative contract. This creates an exposure to underlying borrowers and the financial condition of issuers of these securities

Other risks you should know about

Whenever you invest, there's a risk that your investment goals will not be met. We've already outlined some of the risks that can affect your investment. You should also look at your investment strategy and make sure it's in line with your investment objectives. If it isn't, there's a risk you may not meet your investment goals.

Deciding your investment timeframe

Different investments suit different timeframes. For example, if you're nearing retirement and you mainly want to protect the super you've saved, then you might be best choosing a secure, cash-based investment. But if you want to increase your investment's value over a longer time, you'll probably include growth assets like shares and property as part of your investment portfolio.

We have suggested minimum investment timeframes, and outlined the standard risk measures each particular investment could face. However, this isn't meant to be personal advice. You should regularly check your investment decision and think about changing it if your investment needs and market conditions change.

Take note

All of the investment options in the PDS are subject to some or all of these risks, which can also vary from time to time. You should consult your financial adviser before making a decision to invest. Your financial adviser is required to be qualified in understanding the risk and return associated with the wide range of investment options available to you and can help you make decisions regarding these options.

Your investment option risk profile

We've outlined the main risks of our investment options in the general risks of investing section and the PDS, which are:

- market risk
- security and investment-specific risk
- management risk
- liquidity risk
- counterparty risk
- legal, regulatory and foreign investment risk
- environmental, social and governance (ESG) risk and climate risk.

There are also some option-specific risks. Here's a table listing the Essential Super investment options that typically have exposure to these option-specific risks. The table doesn't include every risk, and should only be used as a guide. Also, the risks may not always apply to each option, and the importance of the risk may differ from the table below and change at times. Options can also become exposed to an option-specific risk at a later date, so the table may not include them.

Option name	Currency risk	Credit risk	Derivatives risk	Emerging markets risk
Lifestage 1945-49	✓	✓	✓	✓
Lifestage 1950-54	✓	✓	✓	✓
Lifestage 1955-59	✓	✓	✓	✓
Lifestage 1960-64	✓	✓	✓	✓
Lifestage 1965-69	✓	✓	✓	✓
Lifestage 1970-74	✓	✓	✓	✓
Lifestage 1975-79	✓	✓	✓	✓
Lifestage 1980-84	✓	✓	✓	✓
Lifestage 1985-89	✓	✓	✓	✓
Lifestage 1990-94	✓	✓	✓	✓
Lifestage 1995-99	✓	✓	✓	✓
Lifestage 2000-04	✓	✓	✓	✓
Balanced	✓	✓		
Australian Share				
Cash Deposit		✓		

5 How we invest your money

Whether you're just starting your career or about to retire, you'll find an Essential Super investment option that's designed for your age group.

Our Lifestage option has been designed to give an investment mix for your age group and the time left until you retire. Best of all, we do the hard work for you, by automatically choosing the option for your age group, then adjusting your investment mix as you grow older.

Or if you prefer, you can choose from three other options: Balanced, Australian Share and Cash Deposit options or a combination of the Lifestage option and these three options.

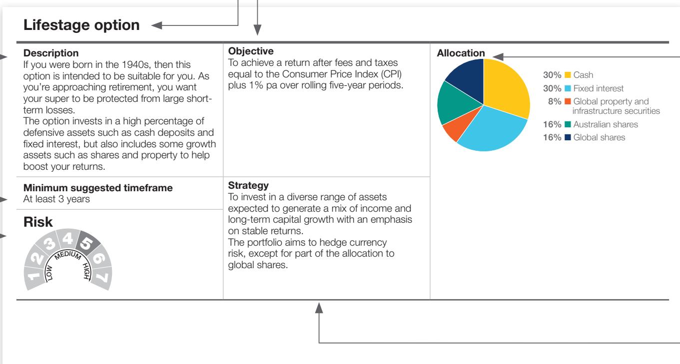
Understanding our investment options

This section has detailed information about each of our investment options. Here's an example of how they're presented, with an explanation of what each section means.

Description
The type of investor that this option is intended to be suitable for.

Investment option name
Name of the investment.

Objective
The option's overall objective and the period in which the manager aims to achieve it.



Allocation
The mix of different investments your money is invested in – for example, shares, property securities, fixed interest and cash. The asset allocation for each option may change from time to time. The benchmark allocation simply means how much of each asset class the fund manager aims to hold.

Strategy
The overall strategy of the investment option and how money within the option is invested.

Minimum suggested timeframe
Investment professionals have different opinions about the minimum amount of time you should hold varying investments. Your own personal circumstances will also affect your decision. So we've suggested minimum investment timeframes for each option. However, these suggestions aren't meant to be personal advice. You should review your investment decision, because your investment needs and market conditions may change over time.

Risk (Standard Risk Measure)
We've used the Standard Risk Measure (SRM), based on industry guidance. You can use it to help you compare investment options that are expected to deliver a similar number of negative annual returns over any 20-year period. The SRM doesn't completely assess every type of investment risk. For instance, it can't predict the size of a negative return or whether your positive return will be less than you need to meet your objectives. It also doesn't take into account the impact of administration fees and tax on the likelihood of a negative return. So you should make sure you are comfortable with the risks and possible losses that you could have with the investment option you choose. The SRM isn't meant to be personal advice. More detail on risks which may affect your investment is included in the 'Risks of super' section in the PDS.

How is Essential Super structured?

When contributions are invested in Essential Super, money is combined with other members' money.

Each Essential Super investment option is a separate investment option within this superannuation fund. Each investment option invests in an underlying 'pool' which is managed according to the investment option's objectives.

We are the responsible entity for the underlying pools, which are managed by each investment manager through a mandate arrangement. The Cash Deposit option and other cash allocations are deposited with the Commonwealth Bank of Australia.

Risk measure categories

Here are the risk bands we use to classify our investment options:

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

Investment options and borrowing

Your option will only borrow money if it is part of its investment strategy, and then, it will only borrow:

- for short-term arrangements for settlement purposes
- in an emergency
- if there's an extraordinary situation.

Your investment and labour standards or environmental, social or ethical considerations

As the trustee, we don't specifically take into account labour standards or environmental, social or ethical considerations of our investments.

However, if we think any of these factors will negatively affect the investment performance or a company's stability, we may:

- discuss these matters with the company's management
- think about whether we want to keep this investment.

We'll make these reviews on a case-by-case basis when necessary. We don't use any specific process, or have any set views about how far we'll take factors into account in a review.

Types of investments

Our trust deed gives us a great deal of freedom about the investments that each option can hold. You can find out what investments we plan to hold by checking the strategy of the option you're interested in. If we decide to change any of those investment strategies, we'll let you know as soon as is practical.

The Commonwealth Bank of Australia (the Bank), our parent company, is listed on the Australian Securities Exchange. The Australian Securities and Investments Commission (ASIC) allows our investment options to hold shares in the Bank as long as:

- this holding is not voted for
- the total holdings for all entities in the Bank are not more than 5% of the Bank's issued capital.

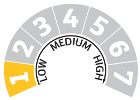
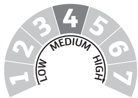
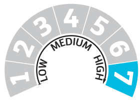
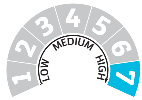
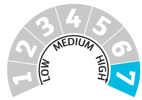
Any other benefits to the Commonwealth Bank of Australia

The trustee pays the Bank to provide banking and treasury-related services to all the investment options. The trustee may also receive financial and administrative benefits because we hold bank accounts with the Bank and administer some of its financial products.

Outsourcing an option's investment management

Sometimes, we may outsource or delegate an investment option to a related entity or an outside company to manage. If we do, we have processes in place to make sure we choose the highest quality managers.

The main asset classes

Cash	Fixed Interest	Property [2]	Infrastructure [3]	Shares
				
Cash investments are generally an investment in bank bills or similar securities. They usually have a short investment timeframe. The great thing about cash investments is they usually give you a stable return. You're also less likely to lose your capital than with a higher growth investment, like shares.	Fixed interest securities, such as bonds, usually work like loans. You pay cash for the bond. In return you receive a regular interest payment from the bond issuer, over an agreed period of time. The value of your bond can go up or down as interest rates move. When the bond matures, you'll be repaid the money you loaned to the issuer in cash. Historically, bonds have provided a more consistent but lower return than shares.	Property generally involves buying a property directly or investing in property securities. Property securities do not involve buying a property directly. Instead, they can provide an indirect exposure to property and generally represent a part ownership of a company or an entitlement to the assets of a trust. The company or trust may hold, manage or develop property in sectors such as office, industrial and retail. Property securities are generally listed on a stock exchange and are bought and sold like shares.	Infrastructure refers to the physical assets required for a business or country to operate, including transportation, communication and utilities (eg water, sewage and electricity). It may also include 'social infrastructure' such as prisons, hospitals and public housing. Infrastructure typically have; high upfront capital requirements, low ongoing operating costs and relatively predictable cash flows and operational risks. Infrastructure securities are securities listed on a stock exchange that predominantly own infrastructure assets.	If you invest in shares, you are buying part of a company. Shares are usually bought and sold on a stock exchange. They are generally considered to be more risky than the other asset classes because their value tends to go up and down more than other asset classes. Historically, over the longer term, shares have generally provided a higher return than the other asset classes.

2 If an option invests in property or property securities it is detailed in the strategy or allocation of the option.
3 If an option invests in infrastructure or infrastructure securities it is detailed in the strategy or allocation of the option.

Investment option profiles

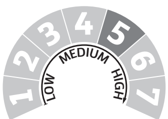
MySuper product – Lifestage option

Lifestage 1945-49 option[4]

Description
If you were born between 1945 and 1949, then this option is intended to be suitable for you. As you're approaching retirement, you want your super to be protected from large short-term losses. This option invests in a high percentage of defensive assets such as cash deposits and fixed interest, but also includes some growth assets such as shares and property to provide additional return.

Minimum suggested timeframe
At least 3 years

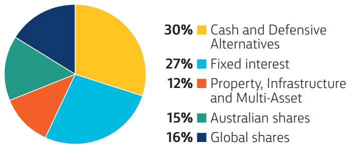
Risk



Objective
To achieve a return of Consumer Price Index (CPI) plus 1.0% pa over rolling three-year periods after fees and taxes.

Strategy
To invest in a diverse range of assets that are expected to generate a mix of income and long-term capital growth with an emphasis on stable returns. The option may use derivatives with the objective of reducing overall portfolio volatility.The portfolio aims to hedge currency risk except for part of the allocation to global shares (which may include emerging market shares). Important information on emerging markets risk is provided on page 10.

Allocation



4 Asset allocation from 16 March 2019. As we actively manage the asset allocation, the asset allocation of an individual Lifestage option may vary over time.

Lifestage 1950-54 option[5]

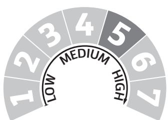
Description

If you were born between 1950 and 1954, then this option is intended to be suitable for you. As you're approaching retirement, you want your super to be protected from large short-term losses. This option invests in a high percentage of defensive assets such as cash deposits and fixed interest, but also includes some growth assets such as shares and property to provide additional return.

Minimum suggested timeframe

At least 3 years

Risk



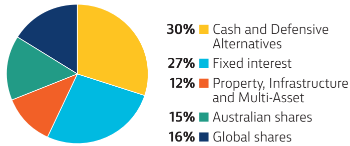
Objective

To achieve a return of Consumer Price Index (CPI) plus 1.0% pa over rolling three-year periods after fees and taxes.

Strategy

To invest in a diverse range of assets that are expected to generate a mix of income and long-term capital growth with an emphasis on stable returns. The option may use derivatives with the objective of reducing overall portfolio volatility. The portfolio aims to hedge currency risk except for part of the allocation to global shares (which may include emerging market shares).
Important information on emerging markets risk is provided on page 10.

Allocation



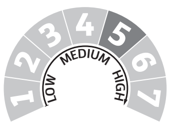
5 Asset allocation from 16 March 2019. As we actively manage the asset allocation, the asset allocation of an individual Lifestage option may vary over time.

Lifestage 1955-59 option[6]

Description
If you were born between 1955 and 1959, then this option is intended to be suitable for you. As you're approaching retirement, you want your super to be protected from large short-term losses. This option invests in a high percentage of defensive assets such as cash deposits and fixed interest, but also includes some growth assets such as shares and property to provide additional return.

Minimum suggested timeframe
At least 3 years

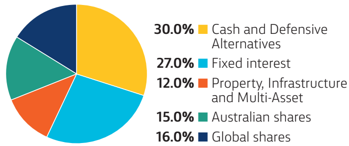
Risk



Objective
To achieve a return of CPI plus 1.0% per annum over rolling three-year periods after fees and taxes.

Strategy
To invest in a diverse range of assets that are expected to generate a mix of income and long-term capital growth with an emphasis on stable returns. The option may use derivatives with the objective of reducing overall portfolio volatility. The portfolio aims to hedge currency risk except for part of the allocation to global shares (which may include emerging market shares).
Important information on emerging markets risk is provided on page 10.

Allocation



6 Asset allocation from 16 March 2019. As we actively manage the asset allocation, the asset allocation of an individual Lifestage option may vary over time.

Lifestage 1960-64 option[7]

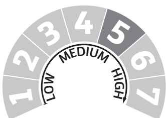
Description

If you were born between 1960 and 1964, then this option is intended to be suitable for you. This option aims to grow your super, by investing in a mix of assets including growth assets such as shares and property. It also includes more defensive assets such as cash and fixed interest investments.

Minimum suggested timeframe

At least 5 years

Risk



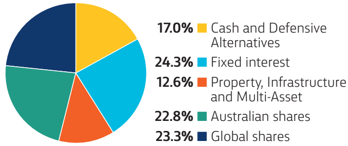
Objective

To achieve a return of Consumer Price Index (CPI) plus 2.0% pa over rolling six-year periods after fees and taxes.

Strategy

To invest in a diverse range of assets that are expected to generate a mix of long-term capital growth and income. The strategy seeks to reduce volatility of returns, and over time the portfolio's exposure to assets with volatile returns will be reduced to provide greater short-term security. The option may use derivatives with the objective of reducing overall portfolio volatility. The portfolio aims to hedge currency risk except for part of the allocation to global shares (which may include emerging market shares).
Important information on emerging markets risk is provided on page 10.

Allocation

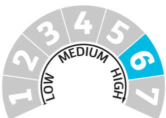


7 Asset allocation from 16 March 2019. As we actively manage the asset allocation, the asset allocation of an individual Lifestage option may vary over time.

Lifestage 1965-69 option[8]

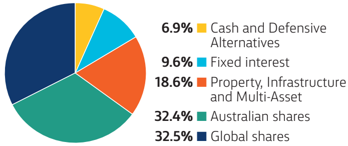
Description
If you were born between 1965 and 1969, then this option is intended to be suitable for you. This option aims to grow your super, by investing in a mix of assets including growth assets such as shares and property. It also includes more defensive assets such as cash and fixed interest investments.

Minimum suggested timeframe
At least 6 years

Risk


Objective
To achieve a return of CPI plus 2.5% per annum over rolling seven-year periods after fees and taxes.

Strategy
To invest in a diverse range of assets that are expected to provide long-term capital growth, but which may have a high level of short-to-medium term volatility. Over time, the portfolio's exposure to assets with volatile returns will be reduced to provide greater short-term security. The option may use derivatives with the objective of reducing overall portfolio volatility. The portfolio aims to hedge currency risk except for part of the allocation to global shares (which may include emerging market shares). Important information on emerging markets risk is provided on page 10.

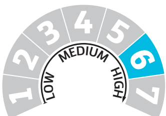
Allocation


8 Asset allocation from 16 March 2019. As we actively manage the asset allocation, the asset allocation of an individual Lifestage option may vary over time.

Lifestage 1970-74 option[9]

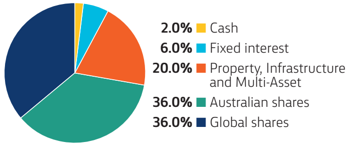
Description
If you were born between 1970 and 1974, then this option is intended to be suitable for you. As you're a long way from retirement, you can stay invested through market downturns with the goal of increasing your investment returns over the longer term. This option aims to grow your super, by investing in a high percentage of growth assets such as shares and property. It also includes some defensive assets such as cash and fixed interest investments.

Minimum suggested timeframe
At least 7 years

Risk


Objective
To achieve a return of Consumer Price Index (CPI) plus 3.0% pa over rolling seven-year periods after fees and taxes.

Strategy
To invest in a diverse range of assets that are expected to provide long-term capital growth, but which may have a high level of short-to-medium term volatility. In the long term, the portfolio's exposure to assets with volatile returns will be reduced to provide greater short-term security. The option may use derivatives with the objective of reducing overall portfolio volatility. The portfolio aims to hedge currency risk except for part of the allocation to global shares (which may include emerging market shares). Important information on emerging markets risk is provided on page 10.

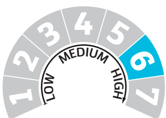
Allocation


9 Asset allocation from 16 March 2019. As we actively manage the asset allocation, the asset allocation of an individual Lifestage option may vary over time.

Lifestage 1975-79 option[10]

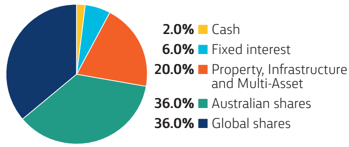
Description
If you were born between 1975 and 1979, then this option is intended to be suitable for you. As you're a long way from retirement, you can stay invested through market downturns with the goal of increasing your investment returns over the longer term. This option aims to grow your super, by investing in a high percentage of growth assets such as shares and property. It also includes some defensive assets such as cash and fixed interest investments.

Minimum suggested timeframe
At least 7 years

Risk


Objective
To achieve a return of CPI plus 3.0% per annum over rolling seven-year periods after fees and taxes.

Strategy
To invest in a diverse range of assets that are expected to provide long-term capital growth, but which may have a high level of short-to-medium term volatility. In the long term, the portfolio's exposure to assets with volatile returns will be reduced to provide greater short-term security. The option may use derivatives with the objective of reducing overall portfolio volatility. The portfolio aims to hedge currency risk except for part of the allocation to global shares (which may include emerging market shares). Important information on emerging markets risk is provided on page 10.

Allocation


10 Asset allocation from 16 March 2019. As we actively manage the asset allocation, the asset allocation of an individual Lifestage option may vary over time.

Lifestage 1980-84 option[11]

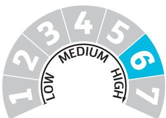
Description

If you were born between 1980 and 1984, then this option is intended to be suitable for you. As you're a long way from retirement, you can stay invested through market downturns with the goal of increasing your investment returns over the longer term. This option aims to grow your super, by investing in a high percentage of growth assets such as shares and property.

Minimum suggested timeframe

At least 7 years

Risk



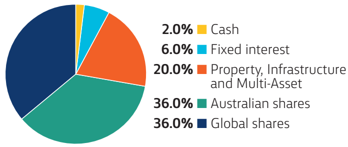
Objective

To achieve a return of CPI plus 3.0% per annum over rolling seven-year periods after fees and taxes.

Strategy

To invest in a diverse range of assets that are expected to provide long-term capital growth, but which may have a high level of short-to-medium term volatility. In the very long term, the portfolio's exposure to assets with volatile returns will be reduced to provide greater short-term security. The option may use derivatives with the objective of reducing overall portfolio volatility. The portfolio aims to hedge currency risk except for part of the allocation to global shares (which may include emerging market shares). Important information on emerging markets risk is provided on page 10.

Allocation

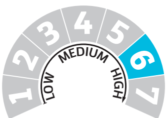


11 Asset allocation from 16 March 2019. As we actively manage the asset allocation, the asset allocation of an individual Lifestage option may vary over time.

Lifestage 1985-89 option[12]

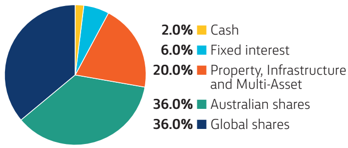
Description
If you were born between 1985 and 1989, then this option is intended to be suitable for you. As you're a long way from retirement, you can stay invested through market downturns with the goal of increasing your investment returns over the longer term. This option aims to grow your super, by investing in a high percentage of growth assets such as shares and property.

Minimum suggested timeframe
At least 7 years

Risk


Objective
To achieve a return of CPI plus 3.0% per annum over rolling seven-year periods after fees and taxes.

Strategy
To invest in a diverse range of assets that are expected to provide long-term capital growth, but which may have a high level of short-to-medium term volatility. In the very long term, the portfolio's exposure to assets with volatile returns will be reduced to provide greater short-term security. The option may use derivatives with the objective of reducing overall portfolio volatility. The portfolio aims to hedge currency risk except for part of the allocation to global shares (which may include emerging market shares). Important information on emerging markets risk is provided on page 10.

Allocation


12 Asset allocation from 16 March 2019. As we actively manage the asset allocation, the asset allocation of an individual Lifestage option may vary over time.

Lifestage 1990-94 option[13]

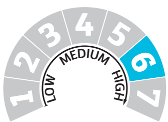
Description

If you were born between 1990 and 1994, then this option is intended to be suitable for you. Because you've got plenty of time before retirement, you can stay invested through market downturns with the goal of increasing your investment returns over the longer term. This option aims to grow your super, by investing in a high percentage of growth assets such as shares and property.

Minimum suggested timeframe

At least 7 years

Risk



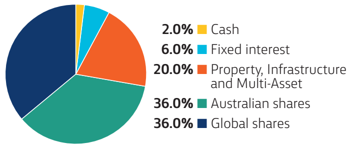
Objective

To achieve a return of CPI plus 3.0% per annum over rolling seven-year periods after fees and taxes.

Strategy

To invest in a diverse range of assets that are expected to provide long-term capital growth, but which may have a high level of short-to-medium term volatility. In the very long term, the option's exposure to assets with volatile returns will be reduced to provide greater short-term security. The option may use derivatives with the objective of reducing overall portfolio volatility. The portfolio aims to hedge currency risk except for part of the allocation to global shares (which may include emerging market shares). Important information on emerging markets risk is provided on page 10.

Allocation

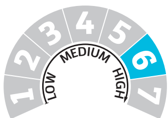


13 Asset allocation from 16 March 2019. As we actively manage the asset allocation, the asset allocation of an individual Lifestage option may vary over time.

Lifestage 1995-99 option[14]

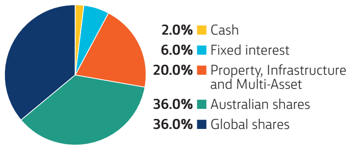
Description
If you were born between 1995 and 1999, then this option is intended to be suitable for you. Because you've got plenty of time before retirement, you can stay invested through market downturns with the goal of increasing your investment returns over the longer term. This option aims to grow your super, by investing in a high percentage of growth assets such as shares and property.

Minimum suggested timeframe
At least 7 years

Risk


Objective
To achieve a return of CPI plus 3.0% per annum over rolling seven-year periods after fees and taxes.

Strategy
To invest in a diverse range of assets that are expected to provide long-term capital growth, but which may have a high level of short-to-medium-term volatility. In the very long term, the option's exposure to assets with volatile returns will be reduced to provide greater short-term security. The option may use derivatives with the objective of reducing overall portfolio volatility. The portfolio aims to hedge currency risk except for part of the allocation to global shares (which may include emerging market shares). Important information on emerging markets risk is provided on page 10.

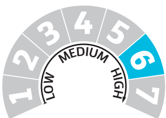
Allocation


14 Asset allocation from 16 March 2019. As we actively manage the asset allocation, the asset allocation of an individual Lifestage option may vary over time.

Lifestage 2000-04 option[15]

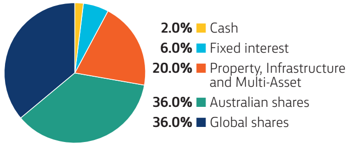
Description
If you were born between 2000 and 2004, then this option is intended to be suitable for you. Because you've got plenty of time before retirement, you can stay invested through market downturns with the goal of increasing your investment returns over the longer term. This option aims to grow your super, by investing in a high percentage of growth assets such as shares and property.

Minimum suggested timeframe
At least 7 years

Risk


Objective
To achieve a return of CPI plus 3.0% per annum over rolling seven-year periods after fees and taxes.

Strategy
To invest in a diverse range of assets that are expected to provide long-term capital growth, but which may have a high level of short-to-medium-term volatility. In the very long term, the option's exposure to assets with volatile returns will be reduced to provide greater short-term security. The option may use derivatives with the objective of reducing overall portfolio volatility. The portfolio aims to hedge currency risk except for part of the allocation to global shares (which may include emerging market shares). Important information on emerging markets risk is provided on page 10.

Allocation


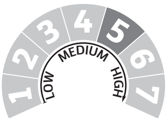
15 Asset allocation from 16 March 2019. As we actively manage the asset allocation, the asset allocation of an individual Lifestage option may vary over time.

Balanced option

Description
This option is intended to be suitable for those who are seeking returns from an investment spread equally between growth and defensive assets.

Minimum suggested timeframe
At least 4 years

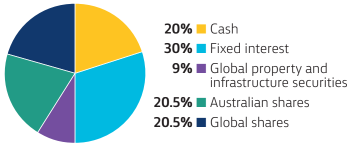
Risk



Objective
To achieve a return of Consumer Price Index (CPI) plus 1.5% pa over rolling five-year periods after fees and taxes.

Strategy
To invest 50% in a diversified portfolio of assets expected to generate long-term capital growth such as shares, property and infrastructure. 50% of the portfolio is allocated to defensive assets such as fixed interest and cash to provide the portfolio with relatively stable returns.
The portfolio aims to hedge currency risk, except for part of the allocation to global shares.

Allocation

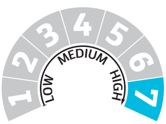


Australian Share option

Description
This option is intended to be suitable for those who are seeking higher returns and have a higher tolerance for risk.

Minimum suggested timeframe
At least 7 years

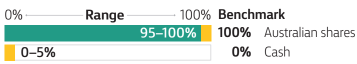
Risk



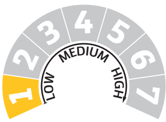
Objective
To closely track the S&P/ASX 200 Accumulation Index with the aim of generating returns (before tax and fees and assuming income is reinvested) comparable to the Australian sharemarket as measured by that benchmark over rolling one-year periods.

Strategy
The option invests in shares of Australian companies. All shares in this option are maintained within a very close margin to their weight in the S&P/ASX 200 Accumulation Index.

Allocation



Cash Deposit option

Description	Objective	Allocation
Description This option is intended to be suitable for those looking to invest in the security of a cash deposit with the Commonwealth Bank of Australia.	**Objective** To achieve a positive monthly return after fees and taxes.	**Allocation** 0% Range 100% **Benchmark** 100% **100%** Cash
Minimum suggested timeframe No minimum **Risk** 	**Strategy** To invest in a Commonwealth Bank of Australia bank deposit product. Current interest rates are available on our website or by contacting us.	

Changes to the investment options

We manage and regularly monitor the options. To ensure the ongoing quality of the options, we are able to make changes including:

- actively managing the asset allocation, and this may result in the asset allocation of an option differing from the information provided
- changing the investment objective and/or investment strategy
- changing the allocation or the number of asset classes within the portfolio
- adding, suspending, restricting, closing or terminating an investment option (including the MySuper product).

We will notify existing members in affected portfolios of any material changes as soon as practicable. Any change would be considered in light of the potential negative or positive impact on members.

Updated information on the options that is not materially adverse can be obtained by calling us on **13 4074** or by visiting the investment options information on our website, **commbank.com.au/essentialinfo**

A paper copy of the most recent details will be provided free of charge on request.

6 Fees and costs

Essential Super has competitive fees, with no hidden costs or added extras. But while we've worked hard to keep costs down, there are still some fees you'll need to pay, depending on the options you choose.

This document shows the fees and costs that you may be charged. These fees and 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 insurance fees, may also be charged, but these will depend on the nature of the activity or insurance chosen by you.

Taxes, insurance fees and other costs relating to insurance are set out in sections 7 and 8 of this document.

You should read all the information about fees and other costs because it is important to understand their impact on your investment.

Essential Super

Type of fee	Amount[16]		How and when paid
Investment fee	Lifestage option Balanced option Australian Share option Cash Deposit option	0.40% pa 0.40% pa 0.40% pa 0.00% pa	The investment fee is reflected in the daily unit price and is generally deducted from the assets of the investment option on a monthly basis.
Administration fee	Lifestage option Balanced option Australian Share option Cash Deposit option **Plus** $70.56 pa ($5.88 per month)	0.35% pa 0.35% pa 0.35% pa 0.00% pa	The administration fee of 0.35% pa is reflected in the daily unit price and is deducted from the assets of the investment option on a monthly basis. The administration fee of $5.88 is payable each month by deduction of units from the investment option. **Please note**: The amount deducted from your account will be $5 each month, as we give you the benefit of the tax deduction.
Buy/sell spread	0%–0.15% per transaction, depending on the option. Please refer to page 36 for the buy/sell spreads of each option.		This fee is payable each time you add to, withdraw from or switch to/from an investment option.
Switching fee[17]	Nil		N/A
Exit fee[17]	Nil		N/A

16 All figures disclosed include the net effect of GST.

17 Even though switching fees and exit fees are not charged, buy/sell spreads apply to all options, except the Cash Deposit option (refer to page 36 for further details).

Type of fee	Amount[16]		How and when paid
Advice fees relating to all members investing in a particular MySuper product or investment option	Nil		N/A
Other fees and costs	Insurance fee: Refer to page 55 for the insurance premiums that will be deducted, if you have insurance cover. Refer to page 38 for more detail on the insurance administration fee that will apply if you have insurance cover.		Deducted monthly in advance from your account. **Please note**: Insurance fees will apply to all insurance cover automatically approved cover or cover you select).
Indirect cost ratio	Estimated to be: Lifestage 1945-49 Lifestage 1950-54 Lifestage 1955-59 Lifestage 1960-64 Lifestage 1965-69 Lifestage 1970-74 Lifestage 1975-79 Lifestage 1980-84 Lifestage 1985-89 Lifestage 1990-94 Lifestage 1995-99 Lifestage 2000-04 Balanced option Australian Share option Cash Deposit option	 0.12% pa 0.12% pa 0.12% pa 0.12% pa 0.09% pa 0.08% pa 0.07% pa 0.06% pa 0.06% pa 0.06% pa 0.05% pa 0.02% pa 0.00% pa 0.00% pa 0.00% pa	These costs are deducted from the underlying assets of the option and are reflected in the daily unit price for that option. Depending on the cost, they may be deducted daily or monthly.

Example of annual fees and costs

This table gives an example of how the fees and costs for the MySuper product (Lifestage 1960-64 option) for this superannuation product can affect your superannuation investment over a 1 year period.

Note: You should use this table to compare this superannuation product with other superannuation products.

Example – Lifestage 1960-64 option		Balance of $50,000
Investment fees	0.40% pa	For every $50,000 you have in the superannuation product, you will be charged $200 per year.
PLUS Administration fees	0.35% pa **plus** $70.56 pa ($5.88 per month)	For every $50,000 you have in the superannuation product, you will be charged $175 per year. **And**, you will be charged $70.56 in administration fees, regardless of your balance.

16 All figures disclosed include the net effect of GST.

Example – Lifestage 1960-64 option		Balance of $50,000
PLUS Indirect costs for the superannuation product	0.12% pa	**And**, indirect costs of $60 each year will be deducted from your investment.
EQUALS Cost of product		If your balance was $50,000, then for that year you will be charged fees of **$505.56** for the superannuation product.

Additional fees may apply. **And**, if you leave the superannuation entity, you may be charged a **buy/sell spread** which also applies whenever you make a contribution, exit, rollover or investment switch.

The **buy/sell spread** for the Lifestage option is **0.15%** (this will equal **$75** for every $50,000 you withdraw).

Please note: Insurance costs will also apply. Refer to page 52 8 'Insurance in your super' for details.

Additional explanation of fees and costs

Changes to the fees

We can change the fees set out above at any time at our absolute discretion, without your consent, within the limits prescribed in the trust deed. If the variation is an increase in a fee or charge, we will give you at least 30 days prior written notice. This excludes the cost components of fees which are estimates, as the actual costs charged may be more or less than estimated.

The law and the trust deed allow us to charge reasonable fees for requests for information relating to family law cases and the superannuation splitting provisions. At this time, we have elected not to charge these fees; however, we reserve the right to charge them at a later date.

Low account balances

From 1 July 2019, if your account balance is below $6,000 you will not pay more than 3% of your account balance in administration fees, investment fees and indirect costs. We will assess whether you have paid more than 3% in fees at 30 June each year, or at your date of exit, if you leave Essential Super before this date.

Defined fees

Type of fee	Description	Does this fee apply?
Activity fee	The fee relates to costs incurred by the trustee of the 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 those costs are not otherwise charged as an administration fee, an investment fee, a buy/sell spread, a switching fee, an exit fee, an advice fee or an insurance fee.	N/A
Administration fee	The fee relates to the administration or operation of the superannuation entity and includes costs that relate to that administration or operation, other than: **a** borrowing costs; **b** indirect costs that are not paid out of the superannuation entity that the trustee has elected in writing will be treated as indirect costs and not fees, incurred by the trustee of the entity or in an interposed vehicle or derivative financial product; and **c** costs that are otherwise charged as an investment fee, a buy/sell spread, a switching fee, an exit fee, an activity fee, an advice fee or an insurance fee.	Yes – 0.35% pa (except for the Cash Deposit option) **plus** $5.88 per month ($70.56 pa)[18]
Advice fee	The fee relates directly to costs incurred by the trustee of the 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, the trustee of the entity; and those costs are not otherwise charged as an administration fee, an investment fee, a switching fee, an exit fee, an activity fee or an insurance fee.	N/A
Buy/sell spread	A fee to recover transaction costs incurred by the trustee of the superannuation entity in relation to the sale and purchase of assets of the entity.	Yes – refer to page 36 for details
Exit fee[19]	A fee to recover the costs of disposing of all or part of members' interests in the superannuation entity.	N/A
Indirect cost ratio	The indirect cost ratio for a MySuper product or an investment option offered by a superannuation entity, is the ratio of the total of the indirect costs for the product or investment option, to the total average net assets of the superannuation entity attributed to the MySuper product or investment option. **Please note**: A fee deducted from a member's account or paid out of the superannuation entity is not an indirect cost.	Yes – refer to page 38 for details
Insurance fee	(a) The fee relates directly to either or both of the following: (i) insurance premiums paid by the trustee of the superannuation entity in relation to a member or members of the entity,	Yes – refer to page 38 for details

18 **Please note**: The amount deducted from your account will be $5 per month, as we give you the benefit of the tax deduction.
19 Buy/sell spreads apply to all options, except the Cash Deposit option (refer to above for further details).

Type of fee	Description	Does this fee apply?
	(ii) costs incurred by the trustee of the superannuation entity in relation to the provision of insurance for a member or members of the entity; and (b) the fee does not relate to any part of a premium paid or cost incurred in relation to a life policy or a contract of insurance that relates to a benefit to the member that is based on the performance of an investment rather than the realisation of a risk; and (c) the premiums and costs to which the fee relates are not otherwise charged as an administration fee, an investment fee, a switching fee, an exit fee, an activity fee or an advice fee.	
Investment fee	The fee relates 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 that relate to the investment of assets of the entity, other than: **(i)** borrowing costs; and **(ii)** indirect costs that are not paid out of the superannuation entity that the trustee has elected in writing will be treated as indirect costs and not fees, incurred by the trustee of the entity or the interposed vehicle or derivative financial product; and **(iii)** costs that are otherwise charged as an administration fee, a buy/sell spread, a switching fee, an exit fee, an activity fee, an advice fee or an insurance fee.	Yes – 0.40% pa (except for the Cash Deposit option)
Switching fee[19]	A switching fee for a MySuper product, is a fee to recover the costs of switching all or part of a member's interest in the superannuation entity from one class of beneficial interest in the entity to another. A switching fee for superannuation products other than a MySuper product, 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.	N/A

Transaction costs

Transaction costs are the costs of buying and selling assets directly or indirectly held by an investment option and may include brokerage, government taxes/duties/levies, bank charges, custodian charges on transactions and the buy/sell spread of any underlying funds.

If the amount payable to acquire an investment exceeds the price for which it would be disposed of at that time, the difference is also a transaction cost.

Transaction costs are an additional cost to you but no part of a transaction cost (including the buy/sell spread) is paid to us or an investment manager. Transaction costs are usually paid for from assets directly or indirectly held by an investment option at the time of the transaction.

Buy/sell spreads

For most investment options, there is a difference between the unit price used to issue and redeem units and the value of the option's assets. This difference is due to what is called a buy/sell spread. When you (or any person you have authorised) invest, switch or withdraw all or part of your investment in these options, we use the buy/sell spread to pay for the transaction costs incurred as a result of the transaction. We use the buy/sell spread to allocate these transaction costs to the member transacting rather than other members in that option.

An investment option's buy/sell spread is set to reflect the estimated transaction costs the investment option will incur as a result of member transaction. The buy/sell spread that applies to each option is shown in the table opposite.

Option name	Buy/sell spread per transaction (%)
Lifestage option	0.15
Balanced option	0.15
Australian Share option	0.10
Cash Deposit option	Nil

If we have to borrow money for short-term settlement or borrowing for underlying funds, the options will need to pay costs such as interest and legal fees.

Please note: The buy/sell spreads are not paid to us or the investment manager. They are paid to the option and can be altered at any time and may be altered without prior notice to you.

Example: The buy/sell spread for the Lifestage 1980-84 option is currently 0.15%. If you make a $50,000 investment in or withdrawal from the Lifestage 1980-84 option, you will incur a buy/sell spread of $75.

Other transaction costs

Not all transaction costs are funded from the buy/sell spread. One reason for this is that an investment option may buy or sell assets even though there have been no member transactions. Additional transaction costs may be incurred either in the investment option or in underlying funds and these will reduce the returns of the investment option.

The estimated total transaction costs for each investment option, for the 12 months to 30 June 2018, amount recovered from the buy/sell spread and the remaining amount which reduce the returns on the investment option are set out on page 37.

Option name	Estimated gross transaction costs (pa) (A)	Transaction costs recovered by the buy/sell spread (pa) (B)	Estimated net transaction costs (pa) (C) (C=A-B)	Transaction costs included in the Indirect cost ratio (pa) (D)	Estimated transaction costs not included in the Indirect cost ratio (pa) (E) (E= C-D)	Estimated borrowing cost
Lifestage 1945-49 option	0.21%	0.06%	0.15%	0.10%	0.05%	0.01%
Lifestage 1950-54 option	0.20%	0.06%	0.14%	0.10%	0.04%	0.01%
Lifestage 1955-59 option	0.19%	0.05%	0.14%	0.10%	0.04%	0.01%
Lifestage 1960-64 option	0.19%	0.04%	0.15%	0.10%	0.05%	0.00%
Lifestage 1965-69 option	0.14%	0.04%	0.10%	0.07%	0.03%	0.00%
Lifestage 1970-74 option	0.13%	0.04%	0.09%	0.06%	0.03%	0.00%
Lifestage 1975-79 option	0.11%	0.04%	0.07%	0.05%	0.02%	0.00%
Lifestage 1980-84 option	0.11%	0.05%	0.06%	0.04%	0.02%	0.00%
Lifestage 1985-89 option	0.11%	0.05%	0.06%	0.04%	0.02%	0.00%
Lifestage 1990-94 option	0.12%	0.07%	0.05%	0.04%	0.01%	0.00%
Lifestage 1995-99 option	0.17%	0.13%	0.04%	0.04%	0.00%	0.00%
Lifestage 2000-04 option	0.31%	0.28%	0.03%	0.02%	0.01%	0.00%
Balanced option	0.05%	0.05%	0.00%	0.00%	0.00%	0.00%
Australian Share option	0.04%	0.04%	0.00%	0.00%	0.00%	0.00%
Cash Deposit option	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

All figures disclosed include the net effect of GST.
Please note: Past costs are not at a reliable indicator of future costs. Future costs may differ.

Indirect cost ratio

Indirect costs are costs which are incurred in underlying investment vehicles in which an investment option invests. These costs are not charged to you as a fee but do reduce the investment return you receive on an investment option via the unit price. Indirect costs are not paid to us.

Indirect costs may include certain transaction costs such as brokerage as well as the costs associated with using derivative financial products and other investment vehicles.

Please note that indirect costs disclosed in this PDS are estimates only. The actual amounts paid may be greater or less than the amounts disclosed.

Other operating expenses and abnormal costs

The trust deed allows for the ongoing operating expenses (such as registry, audit, regulatory, taxation advice and offer documents) to be paid directly from the fund.

The trustee may recover custody costs, and some costs associated with audit, regulatory, production of the offer document and particular transactions. There's no limit on operating expenses that the fund can pay.

Abnormal costs are for infrequent charges that the fund has to pay, such as:

- changes to the trust deed
- recovery and realisation of assets
- defending legal proceedings.

The trustee currently meets these costs out of the investment and administration fees.

Insurance costs

Insurance premiums

The cost of insurance premiums depends on the amount of cover you choose and your personal circumstances, including your gender and age.

We take your insurance premium payments from your account by deducting units from your investment options once a month in advance.

For more information about insurance, please see 'Insurance premiums' on page 14 of the PDS and on page 55 of this Reference Guide.

Insurance administration fees

We charge an insurance administration fee of up to 7.5% of Death only and Death and Total and Permanent Disablement premiums. This administration fee is included in the premium rates and isn't an extra fee.

For more information about insurance, please see 'Insurance in your super' on page 52 of this Reference Guide.

Taxation

Please refer to section 7 of the PDS and this Reference Guide for further details.

Expenses

Any other tax-deductible expenses besides those listed below are already included in the option's daily unit price.

Claiming investment and administration fees

The fees quoted in the PDS are shown before tax.

Under current tax laws, the fund can claim a tax deduction (currently at 15%) for these fees. We pass this deduction on to our members through the unit price or by deducting less units from your account, so you can't claim it in your personal tax return.

Claiming insurance premiums

The insurance premiums quoted in the PDS are also shown before tax.

Under current tax law, the fund can claim a tax deduction for the insurance premiums paid through your account.

We pass this deduction on to the fund's members when we take the premium from your account, so you can't claim it in your personal tax return.

7 How super is taxed

One of the great things about super is that you generally pay less tax – both on the money you put in and on your investment earnings. Here's some more information about how your super is taxed.

Because tax laws can be complex and everyone's situation is different, make sure you talk to your accountant, tax adviser or financial adviser about your personal situation or contact the Australian Taxation Office (ATO) for further details – www.ato.gov.au

Tax paid on your super fund

Super is a tax-effective way to save for your retirement. But there are still some taxes that you might need to pay on the money in your fund. These are:

- Up to 15% tax on earnings on your investments in the fund.
- A contributions tax of 15% on your concessional contributions; if you earn over $250,000 (including your concessional contributions), an extra 15% tax applies to part or all of your concessional contributions.
  - If you're an eligible low income earner, the Government will refund up to $500 of any tax paid on these contributions.
- No-TFN contributions tax (32%) on employer contributions, if you or your employer do not quote your TFN to the fund.

If your contributions exceed the contribution limits (known as the contributions caps), you'll also have to pay:

- tax at your marginal rate plus an interest charge on your excess concessional contributions (less a 15% tax offset to allow for the tax already paid within the fund)
- 47% on your excess non-concessional contributions.

If you have exceeded your concessional cap, you may also elect to have up to 85% of any excess concessional contributions released from super.

If you have exceeded your non-concessional cap, you may instead elect to withdraw your excess non-concessional contributions, plus 85% of a deemed earnings amount. Any contributions withdrawn will not be subject to 47% tax; however, 100% of the deemed earnings amount will be assessable to you at your marginal tax rate with a 15% tax offset. From 1 July 2018, the ATO will generally arrange for a withdrawal of your excess non-concessional contributions and deemed earnings amount even if you don't make an election within the required timeframe. For more information, please speak to your financial adviser or contact the ATO for details.

If you roll over money from one super fund to another, you generally won't pay tax on it again, unless it's from a public sector super scheme that hasn't been taxed yet.

The concessional cap

The concessional cap for the 2018–19 financial year is $25,000 pa.[20]

20 The concessional cap is subject to indexation and may increase in future years.

The non-concessional cap

The non-concessional contributions cap for 2018–19 is $100,000, or if you are under age 65 at any time during the financial year, you can bring forward two years' worth of contributions under the bring-forward rule. Based on the annual non-concessional cap of $100,000, this could allow you to contribute up to $300,000[21] over a three-year period. Please see your financial adviser for more information on how the bring-forward rule operates. If you are age 65 or over for all of 2018–19, then the cap is $100,000.

The non-concessional cap that you would otherwise have available (including under the bring-forward rule) is reduced based on the value of your total super balance (across all super funds) just prior to the start of the year as follows:

- total super balance of $1,400,000–$1,499,999: cap reduced to $200,000 (over two years)
- total super balance of $1,500,000–$1,599,999: cap reduced to $100,000 (no bring-forward period, general non-concessional contributions cap applies)
- total super balance of $1,600,000 or more: cap reduced to nil.

The non-concessional cap is maintained at four times the concessional cap. Therefore, any increase in the concessional cap due to indexation will also result in an increase in the non-concessional cap.

If you go over the concessional contributions cap, the amount of the excess will count towards your non-concessional cap. However, any amounts of excess concessional contributions that you elect to release from super will not count towards your non-concessional cap.

Catch-up concessional contributions

If you haven't reached your concessional contributions cap during a financial year, you may be able to carry forward unused cap amounts to use in future years. Access to these unused cap amounts can apply from 1 July 2019 and will be limited to those individuals with a superannuation balance less than $500,000 and to unused amounts from the previous five financial years (starting from 1 July 2018).

Low income super tax offset

The Low Income Superannuation Tax Offset (LISTO) is a superannuation contribution by the Government that effectively reduces tax on superannuation contributions for low income earners. It is based on the tax paid on concessional contributions made on behalf of low income earners, up to a cap of $500. The LISTO applies to members with adjusted taxable income up to $37,000 that have had a concessional contribution made on their behalf.

Tax offset for spouse contributions

When you make an eligible spouse contribution of $3,000 or more for your spouse, you may be entitled to a tax offset of $540 if your spouse earns $37,000 pa or less.

A partial tax offset applies where your contribution is less than $3,000 or your spouse earns above $37,000 but less than $40,000.

21 Where you triggered the bring forward rule during 2016–17, but did not fully use the $540,000 cap by 30 June 2017, your remaining cap for your three year bring forward period is reduced under transitional rules. Speak with your financial adviser for further details about these transitional rules.

Tax deductions for personal super contributions

All individuals under age 65 (and those between 65 and 74 who meet the contribution eligibility requirements) can generally claim a tax deduction for personal superannuation contributions. Personal tax-deductible contributions are concessional contributions and count towards your concessional contributions cap.

If you wish to claim a tax deduction for personal super contributions, you must send us a valid Notice of Intent to Claim a Tax Deduction form within required timeframes (and have it acknowledged by us in writing). For further information about these notice requirements, visit **www.ato.gov.au**

Making contributions

There's more than one way to put money into your Essential Super account. Here are some of the types of contributions that can be made:

Contribution types	What are they?	Which contribution cap applies?
Compulsory employer contributions	Contributions your employer is required to make. They include: • Superannuation Guarantee (SG) contributions (currently 9.5% of your salary each year, increasing to 12% by 2025) • contributions required under an industrial award or agreement.	The concessional contributions cap.
Voluntary employer contributions	Extra contributions an employer makes for you. These include salary sacrifice contributions, where you arrange to have some of your pre-tax salary paid into super by your employer.	The concessional contributions cap.
Personal contributions	Contributions you make for yourself. Depending on your situation, you may be able to claim a tax deduction[22] for personal contributions, or you may be able to receive a Government co-contribution.	Contributions for which you do not claim a tax deduction – the non-concessional contributions cap. Contributions for which you claim a tax deduction (where eligible) – the concessional contributions cap.
Spouse contributions	Contributions you make for your spouse (or that they make for you).	The receiving spouse's non-concessional contributions cap.

22 To find out about the eligibility and administrative requirements to claim a tax deduction for personal superannuation contributions, speak with your financial adviser.

You can also roll over money from one super fund to another.

In some cases, you might also be able to put the proceeds from the sale of a small business asset and personal injury payments into your super. Check at **www.ato.gov.au** to see if you're eligible to do this, and how this could affect your tax.

Contributions and your age

While you are under age 65, a super fund can accept contributions for you, regardless of your work status.

If you are aged between 65 and 74 (includes the period up to 28 days after the end of the month in which you turn 75), you generally need to have worked (for gain or reward) for at least 40 hours within 30 consecutive days in a financial year, before a super fund can accept the following types of contributions for you:

- voluntary employer contributions
- personal contributions
- spouse contributions (not permitted once the receiving spouse is aged 70 or over).

Once you turn 75, a trustee is generally only able to accept compulsory employer contributions for you.

One year work test exemption from 1 July 2019

From 1 July 2019, if you are aged [23] between 65 to 74 you may be able to continue making voluntary contributions for a further 12 months from the end of the financial year in which you last met the required work test, due to the work test exemption.

To qualify to make contributions under the work test exemption your total superannuation balance (just prior to the financial year of contribution) must be less than $300,000. Once you have used the work test exemption for a financial year, it cannot be used again in the future.

Superannuation housing measures

First Home Super Saver Scheme

From 1 July 2017, you can make additional pre-tax or after tax voluntary contributions[24] to super to save for your first home. As super is concessionally taxed, saving through super may allow you to save for your first home more quickly.

You can contribute up to $15,000 pa ($30,000 in total) in voluntary contributions under the scheme. From 1 July 2018, you can then apply to withdraw the contributed amounts plus a deemed earnings amount to help fund the purchase of your first home. You must receive the withdrawal prior to entering into a contract to purchase or construct your first home. Amounts withdrawn (excluding after tax contributions) form part of your assessable income but provide you with a 30% non-refundable tax offset.

For further information about the First Home Super Saver Scheme, please refer to **www.ato.gov.au**

23 Your age is measured at the time of each contribution. Note that eligible spouse contributions cannot be made for you once you have reached age 70.

24 The amount of voluntary pre-tax contribution amounts able to be withdrawn is reduced by 15% to allow for contributions tax.

Downsizer contributions

From 1 July 2018, if you are aged 65 or over and sell your principal home, you can make a downsizer contribution of up to $300,000 of the sale proceeds into your superannuation account. Downsizer contributions are not subject to normal contribution eligibility criteria such as having to meet a work test and don't count towards other contributions caps. However, once made they count towards your total superannuation balance which can impact your eligibility for other superannuation rules (for example, if your total superannuation balance just prior to a financial year is $1.6 million[25] or more, your non-concessional contributions cap reduces to Nil). Downsizer contributions used to commence retirement phase income streams (for example, allocated pensions) also count towards your $1.6 million transfer balance cap.

If you are thinking of downsizing your home, this new measure allows you to contribute up to $300,000 ($600,000 combined for a couple) of the proceeds into the concessionally taxed superannuation environment. The contribution will be tax free when received by your fund, although it will be assessable under the social security assets test and generally deemed under the social security income test.

To be eligible to make a downsizer contribution, your principal home must have been owned by you and / or your spouse for at least 10 years, and you must have not made a downsizer contribution from the sale of another home in the past. Please note: you cannot claim a tax deduction for downsizer contributions.

For further information about downsizer contributions, please refer to **www.ato.gov.au**

Contributions found not to be downsizer contributions

If the ATO notifies us that your contribution does not meet the downsizer contribution eligibility requirements[26], we will assess whether your contribution could have been made as a personal contribution under the contributions acceptance rules. If your contribution could be accepted, the amount will count towards the relevant contribution cap. If your contribution cannot be accepted, the contribution amount will be returned to you by your super fund.

Accessing your super

Most people access their super as a benefit when they retire but there are other types of super benefits you can get, too, as explained in the table on page 46.

If a particular investment option is suspended, restricted or unavailable, we may not process withdrawal requests for a super benefit (including a rollover) from that option until further notice. We'll make this decision based on the best interests of all our members. However, sometimes we may decide to continue to pay a super benefit from a suspended, restricted or unavailable investment option.

If you're a temporary resident, you can only access your super benefit in special circumstances. Note, too, that if you leave Australia and your visa expires, we may have to pay your super to the ATO.

25 This threshold is based on the transfer balance cap, which started at $1.6 million in 2017 -18 and will be indexed periodically in $100,000 increments in line with CPI. It remains $1.6 million in 2018-19.

26 The ATO may apply false and misleading penalties if they identify that your downsizer contribution was not eligible and you had incorrectly declared that you were eligible to make such a contribution.

Your account balance

Your super account balance is divided into your:

- **preserved amount –** money that you can only access when you satisfy certain conditions, such as retirement
- **restricted non-preserved amount –** money contributed before 1 July 1999 that you can access in special circumstances, and
- **unrestricted non-preserved amount –** money you are allowed to access at any time.

Your preserved and restricted non-preserved amounts can be converted into unrestricted non-preserved amounts, when you tell us that you have met a condition of release, including:

- when you retire (if you have reached your preservation age)
- when you reach age 65
- if you become totally and permanently disabled
- if you become terminally ill
- if you die.

See the table on page 46 for more information on when you can receive these benefits.

Find out more

You can find out more about the tax components of your super savings by checking your half-yearly statements, logging on to NetBank or calling us on **13 4074**.

The types of super benefits	When you can receive it	How much you'll receive (before tax)
A retirement benefit	When you have retired, which means: • you have reached your preservation age (age 55 if you were born before 1 July 1960; if you were born later, between ages 56 and 60 depending on your date of birth) and have ceased a gainful employment arrangement and • don't plan to work for 10 or more hours per week ever again, or • you have ceased a gainful employment arrangement on or after age 60, or • you are aged 65 or over.	Your account balance.
A rollover	We will send your super benefit as a rollover to your nominated super fund within three business days of us receiving a properly completed withdrawal form, available by calling us on **13 4074**. See page 7 for more information about withdrawals.	Your account balance.
A non-preserved cash benefit	You can take out your unrestricted non-preserved amounts whenever you want to. You can take out restricted non-preserved amounts when you stop working for the employer who has contributed to this fund.	The non-preserved money in your account.
A Total and Permanent Disablement (TPD) benefit	You are assessed as being totally and permanently disabled. This means that you're unlikely to work again because of injury or illness. See TPD cover definitions on page 57 for eligibility. If you have TPD cover, the insurer must approve your claim.	Your account balance, plus assessed insurance money if you have TPD insurance cover (see 'Insurance in your super' on page 52 for more information).
A terminal illness benefit	Two doctors, including one doctor who specialises in the illness you suffer, must have certified that you suffer from an illness or injury that, despite reasonable medical treatment, is likely to result in your death within 24 months. The certification must be current. If you have death insurance cover (which includes cover for terminal illness), the insurer must have also approved your claim.	Your account balance plus assessed insurance proceeds (see 'Insurance in your super' on page 52 for more information).

The types of super benefits	When you can receive it	How much you'll receive (before tax)
A death benefit	When you die. If you have death insurance cover, the insurer must have also approved the claim.	Your account balance plus assessed insurance proceeds (see 'Insurance in your super' on page 52 for more information).
Other withdrawal benefits: • a financial hardship benefit • a compassionate grounds benefit	When you meet the specific eligibility criteria prescribed by legislation. Please contact us for further information about claiming these types of benefits.	As prescribed by legislation.

Types of super benefits you can receive

The table on the previous page and above shows the types of super benefits you're eligible to receive if you:

- are an Australian or New Zealand citizen
- are a permanent resident in Australia
- hold a 405 or 410 retirement visa, or
- have never held a temporary visa for Australia.

If you are a temporary resident of Australia, please see 'Temporary residents' on page 49 for more information.

For insurance cover, further eligibility conditions apply. Refer to the insurance section, on page 52.

Paying tax on your super benefit

Your account balance is divided into two parts:

1. The tax-free part, which includes your:

- non-concessional contributions
- tax-free part of your rollovers
- eligible small business CGT contributions, and
- personal injury payments.

2. The taxable part – the rest of your account balance, including your:

- concessional contributions
- taxable part of your rollovers
- increased parts of your account balance from positive investment returns or any insurance proceeds you've received.

If you have any questions about the taxable parts of your super benefit, please call us on **13 4074**.

You won't pay any tax on:

- your whole super benefit if you're 60 or over
- the tax-free part of your super benefit
- money you roll over to a new super fund or product

- a terminal illness benefit paid as a lump sum, or
- a death benefit paid as a lump sum to one or more of your dependants[27] (either directly or through your legal personal representative).

If you're under 60, some tax may be payable on your super benefit, depending on:

- whether you've reached your preservation age (age 55 if you were born before 1 July 1960; if you were born later, between ages 56 and 60 depending on your date of birth)
- the amount of taxable component included in the payment.

Some tax may also be payable on a death benefit paid as a lump sum to someone who isn't one of your dependants (either directly or through your legal personal representative).

Where tax is payable, we will generally withhold an estimate of your tax liability. However, in the case of a death benefit paid to your legal personal representative, we will not withhold any tax, regardless of whether the benefit will be tax free or subject to tax.

You can't choose to be paid only the tax-free component. Any super benefit paid to you will be paid in the same proportion as the tax components of your total account balance. For example, if half of your super balance is tax free, then half of any super benefit will also be tax free.

If we take tax from your super benefit, we'll send you a Payment Summary for you to include in your personal income tax return.

Further details on superannuation and taxation can be found at **www.ato.gov.au/super**

Super and death benefits

If you die, the money left in your super will be paid as a death benefit to:

- your dependants[28] or your legal personal representative that you chose when you filled out a non-lapsing death benefit nomination form, or
- in all other cases to your legal personal representative to be distributed as per your Will or the laws of intestacy, if you don't leave a Will.

What is a non-lapsing death benefit nomination?

A non-lapsing death benefit nomination is a request by you to the trustee to pay your death benefit to the person or persons nominated on your non-lapsing death benefit nomination form.

The trustee may consent to your nomination if your nomination satisfies the requirements described on the form.

We are required to follow your nomination if, prior to your death, you complete and we receive your valid non-lapsing death benefit nomination, and we consent to that nomination. The nomination remains valid until you revoke it or make a new nomination. This can provide you with greater certainty on who will receive your death benefit when you die.

Who can I nominate?

A valid non-lapsing death benefit nomination can only nominate your legal personal representative and/or your dependants. Your legal personal representative is the person appointed on your death as the executor or administrator of your estate.

27 For tax purposes, a dependant includes your spouse, former spouse, child under age 18, financial dependant or interdependent relation.

28 A dependant includes your spouse, child, financial dependant or interdependent relation.

Your dependants are:

- Your current spouse:
  This includes the person at your death to whom you are married or with whom you are in a de facto relationship (whether of the same sex or a different sex) or in a relationship that is registered under a law of a State or Territory.
- Your child:
  This includes any person who at your death is your natural, step, adopted, ex-nuptial or current spouse's child, including a child who was born through artificial conception procedures or under surrogacy arrangements with your current or then spouse.
- Any person financially dependent on you:
  This includes any person who at your death is wholly or partially financially dependent on you. Generally, this is the case if the person receives financial assistance or maintenance from you on a regular basis that the person relies on or is dependent on you to maintain their standard of living at the time of your death.
- Any person with whom you have an interdependency relationship:
  This includes any person where at your death:
  - you have a close personal relationship with this person
  - you live together with this person
  - you or this person provides the other with financial support, and
  - you or this person provides the other with domestic support and personal care.

Find out more

You can find out more about death benefits by reading our Non-lapsing Death Benefit Nomination form at **commbank.com.au/essentialinfo**

Temporary residents

You can receive a Departing Australia Superannuation Payment (DASP) benefit equal to your account balance (less tax), if:

- you are not an Australian or New Zealand citizen, are not a permanent resident in Australia or do not hold a 405 or 410 retirement visa
- you leave Australia
- your temporary visa is no longer valid, and
- where required, we get written evidence from the Department of Immigration to confirm these facts.

If you need written confirmation, contact the Department of Home Affairs and apply for a Certification of Immigration Status.

Its contact details are:

Department of Home Affairs
Superannuation Certification and Cancellation Team
GPO Box 1496, Hobart TAS 7001
Fax: + 61 3 6281 9453
Phone: **13 18 81** if in Australia.
Email :
super.hobart@homeaffairs.gov.au
Website: **www.homeaffairs.gov.au**

You can apply for a DASP by using the 'Departing Australia Superannuation Payment (DASP)' online application system at **www.ato.gov.au**, or alternatively by submitting a paper application form (which is available at **www.ato.gov.au**) to us.

The only other benefits that you can receive from Essential Super as a temporary resident are:

- a death benefit
- a total and permanent disablement benefit
- a terminal illness benefit, or
- a release authority

We'll withhold tax on the taxable part of your DASP benefit. Speak to a tax adviser or contact the ATO to find out what tax rates apply to your DASP benefit.

It's important to ask for your DASP benefit to be paid to you within six months of the day when your temporary visa expires and you leave the country (whichever happens latest). If you don't, we may have to pay your account balance to the ATO. In addition, you will no longer be an Essential Super member, your money will no longer be invested in your chosen investment options, and you'll lose any insurance cover you had with the fund.

According to ASIC Class Order 09/437, we don't have to let you know that we're transferring your benefit to the ATO or give you an exit statement.

You can still claim your account balance after we've transferred it to the ATO by using the 'Departing Australia Superannuation Payment (DASP)' online application system at **www.ato.gov.au**

Inactive accounts with a low account balance

From 1 July 2019, if your account balance is below $6,000 and we have not received a contribution or rollover to your account for a continuous period of 16 months (inactive low balance account), we are required by law to transfer your account to the Australian Taxation Office (ATO).

We will not do this, if for example, during the 16 month period you have changed your investment option, made a change to your insurance cover, or made or altered a binding beneficiary nomination.

We will transfer inactive low balance accounts to the ATO twice a year, in accordance with legislated time frames. The ATO will transfer your balance to your active super account, where possible.

Eligible Rollover Fund (ERF)

If we lose touch with you, or you are no longer eligible to be a member of our fund, we can transfer your super to another fund, called an ERF. We will give you 30 days advance written notice if we need to do this, so you have the chance to tell us which fund you'd like us to transfer your benefits to.

If we don't hear from you, we'll transfer your funds to the ERF and let you know in a letter that we'll send to your last known address. The ERF that we have selected is:

SuperTrace Eligible Rollover Fund
ABN 73 703 878 235

The trustee is:

Colonial Mutual Superannuation Pty Ltd
ABN 56 006 831 983
Locked Bag 5429,
Parramatta NSW 2124
Free Call: **1300 788 750**

If we transfer your super to an ERF, you should contact the ERF and ask for a copy of its PDS to find out more about the product. In particular, you should understand:

- the governing rules
- the different fee structure
- the investment option, which will affect your investment's risks and returns.

Remember that if your super is transferred to an ERF, you will lose any insurance cover you have with us. The ERF does not offer insurance cover to its members.

You should check your super regularly to decide whether the ERF meets your personal circumstances.

Unclaimed money and lost members

Sometimes, we have to pay your account balance to the ATO. We'll do this if:

- you are 65 years or older, we haven't received a contribution from you in two years and have been unable to contact you for five years
- your account is subject to a family law payment split, but we are unable to identify your ex-spouse entitled to the super benefit
- you are deceased, we have not received a contribution or rollover for you in the past two years and we can't (after reasonable attempts and a reasonable period of time) identify a person entitled to your super benefit
- you are a lost member and either:
  - your account balance is less than $6,000, or
  - we have not received an amount in respect of you in the last 12 months, and we do not have enough information to identify you and would not be able to pay an amount to you.

You will be a lost member where:

- at least one written communication has been sent back to us undelivered and we believe you can no longer be contacted, or we've never had an address for you, and we have not received a contribution or rollover for you within the last 12 months and you have not contacted the fund or accessed information about your account electronically within the last 12 months, or
- you joined the fund as a result of an agreement between your employer and the trustee of the fund and you have been a member of the fund for longer than two years and the fund has not received a contribution or rollover in respect of you in five years, or
- we have never had an address for you and we have not received a contribution or rollover for you within the last 12 months (Note: we may update your address because the ATO provides it to us).

If we transfer your account balance to the ATO, you won't be a member of Essential Super any more or be invested in your chosen investment options, and you'll lose any insurance cover you had with the fund.

Interest will accrue on your account balance once it's paid to the ATO.

You can claim your benefit by contacting the ATO on **13 10 20** or downloading a form from **www.ato.gov.au**

About your super trust deed

Like most super funds, Essential Super is governed by a trust deed. Along with superannuation laws and the PDS, the trust deed sets out the rules for our relationship with you and your rights as a member.

By law, we're allowed to change the trust deed. If we make any changes that we think might have a negative effect on the rights of our members, we'll let you know first.

You're free to check a copy of our trust deed, at any time. Simply call us on 13 4074, ask us for a copy and we'll send you one, free of charge.

Find out more

To find out more about tax rules and super, see the ATO's website **www.ato.gov.au/super** or call us on **13 4074**.

8 Insurance in your super

Essential Super provides Death and Total and Permanent Disablement cover, helping keep you and your family financially secure should something unexpected happen to you.

Take note

This section includes important information about insurance cover. Some words and expressions used in this section have a particular meaning, as defined at the end of this section.

Am I eligible for cover?

When you or your employer sets up your Essential Super account you will automatically be provided with a default level of Death and **Total and Permanent Disablement (TPD)** insurance cover, as long as:

- you are aged at least 14 and less than 60
- you are an **Australian resident**, living in Australia
- money is put into your account within 120 days of it being opened.

If money is first put in your account after 120 days of it being opened, you will only have cover if you apply for it, including answering health and lifestyle questions, and your application is accepted by the insurer.

Take note

You can only receive insurance benefits from one Essential Super account. If we identify that you have more than one account, we will consolidate your accounts into one so that you are not paying extra premiums for cover you cannot claim on. You can find out more on 'one account in the Fund' section on page 5.

What type of cover is available?

Death cover: a benefit is paid in the event of your death or if you are diagnosed with a **terminal illness**, which is defined on page 63.

TPD cover: a benefit is paid if you become **totally and permanently disabled**, which is defined on page 57. TPD cover is only available with death cover.

Insurance in Essential Super has exclusions which may limit your ability to claim. Please see the exclusions section on page 59 for more information.

What level of cover is available?

There are three levels of cover available in Essential Super:

- default
- half the default amount
- double the default amount.

If you are eligible for cover, you are automatically provided with death and TPD cover at the default cover level but you can change your level of cover (see ‘Changing your cover’ opposite) at any time after the account has been opened.

The amount of cover you receive depends on your age and changes automatically as you move into each new age bracket, as shown in the table on page 53.

Your age	Default Death and TPD or Death only cover	Halved Death or Death and TPD cover	Doubled Death or Death and TPD cover
14 – 19	**$50,000**	$25,000	$100,000
20 – 24	**$75,000**	$37,500	$150,000
25 – 29	**$150,000**	$75,000	$300,000
30 – 39	**$200,000**	$100,000	$400,000
40 – 44	**$150,000**	$75,000	$300,000
45 – 49	**$100,000**	$50,000	$200,000
50 – 54	**$80,000**	$40,000	$160,000
55 – 59	**$60,000**	$30,000	$120,000
60 – 64	**$40,000**	$20,000	$80,000
65 – 69[29]	**$25,000**	$12,500	$50,000

Take note

Essential Super premiums and terms apply which will differ from any existing cover you may currently have. Before you cancel any existing cover, you should compare the terms and read the **Essential Super PDS** and **Reference Guide** to decide whether cover under Essential Super is right for you.

Changing your cover

Doubling cover

You can double your default cover at any time after your account has been opened through NetBank, CommBank app or by calling the Essential Super contact centre. You will need to apply for the increased cover and provide responses to the health and lifestyle questions and have enough money in your account to pay for any insurance premiums that will be deducted. Your cover will also need to be approved by the insurer.

If you do not meet the age and other eligibility criteria, the insurer does not accept your application or there aren't enough funds in your account to cover the premiums, your cover will stay at its current level. We will confirm the date on which the cover doubles if your request is accepted.

You can only double your cover once.

Halving or cancelling cover

You can request to halve your default cover, cancel only your TPD cover or cancel all your cover at any time after your account has been opened through NetBank or by calling us on **13 4074**.

We will halve or cancel your cover from the day you contact us.

When your cover ends

Your cover ends on the earliest of the following:

- the end of the month after you reach age 70
- the day we receive a request from you to cancel your cover
- the date you stop being a fund member (eg you withdraw your full super account balance)
- the date you die
- 90 days after the premium due date and the full premium hasn't been paid
- the date you receive your benefit
- the date the policy ends
- the date the law requires your cover to be cancelled.

29 TPD will be assessed under 'Activities of daily living' – see page 58 for details.

Inactive accounts

If we don't receive a contribution or rollover to your super account for a continuous period of 16 months (inactive account), we are required by law to cancel your insurance cover before your next premium is due, unless you tell us you would like to keep your cover. You can elect to keep your insurance cover by contacting us. We will cancel insurance cover for inactive accounts from 1 July 2019.

After your insurance cover ends

If you cancel your cover, or your cover ends due to non-payment of premiums and you subsequently decide you want to take out cover, you will need to apply via NetBank or by calling us on 13 4074. You will need to answer health and lifestyle questions and be approved by the insurer. Insurance cover will only start if your new application is accepted by the insurer and all premiums are paid.

Insurance premiums

Your insurance premiums depend on the level and type of cover provided to you on opening an Essential Super account, any increased cover you subsequently apply for and your age and gender. See the premium table below to determine your monthly premium. If you elect to halve or double your cover, simply halve or double the monthly cost.

Your age	Default Death and TPD cover or Death only cover	Death only – Monthly cost		Death and TPD – Monthly cost	
		Male	Female	Male	Female
14	**$50,000**	$1.83	$1.17	$2.37	$1.71
15	**$50,000**	$1.83	$1.17	$2.37	$1.71
16	**$50,000**	$2.08	$1.17	$2.71	$1.71
17	**$50,000**	$2.33	$1.21	$3.00	$1.79
18	**$50,000**	$2.54	$1.29	$3.17	$1.83
19	**$50,000**	$2.63	$1.42	$3.17	$1.92
20	**$75,000**	$4.00	$2.00	$5.13	$3.00
21	**$75,000**	$4.06	$1.81	$5.50	$3.00
22	**$75,000**	$4.06	$1.75	$5.62	$3.13
23	**$75,000**	$4.00	$1.69	$5.69	$3.07
24	**$75,000**	$3.88	$1.63	$5.63	$3.01
25	**$150,000**	$7.38	$3.25	$10.88	$5.88
26	**$150,000**	$7.25	$3.25	$10.75	$6.00
27	**$150,000**	$7.25	$3.50	$10.88	$6.50
28	**$150,000**	$7.63	$3.63	$11.38	$6.63
29	**$150,000**	$8.00	$4.25	$11.75	$7.00
30	**$200,000**	$11.33	$6.00	$16.66	$9.50
31	**$200,000**	$12.33	$6.67	$17.66	$9.84
32	**$200,000**	$13.67	$7.33	$19.34	$10.16
33	**$200,000**	$13.50	$8.50	$19.50	$11.67
34	**$200,000**	$13.50	$9.17	$19.83	$13.34
35	**$200,000**	$14.00	$10.67	$21.00	$16.34
36	**$200,000**	$15.33	$11.67	$23.33	$18.50

Your age	Default Death and TPD cover or Death only cover	Death only – Monthly cost		Death and TPD – Monthly cost	
		Male	Female	Male	Female
37	**$200,000**	$16.00	$12.83	$25.00	$21.16
38	**$200,000**	$17.00	$14.17	$27.33	$23.84
39	**$200,000**	$17.67	$15.67	$29.50	$27.17
40	**$150,000**	$13.75	$12.88	$23.75	$22.88
41	**$150,000**	$14.38	$14.00	$25.38	$25.00
42	**$150,000**	$16.25	$15.13	$29.75	$26.13
43	**$150,000**	$17.00	$16.50	$32.25	$28.38
44	**$150,000**	$18.25	$17.88	$35.88	$31.13
45	**$100,000**	$13.17	$12.83	$26.59	$22.66
46	**$100,000**	$14.25	$13.67	$29.58	$24.84
47	**$100,000**	$15.50	$14.75	$33.00	$27.67
48	**$100,000**	$16.75	$15.75	$36.75	$30.50
49	**$100,000**	$18.25	$16.75	$41.08	$33.75
50	**$80,000**	$16.00	$14.20	$36.73	$29.87
51	**$80,000**	$17.07	$15.40	$39.80	$33.07
52	**$80,000**	$17.53	$16.33	$42.20	$37.53
53	**$80,000**	$17.73	$17.47	$44.20	$42.60
54	**$80,000**	$19.47	$18.67	$49.87	$48.40
55	**$60,000**	$15.95	$15.20	$42.45	$41.45
56	**$60,000**	$17.40	$16.55	$48.20	$47.25
57	**$60,000**	$19.20	$18.00	$55.10	$53.70
58	**$60,000**	$21.10	$19.75	$63.15	$61.00
59	**$60,000**	$23.30	$21.60	$72.35	$69.10
60	**$40,000**	$17.00	$15.67	$54.23	$51.47
61	**$40,000**	$18.70	$17.17	$60.93	$57.94
62	**$40,000**	$20.83	$18.77	$71.00	$65.77
63	**$40,000**	$23.20	$20.57	$82.47	$74.90
64	**$40,000**	$25.87	$22.57	$95.77	$85.24
65	**$25,000**	$17.81	$15.48	$67.04	$60.79
66	**$25,000**	$19.77	$17.00	$76.62	$69.71
67	**$25,000**	$21.92	$18.73	$86.75	$80.48
68	**$25,000**	$24.44	$20.71	$100.21	$93.17
69	**$25,000**	$27.27	$22.88	$115.58	$107.78

Premiums generally increase with your age. The insurer can change the premium rates, but we will let you know in advance if they do.

Your insurance premiums are deducted from your Essential Super account each month in advance. The exact amount deducted may differ due to a tax concession that the trustee is able to apply for on your behalf. Premiums will be initially drawn down from the Lifestage option, which is the default investment option for Essential Super. If there are insufficient funds in this investment option, we will follow a drawdown sequence from other investment options you may hold, taking the premiums from the Cash Deposit option first , followed by Balanced option and Australian Shares option.

You need to make sure there is enough money in your account to cover premiums at all times. If your premium is not paid within 90 days of its due date, your cover will end.

What does Total and Permanent Disablement (TPD) mean?

Depending on your circumstances at the date of disablement, different TPD definitions apply.

Any occupation	You are totally and permanently disabled if all of the following apply to you: • on the date of disablement you are aged at least 14 years and less than 65 • when you suffered the disability, you were regularly employed • as a result of illness or injury, you have been absent from all work for three consecutive months from the date of disablement • the insurer considers, on the basis of medical and other evidence satisfactory to it, that as a result of the illness or injury you are unlikely ever again to be able to engage in any occupation for which you are suited by education, training or experience, whether or not for reward.
Day 1 TPD	You are totally and permanently disabled if all of the following apply to you: • on the date of disablement you are aged at least 14 years and less than 65 • when you suffered the disability, you were regularly employed • you are absent from all work as a result of suffering an insured serious illness; • the insurer considers, on the basis of medical and other evidence satisfactory to it, that as a result of the insured serious illness you are unlikely ever again to be able to engage in any occupation for which you are suited by education, training or experience, whether or not for reward. The insured serious illnesses are: blindness in both eyes, cardiomyopathy, chronic lung disease, dementia and Alzheimer's disease, loss of hearing, loss of speech, major head trauma, motor neurone disease, multiple sclerosis, muscular dystrophy, paralysis, Parkinson's disease, primary pulmonary hypertension and severe rheumatoid arthritis. These insured serious illnesses are defined in the Policy Document. You can ask us for a copy of the Policy Document.

Home duties	You are totally and permanently disabled if all of the following apply to you:
	• on the date of disablement you are at least 14 but less than 65
	• when you suffered the disability, you were engaged in full-time domestic duties or child rearing
	• the insurer is satisfied, on the basis of medical or other evidence satisfactory to it, that as a result of illness or injury you:
	  • have been unable to perform domestic duties or child rearing and have been confined to the home for a period of six months
	  • are under the regular treatment, and following the advice, of a doctor
	  • continue to be incapacitated to the extent that you are unable to engage in any occupation for which you are suited by education, training or experience, whether or not for reward; and will be so disabled for life.

Permanent loss	You are totally and permanently disabled if all of the following apply to you:
	• on the date of disablement you are aged at least 14 and less than 65
	• as a result of an injury or illness, you suffer:
	  • the permanent loss of use of two limbs, or
	  • blindness in both eyes, or
	  • the permanent loss of the use of one limb and blindness in one eye,
	and the insurer considers, on the basis of medical and other evidence satisfactory to it, you are unlikely ever to be able to engage in any occupation for which you are suited by education, training or experience, whether or not for reward, where:
	'blindness' means – the permanent loss of sight due to illness or injury to the extent that:
	• visual acuity is 6/60 or less; or
	• the visual field is reduced to 20 degrees or less of arc whether aided or unaided and all as certified by a medical specialist
	'limb' means – the whole hand below the wrist or the whole foot below the ankle.

Activities of daily living	You are totally and permanently disabled if all of the following apply to you:
	• on the date of disablement you are aged at least 14 and less than 70
	• as a result of injury or illness, you are totally, permanently and irreversibly for life unable to perform, without the physical assistance of another person, any two of the following activities of daily living:
	  • Dressing – the ability to put on and take off clothing
	  • Toileting – the ability to use the toilet, including getting on and off
	  • Mobility – the ability to get in and out of bed and a chair
	  • Bathing – the ability to wash or shower
	  • Maintaining continence – having good control of bowel and bladder function
	  • Feeding – the ability to get food from a plate into the mouth,
	and the insurer is satisfied that you are incapacitated to such an extent as to render you unlikely to ever engage in any gainful profession, trade or occupation for which you are reasonably qualified by education, training and experience.

Exclusions

Insurance cover offered in Essential Super is subject to certain exclusions which may limit your ability to claim. It is important that you understand the following exclusions when considering whether Essential Super is appropriate for your circumstances. If unsure, you should seek advice from a financial adviser.

If you were transferred by the trustee from FirstChoice Personal Super or Colonial Super Retirement Fund to Essential Super some of the following exclusions may not apply or may be different to the exclusions that apply to you. For more information, call the Essential Super contact centre.

Pre-existing conditions

The insurer will not pay a death, terminal illness or TPD benefit which is due to a pre-existing condition.

A pre-existing condition is an illness or injury:

- of which you first became aware or a reasonable person in your circumstances (including symptoms, if any) would have first become aware, or
- for which you sought or intend to seek:
  - medical advice, including a referral to a specialist, or
  - medical treatment, including prescribed and non-prescribed medications, or
  - medical care or services including tests and other diagnostic measures, or
- for which a reasonable person in your circumstances (including symptoms, if any) would have sought medical advice, treatment, care or services,

at any time in the three years immediately before your cover commenced, recommenced or increased.

The pre-existing condition exclusion does not apply if your death, terminal illness certification or, for TPD, date of disablement first occurs after both of the following are met:

- your cover has been in place for five continuous years (5 year period), and
- you have been **capable of working** for two continuous months (2 month period), being a period which started at any time after the end of the 5 year period.

"**Capable of working**" means you are not prevented by illness or injury from performing all of the **duties of your usual occupation** for 35 hours a week (even if you are not working or are working less than 35 hours a week). If, however, you have not been employed or self-employed at any time in the 12 months before the start of the 2 month period, capable of working means you are not prevented by illness or injury from performing full-time domestic duties or child rearing.

"**Duties of your usual occupation**" means the duties of your usual occupation at the start of the 2 month period, which includes the duties of any occupation you performed at any time in the 12 months before the start of the 2 month period.

Suicide and self-inflicted injury

The insurer will not pay a death benefit if your death is due to suicide or intentional self-inflicted injury and your death occurs within 12 months of your cover commencing, recommencing or increasing.

The insurer will not pay a benefit for **terminal illness** or TPD if your illness or injury is a direct or indirect result of intentional self-inflicted injury or attempted suicide and your **terminal illness** or TPD occurs within 12 months of your cover commencing, recommencing or increasing.

Illegal activity

The insurer will not pay a death, **terminal illness** or TPD benefit if your illness or injury arises directly or indirectly as a result of your participation, or intent to participate in, illegal activity.

Professional misconduct

The insurer will not pay a TPD benefit if your condition arises directly or indirectly as a result of your permanent or temporary banning, de-registration or disqualification, which:

- occurred solely due to disciplinary action, and
- prevents you from pursuing, practising or engaging in your **occupation** or profession.

War

If a war causes your death, directly or indirectly, the insurer will not pay a benefit unless you die on war service. If war causes your TPD or terminal illness, directly or indirectly, the insurer will not pay a benefit. War includes any act of war, whether declared or not.

Pandemic/epidemic illness

A pandemic/epidemic illness is an illness for which the World Health Organisation or a department, authority,

minister or other officer of the Australian Government has issued a pandemic/epidemic alert, advisory, notification, declaration or similar publication.

The insurer won't pay a benefit if:

- you die or become terminally ill, directly or indirectly, because of a pandemic/epidemic illness or any other condition caused by, or related to, the pandemic/illness in any way, and
- your death or **terminal illness** is within 30 days of your cover starting, restarting or increasing.

This exclusion only applies from the date we either advise you directly or make a public notification that this exclusion applies.

Making a claim

When you need to make a claim, let us know as soon as you can. If you delay and it affects the insurer's ability to assess your claim, the insurer may reduce the benefit. A waiting period may apply to your TPD claim.

The insurer will ask for specific information and documents that it needs to properly assess the claim. This may include a medical or other examination. The insurer may request you to see a **doctor** of its choice and will pay the doctor's fees and the costs of any test or procedure it requests.

The insurer will not pay for your travel expenses or costs associated with non-attendance at an appointment. If you are overseas, in order to properly assess a claim for **terminal illness** or TPD, the insurer can require you to return to Australia at your expense for assessment.

If your claim is accepted, the benefit will be paid into your Essential Super account. You must meet a condition of release set out in superannuation law to be paid the TPD or **terminal illness** benefit.

To notify us of a claim, contact us on **13 4074**.

Cooling-off period

You have a 28-day cooling-off period where you can choose to cancel your insurance cover in writing, and any premiums paid will be refunded.

The 28 days will apply from the date on which we provide confirmation of your cover. If you applied for additional cover, the cooling-off period applies to the increased portion of insurance cover only.

Preserved' or 'restricted non-preserved' amounts cannot be refunded directly to you if you take advantage of the 28-day cooling-off period (unless you satisfy a condition of release). We will roll over or transfer these amounts to the superannuation fund, Retirement Savings Account or Approved Deposit Fund you nominate.

Insurance policy

The insurer is The Colonial Mutual Life Assurance Society Limited ABN 12 004 021 809. As at 13 February 2019, CMLA is a wholly owned but non-guaranteed subsidiary of the CBA Bank. The Bank has agreed to sell CMLA to the AIA Group, with settlement due to complete in 2019. 'CommInsure' is a registered business name of CMLA.

The information about insurance in this guide is general in nature, and the payment of a benefit is subject to the terms of the life insurance policy between the trustee and the insurer. We will not make any payment greater than the amount actually received from the insurer. If a benefit is payable by the insurer under a policy, the benefit will be paid to the trustee and then paid in accordance with preservation rules and the trust deed.

We can by agreement with the insurer vary the terms of the life insurance policy at any time. You will be notified of any variation which affects you.

The Insurance in Superannuation Voluntary Code of Practice (the Code) applies to superannuation trustees. Colonial First State Investments Limited supports the Code and its objectives and intends to adopt the Code.

The transition plan for adoption of the Code is published on the trustee's

website at:
www3.colonialfirststate.com.au/insurancecode

Code Explanatory Statement

The Insurance in Superannuation Voluntary Code of Practice (the Code) is a voluntary code of practice for superannuation trustees. The Code was produced by a cross-industry working group and sets out the superannuation industry's commitment to high standards when providing insurance to members of superannuation funds. It does this by creating standard practices particularly in relation to insurance offered on an automatic basis, insurance communications and claims processes.

Duty of disclosure

If you apply for cover, a duty of disclosure applies, as set out below:

Before a person enters into a life insurance contract in respect of their life or the life of another person, they have a duty to tell the insurer anything that they know, or could reasonably be expected to know, may affect the insurer's decision to provide the insurance and on what terms.

The person entering into the contract has this duty of disclosure until the insurance is provided.

The person who has entered into the contract has the same duty before they extend, vary or reinstate the contract.

The person entering into the contract does not need to tell the insurer anything that:

- reduces the risk of the insurance, or
- is common knowledge, or
- the insurer knows of should know as an insurer, or
- the insurer waives the duty to tell the insurer about.

If the insurance is for the life of another person and that person does not tell the insurer something that they know or could reasonably be expected to know, may affect the insurer's decision to provide the insurance and what terms, this may be treated as a failure by the person entering into the contract to comply with their duty of disclosure.

If the person entering into the contract does not tell the insurer something

In exercising the following rights, the insurer may consider whether different types of cover can constitute separate contracts of life insurance. If the insurer does, it may apply the following rights separately to each type of cover.

If the person entering into the contract does not tell the insurer anything they are required to, and the insurer would not have provided the insurance if they had been told, the insurer may avoid the contract within three years of entering into it.

If the insurer chooses not to avoid the contract, it may, at any time, reduce the amount of insurance provided. This would be worked out using a formula that takes into account the premium that would have been payable if the person entering into the contract had told the insurer everything they should have.

However, if the contract provides cover on death, the insurer may only exercise this right within three years of entering into the contract.

If the insurer chooses not to avoid the contract or reduce the amount of insurance provided, it may at any time, vary the contract in a way that places the insurer in the same position it would have been in if the person entering the contract had told the insurer everything they should have. However, this right does not apply if the contract has a surrender value or provides cover on death.

If the failure to comply with the duty of disclosure is fraudulent, the insurer may refuse to pay a claim and treat the contract as if it never existed.

Insurance definitions

Term	Definition
Australian resident	a person who: • is an Australian citizen, or • lives permanently in Australia, or • has come to Australia to live and is eligible, in accordance with any visa they would be required to have, to be able to live permanently or work in Australia.
casual employee	a person who is an employee of an employer but who is not a permanent employee.
date of disablement	means the later of: • the date you cease all work • the date on which a doctor examines you and certifies in writing that you suffer from the disability. For the activities of daily living, permanent loss and home duties definition of total and permanent disablement, the date of disablement is the latter of the above two dates. The date of disablement must occur while you are insured for TPD under this policy.
doctor	a person acceptable to the insurer, who is registered and practising as a medical practitioner in Australia, other than you, your spouse, partner, parent, child or sibling, or your business partner, associate or employee.

Term	Definition
occupation	an occupation the person can perform on a full-time or part-time basis.
permanent employee	a person who is an employee of an employer under a single and ongoing contract of employment for personal services that: • is of indefinite duration or for a fixed term of at least six months • requires the person to perform identifiable duties, and • requires the person to work a regular number of hours each week.
regularly employed	a person who is a: • permanent employee who on average had worked more than 15 hours per week over the previous six months, or • casual employee who on average had worked more than 15 hours per week over the previous 13 months, or • self-employed person who on average had worked more than 15 hours per week over the previous 13 months.
self-employed	a person who: • is neither a casual employee or a permanent employee • is working in a business or enterprise for at least 15 hours per week • has substantial power or control over the business or enterprise, and • is working for payment or reward which is generated directly due to the person's personal exertion or activities.
terminal illness	means: • two doctors have certified, jointly or separately in writing, that you suffer from an illness, or have incurred an injury, that is likely to result in your death within a period (the 'certification period') that ends not more than 24 months after the date of certification • at least one of the doctors is a specialist practicing in an area related to the illness or injury • the insurer is satisfied, on medical or other evidence, that despite reasonable medical treatment, your illness or injury is likely to result in your death within the certification period • the date of certification occurs while you are covered under this policy, and • the certification period has not ended for each of the certificates.
total and permanent disablement (TPD)	See page 57

9 Important information for employers

The following section contains important information for employers using Essential Super as their default super fund.

Who can participate?

You can only set up an account in the fund for a person for whom you have an obligation to make superannuation contributions under Superannuation Guarantee legislation.

You cannot set up an account in the fund for a person whom you do not have an obligation to make superannuation contributions. For example, you cannot set up an account for a partner (excluding an employed partner), a non-remunerated director, a sole trader or a contractor where the contract is with someone other than the person who'll actually provide the labour (eg a company or trust), unless agreed with the trustee.

How to administer your super

NetBank is the Bank's secure online portal that allows you to easily administer your super obligations from your office.

We offer a free clearing house through NetBank. It processes all your employees' super contributions in the one place. All you need to do is send us a single payment, and we'll forward the contributions to your employees' chosen super funds.

The contributions you pay for employees not in Essential Super won't be considered paid until they reach the relevant superannuation fund for the employee. Therefore, you must pay your contributions well in advance of the Superannuation Guarantee (SG) due dates and before the end of the financial year. If you don't allow enough time for this processing, your contributions may not reach the relevant superannuation fund in time and may impact:

- whether you will be considered to have complied with your SG obligations.
- in which financial year the contribution is made for the purposes of tax deductibility.
- in which financial year a contribution will count against an employee's contribution caps.

Please note that any interest earned on the bank account used for providing the clearing house service may be retained by Colonial First State.

Note: If you make a contribution to a third party super account and the payment is rejected, the payment will be put back into your bank account and you will have 10 days to get the correct payment details and resubmit the contribution. It's still up to you to meet your super guarantee obligations by the due dates.

How super works

Super is a long-term form of concessionally-taxed savings which is designed to be paid to your employees when they retire. As an employer, you are generally required to contribute a percentage of your employees' salary or wages to a superannuation fund for them. You may also agree to increase the contributions you make for an employee where they agree to forgo part of their pre-tax salary or wages in return for additional employer contributions – these contributions are known as salary sacrifice contributions.

To encourage people to save for retirement, the Federal Government provides a number of super tax concessions. These include generally applying a 15% tax rate to employer contributions, which includes salary sacrifice contributions, taxing superannuation investment earnings concessionally at a maximum rate of 15% and allowing super benefits to be paid tax free after age 60. These concessions can make superannuation one of the most tax-effective ways for your employees to save for their retirement.

How Essential Super works

Essential Super is an accumulation super fund. This means that each member has an account balance with money flowing in and out of the account.

When a contribution is made to a member's account, the contribution is used to purchase units in their chosen investment option. For example, if they make a contribution of $100 and the entry unit price for their chosen investment option is $1.00, then they will receive 100 units.

The value of the member's units may fluctuate due to the receipt of investment income and/or changes in the value of the underlying assets held in each investment option. The unit price may also be affected by other factors such as the payment of tax and other fund costs from the assets of the fund. Other costs that relate specifically to each member, such as the payment of insurance premiums or the monthly administration fee, may also be deducted from their account via the withdrawal of units. This means that their account balance can fluctuate on a daily basis depending on market movements, the costs of running the fund and any expenses that relate specifically to their account.

What you must do

You must:

- provide us with accurate employee details, including date of birth, which will be used to determine the Lifestage investment option their contributions are paid to and the level and cost of any insurance cover
- obtain and keep records of employees' details as required under industrial relations legislation and employees' Choice of Fund nominations including evidence of funds' complying status
- pay contributions well before the SG due dates (refer below for further details)
- provide your employees' TFNs (refer below for further details).

Passing on your employees' Tax File Numbers (TFNs)

When your employee completes a TFN declaration, you must pass their TFN on to us if you make contributions for them to Essential Super.

Superannuation Guarantee (SG) obligations

As an employer, you are generally required to pay SG contributions (currently 9.5%)[30] for your employees based on their ordinary time earnings (what they earn for their ordinary hours of work).

For SG purposes, employees can include people you would not generally treat as employees, including some contractors engaged principally for their labour, directors and officers, artists, musicians and sports persons.

30 SG contribution rates will gradually increase to 12%.

What are the penalties?

If you fail to make sufficient contributions on behalf of your employees, you may incur the SG charge, which is equal to:

- (currently) 9.5%[31] of the employees' salary and wages (less any eligible contributions made), plus
- 10% nominal interest, plus
- the administration charge.

The SG charge is not tax deductible, and you may also be subject to further Choice of Fund penalties and other penalties of up to 200% of the SG charge if you fail to lodge the SG statement on time. The general interest charge is also payable on late payment of the SG charge.

Also, directors of the company may become personally liable where an SG charge remains unpaid.

A breach of an industrial award or agreement may result in industrial action. Claims for compensation may also be made against you for breach of these instruments or your other contractual obligations.

How often should you contribute?

You should contribute regularly on behalf of your employees to ensure that an employee's account will cover any insurance premiums payable – otherwise your employee's insurance may lapse.

If you have withheld any amounts from your employee's earnings (eg non-concessional contributions), then those amounts must be contributed to your employee's superannuation fund within 28 days of the end of the month in which those amounts were withheld.

The SG legislation requires that you pay SG contributions at least quarterly to avoid paying the SG charge. If you fail to pay these contributions by the due date, you are required to lodge an SG statement with the Australian Taxation Office (ATO) and pay the SG charge.

Quarter due date for payment of SG

Quarter	Due date payable*
July-September	28 October
October-December	28 January
January-March	28 April
April-June	28 July

*Where the due date would fall on a weekend or public holiday, it is moved to the next business day.

Certain contributions paid after the due date for payment may be offset against the SG charge payable. However, you cannot claim a tax deduction for those contributions.

The ATO has no discretion to extend these due dates. **Please note:** Contributions paid via a clearing house such as NetBank do not count for SG purposes until they are received in your employee's superannuation account of their chosen fund.
If contributions are not received in time, they may not be tax deductible, and you will incur the SG charge. Therefore, to be sure, you should make your superannuation payments well in advance of the due dates.

To which superannuation fund must you contribute?

Some or all of your employees are entitled to exercise their own choice of superannuation fund. Changes to industrial relations legislation have extended the

31 SG contribution rates will gradually increase to 12%.

coverage of Choice of Fund, so you should check which employees are eligible to choose their own fund.

Whenever a new eligible employee starts, you must offer the employee a choice within 28 days. Thereafter, you only have to offer a new choice (within 28 days):

- to existing eligible employees if they request a form from you in writing (and they have not made such a request in the previous 12 months)
- if you become aware that you are unable to contribute to that employee's chosen fund
- if you change the default fund to which you contribute on behalf of employees who have not made a choice.

Some exceptions do exist, in particular if employees are covered by particular types of industrial agreements that deal with the issue of Choice. However, you should seek legal advice before relying on any of these exceptions – they can be complex.

Penalties may be imposed by the ATO if you fail to follow the correct Choice procedures. It is therefore essential that you keep adequate records.

If an eligible employee validly exercises their own choice of superannuation fund, you must make contributions to that fund.

If an employee does not exercise their own choice of superannuation fund, you must make contributions to a 'default fund'.

What is a default super fund?

For SG purposes, a default super fund must generally:

- be a complying superannuation fund
- offer a MySuper product
- offer certain default levels of life insurance.

Essential Super satisfies the requirements to be a default super fund for SG purposes.

Default super funds and modern awards/enterprise agreements

In addition to meeting SG default fund requirements, you must comply with any default super fund requirements that apply to any modern awards or enterprise agreements that apply to your employees. If you're unsure what modern awards or agreements (including their default fund requirements) apply to your employees, it is important to seek legal advice.

How do you offer choice?

You must give each employee entitled to choose their own fund a Choice of Fund form nominating the default fund to which contributions will be paid.

If any of your employees select their own chosen fund, then you must comply with that choice within two months. **Please note:** If any of your employees fail to select their own chosen fund, you must only contribute to a valid default fund nominated on the Choice of Fund form given to that employee. You should keep records of the Choice of Fund form provided to your employees. If you change your default fund, you must give your employees a new Choice of Fund form.

How do I add an employee?

You can add a new employee at any time via NetBank, or by calling us on **13 4074** or via any other means approved by the trustee.

Take note

Incorrect or incomplete information may adversely impact the insurance cover for your employees.

You should ensure that your employees' personal details, including date of birth, gender, residential address and email, are current and accurate before setting them up.

Cover for new employees will commence when their account receives its first deposit. New employees must receive their first deposit within 120 days of their Essential Super account being set up.

If the account is not funded within 120 days, they will not be eligible for pre-approved insurance cover, and to obtain cover they will need to apply via NetBank or by calling us. In this case, cover will only commence once the insurer has agreed to provide cover.

How do I advise that an employee has ceased employment?

You can advise us of an employee ceasing employment at any time via NetBank. The employee's account will be delinked from your business and will continue as a personal account in Essential Super.

SuperStream data and payment standards

Under the regulatory reform known as SuperStream, the Government introduced superannuation data and payment standards that will affect how you make contributions. All employers are required to make contributions in the payment and data standards.

The goal of these new standards is to introduce electronic contributions and standardise the way data is sent and received.

Automating this process will have a direct impact on the quality and timeliness of contribution payments, and should reduce the amount of lost accounts and unclaimed monies.

NetBank, including the clearing house service, has been upgraded to meet SuperStream requirements, and we can send your employees' data and payments to super funds at no cost. However, if you want to pass their contribution data to external funds directly, we've nominated eVision as an alternative provider. There will be lead time, set-up costs and ongoing costs to use the eVision service. These need to be confirmed with eVision directly by calling it on **1300 769 414**.

SuperStream terms and conditions

These Terms and Conditions summarise important information with reference to the SuperStream Data and Payment Standard (SuperStream) compliant Essential Super.

In this section, 'you' refers to an entity that has entered into an Employer Arrangement with Essential Super.

Where we say 'we' or 'us', this refers to the trustee, Colonial First State Investments Limited.

These terms and conditions are to be agreed by you (or by your delegate on your behalf) prior to the first log on to NetBank and Essential Super. Please ensure that you keep a copy of these terms and conditions for your records, or request that a copy be provided to you at any time in the future by contacting **13 4074**.

These terms and conditions are to be read alongside the NetBank operational terms and conditions, which you have agreed to as a user of NetBank previously. If you wish to obtain a copy of those terms and conditions, they can be found at **netbank.com.au** or by calling **13 2221**. You should also consider the **Essential Super Product Disclosure Statement** (PDS). The PDS is designed for individuals who want to set up a super account and for employers who want to open a super account for their employees.

Together, these documents make up our Terms of Agreement of Essential Super for business (Terms of Agreement) with you and the employees for whom you undertake transactions in Essential Super within NetBank.

Terms and conditions

1. You have read the Essential Super Product Disclosure Statement (PDS) and agree to abide by its terms.
2. You recognise an investment in Essential Super is:
   - subject to risk and possible loss
   - not a deposit or a liability of or guaranteed by the Bank or its related companies.
3. You're aware that Essential Super within NetBank provides a SuperStream compliant clearing house that meets the ATO's superannuation data and payment standards (data standards) for processing all contributions transactions by you.
4. Where you don't provide the required information for the processing of a transaction in accordance with the data standards, or don't meet our Terms of Agreement, you understand that the transaction will not be processed by us.
5. You understand that we'll aim to process all contributions you action and which are accepted by us, within three business days. Where we're unable to process a contribution for Essential Super we'll notify you within five business days of receiving the contribution. You'll then have 10 business days to respond with any information that may enable us to complete the transaction. Where we're unable to process contributions for Essential Super, we'll reject and refund the contribution amount.
6. Your Australian Business Number (ABN) is required to comply with the data standards and for us to send your employee contributions to other super funds.
7. You understand that, where we on-forward contributions to other funds for employees who have nominated their fund of choice, all processing of contributions is that fund's responsibility. Therefore, error handling or rejections are managed by the other fund. We'll contact you about these errors where we receive any notification from the other fund.
8. All refunds for rejected contributions will be returned to the bank account from which they were originally paid in NetBank. You'll be responsible for identifying returned money for any contributions that were unable to be processed.
9. If you delegate a third party to be linked to your Essential Super for business account through NetBank and to transact on your behalf, you agree that they take full responsibility in acting as your agent, and they have the duty to inform you of all communication from us. Any communication by us to your delegates will be deemed to have been received by you. You must ensure that your delegates are aware of and comply with these terms and conditions and you'll be bound by and liable for any actions that your delegates take.
10. If you're a third party with delegated power to transact on behalf of the employer, you agree that you take

full responsibility in acting as the agent of the employer, and you'll inform the employer of all communication from us.

11. You'll provide mandatory details for all employees who have nominated Choice of Fund (choice members); and be responsible for updating any default employee details (default members).
12. Where you update default member details, you understand that the member must accept these changes before they're processed.
13. We accept most types of super contributions except child contribution amounts and third party contributions.
14. When you register an employee as a default member, we'll check their TFN with the ATO. If we receive an invalid response, we'll notify you within five business days. You'll have 10 business days to action a response where appropriate.
15. You're aware that any changes you make to the details of employees who are choice members will be sent on to other super funds. However, we won't request that the other super fund updates these details. Employees who select another super fund may need to update their address or contact information directly with their chosen super fund.
16. You are generally responsible for meeting your Superannuation Guarantee payment obligations. Where your employees have arrangements with other funds, you accept responsibility to process your contributions in NetBank with adequate time for the contribution information and payment to be passed on and processed by the receiving fund. It's recommended that you leave up to 10 days prior to the end of the Superannuation Guarantee quarter (the Superannuation Guarantee payment cut-off date).

10 Other things you should know

Our privacy policy, terms and conditions, and other important information.

How is your personal information dealt with?

The privacy of your personal information is important to us.

We form part of the Commonwealth Bank Group of companies ('the Group'), a well-known financial services organisation. The Group offers a broad range of products and services.

Collecting information

'Customer information' is information about a customer.

It includes personal information such as name, age, gender and contact details, as well as your health and financial information.

How we collect it

We can collect and verify customer information in different ways, and we will advise you of the most acceptable ways to do this.

The law may require us to identify our customers. We do this by collecting and verifying information about you. We may also collect and verify information about persons who act on your behalf. Collecting and verifying information helps to protect against identity theft, money-laundering and other illegal activities. We may disclose your customer information in carrying out verification, eg we may refer to public records to verify information and documentation, or we may verify with an employer that the information you have given us is accurate.

What we collect

Depending on whether you are an individual or an organisation, the information we collect will vary. For instance, if you are an individual, the type of information we may collect and verify includes your full name, date of birth and residential address. If you are commonly known by two or more different names, you must give us full details of your other name or names.

Accuracy

You must provide us with accurate and complete information.
If you don't, you may be in breach of the law and also we may not be able to provide you with products and services that best suit your needs.

How do we use your personal information?

We collect, use and exchange your personal information so that we can:

- establish your identity and assess applications for our products and services
- price and design our products and services
- administer our products and services
- manage our relationship with you
- manage our risks and help identify and investigate illegal activity, such as fraud
- contact you, for example, if we need to tell you something important
- conduct and improve our businesses and improve the customer experience
- comply with our legal obligations and assist government and law enforcement agencies or domestic and foreign regulators, or
- identify and tell you about other products or services that we think may be of interest to you.

We may also collect, use and exchange your information in other ways where permitted by law.

Electronic communication

If we have your email or mobile phone details, we may contact you electronically, including by SMS. You may also receive communications from Colonial First State and information on the Group's products and services electronically.

Direct marketing

If you don't want to receive direct marketing from us, you can tell us by calling us on **13 4074** or sending us an email to
contactessentialsuper@cba.com.au

Gathering and combining data to get insights

Improvements in technology enable organisations, like us, to collect and use information to get a more integrated view of customers and provide better products and services.

The Group may combine customer information it has with information available from a wide variety of external sources (for example, census or Australian Bureau of Statistics data).

Group members are able to analyse the data in order to gain useful insights which can be used for any of the purposes mentioned above.

In addition, Group members may provide data insights or related reports to others; for example, to help them understand their customers better. These are based on aggregated information and do not contain any information that identifies you.

Protecting your personal information

We comply with the Australian Privacy Principles as incorporated into the Privacy Act 1988 (Cth).

The Privacy Act protects your sensitive information, such as health information. When we need to obtain this type of information, we will ask for your consent, except where otherwise permitted by law.

Who do we exchange your personal information with?

We exchange your personal information with other members of the Group, so that the Group may adopt an integrated approach to its customers. This applies also where your products and services are held through a Commonwealth Financial Planner.

Group members may use this information for any of the purposes mentioned under 'How do we use your personal information?' on the previous page.

Third parties

We may exchange your information with third parties where this is permitted by law or for any of the purposes mentioned under 'How do we use your personal information?' on the previous page.

These third parties include:

- service providers or those to whom we outsource certain functions; for example, direct marketing, statement production, debt recovery and information technology support
- your employer
- brokers and agents who refer your business to us
- any person acting on your behalf, including your financial adviser, solicitor, accountant, executor, administrator, trustee, guardian or attorney
- the insurer, to enable it to assess your insurance application and to provide and administer cover
- medical practitioners (to verify or clarify, if necessary, any health information you may provide)

- claims-related providers, such as assessors and investigators, who help us with claims
- auditors
- government and law enforcement agencies or domestic and foreign regulators, or
- entities established to help identify illegal activities and prevent fraud.

In all circumstances where our contractors and outsourced service providers become aware of customer information, confidentiality arrangements apply.

If you request us not to share your information with one of our third party suppliers, this may lead to us not being able to provide you with a product or service.

We may be required to disclose customer information by law, eg under Court Orders or Statutory Notices pursuant to taxation or social security laws or under laws relating to sanctions, money laundering or terrorism financing.

Sending information overseas

From time to time, we may send your personal information overseas, including to overseas Group members and to service providers or other third parties who operate or hold data outside Australia. Where we do this, we make sure that appropriate data handling and security arrangements are in place. **Please note** that Australian law may not apply to some of these entities.

We may also send information overseas to complete a particular transaction or where this is required by laws and regulations of Australia or another country.

For more information about which countries your information may be sent to, see the Commonwealth Bank Group Privacy Policy, available at **commbank.com.au**

Additional obligations

The Commonwealth Bank Group may be subject to laws or regulations in Australia or another country that affect your relationship with the Group (eg laws that address tax evasion).
So that we may comply with our obligations under these laws or regulations, we may:

- require you to provide information about you or your product
- if required to do so, withhold an amount from a payment to you, and if we do, we will not reimburse you for the amount withheld, and/or
- take such other action as is reasonably required, including, for example, closing your account.

Viewing your information

You can (subject to permitted exceptions) request access to your personal information by contacting us on **13 4074**.

We may charge you for providing access. For more information about our privacy and information handling practices, please refer to the Commonwealth Bank Group Privacy Policy, which is available through **commbank.com.au** or on request from any Commonwealth Bank branch.

Where you hold an account with one or more individuals, we will allow each individual access to their own personal information and to the joint information of the account, such as account balances and transaction details, but not to personal information of the other individual(s).

Making a privacy complaint

We accept that sometimes we can get things wrong. If you have a concern about your privacy, you have a right to make a complaint, and we'll do everything we can to put matters right. For further information on how to make a complaint and how we deal with your complaint, please refer to the PDS.

Related party remuneration

All the entities referred to below are subsidiaries of Commonwealth Bank of Australia (the Bank) and related bodies corporate of the responsible entity and trustee.

The Colonial Mutual Life Assurance Society Limited ABN 12 004 021 809 (CMLA), trading as CommInsure, receives insurance premiums for the insurance benefits it provides. As at 13 February 2019, CMLA is a wholly owned but non-guaranteed subsidiary of the CBA Bank. The Bank has agreed to sell CMLA to the AIA Group, with settlement due to complete in 2019. 'CommInsure' is a registered business name of CMLA.

Colonial First State Investments Limited ABN 98 002 348 352 (Colonial First State) is the responsible entity for most of the investment options. Colonial First State receives and retains fees in connection with those investment options, as disclosed in this document and the relevant disclosure document. The Bank may charge annual maintenance levies to us as an issuer of underlying investments. These are not additional charges to you. The only fees payable in respect of those investment options are the charges disclosed in the relevant disclosure documents.

Colonial First State may appoint different investment managers to manage the investment options. Some of these investment managers may be related parties of Colonial First State and can include Colonial First State Asset Management (Australia) Limited ABN 89 114 194 311 AFS Licence 289017 (Colonial First State Global Asset Management) and Realindex Investments Pty Limited ABN 24 133 312 017 AFS Licence 335381.

The Bank ABN 48 123 123 124 AFS Licence 234945 may provide products that are available through Essential Super. The Bank receives and retains fees in connection with these products.

Your adviser may belong to a related party of the Bank, responsible entity or trustee, such as Commonwealth Financial Planning ABN 65 003 900 169 AFS Licence 231139, Financial Wisdom ABN 70 006 646 108 AFS Licence 231138 or Count Financial Limited ABN 19 001 974 625 AFS Licence 227232. Details of these relationships should be disclosed by your adviser in documents such as the Financial Services Guide which your adviser must give you. SuperTrace Eligible Rollover Fund (SuperTrace) ABN 73 703 878 235 is the nominated eligible rollover fund of Essential Super. SuperTrace receives and retains fees in connection with those services.

For more information on related party transactions, refer to 'Managing conflicts of interest' on page 74.

Managing conflicts of interest

Colonial First State is a subsidiary of the Bank.

All related party transactions are conducted on arm's length terms. Accordingly, Colonial First State believes that related parties are receiving reasonable remuneration. Any conflict of interest or potential conflict of interest is managed in accordance with the Bank's Conflicts of Interest Policy.

Colonial First State is the trustee and makes its investment decisions in accordance with its systems and processes separately from other members of the Bank. The available investments may include securities or other financial products issued by members of the Bank. As a result, the Bank's activities may have an effect on the investments.

Colonial First State makes no representation as to the future performance of any underlying investments held in Essential Super, including those issued by members of the Bank.

Colonial First State, other members of the Bank and their directors and employees may hold, buy or sell shares or other financial products included in the options in Essential Super. Members of the Bank may have business relationships (including joint ventures) with related parties or any of the entities included in Essential Super. In addition, members of the Bank may from time to time advise Colonial First State in relation to activities unconnected with Essential Super.

Such relationships and advisory roles may include acting as general financial adviser in respect of, without limitation, corporate advice, financing, funds management, property and other services.

The directors and employees of Colonial First State and other members of the Bank may hold directorships in the companies held by the options included in Essential Super. Any confidential information received by the Bank and its directors and employees as a result of the business relationships, advisory roles and directorships discussed above will not be made available to Colonial First State.

Interests of the directors of the trustee

Executive directors may receive remuneration as employees of the Bank or one of its related entities. Non-executive directors are also remunerated for their services. From time to time, directors may hold interests in shares or other securities issued by the Bank or hold investments in one or more of the funds offered by Colonial First State. This Reference guide and it's corresponding PDS has been authorised under delegation by our directors.

Policy committees

If your employer set up your Essential Super account on your behalf and you are receiving SG contributions from that employer, you may want to consider establishing a policy committee.

A policy committee provides a way for employees to enquire about their super fund and for Colonial First State to provide feedback. The policy committee may consider:

- the investment strategy and performance of the fund
- the operation of the fund
- employees' information requirements
- enquiries and complaints.

Does your workplace need a policy committee?

The Superannuation Industry (Supervision) Act 1993 (SIS) requires Colonial First State to take all reasonable steps to ensure that a policy committee is established if:

- the employer's super plan consists of 50 or more employees, or
- the plan has between five and 49 employees and a written request is received from at least five employees. Such requests should be forwarded to **contactessentialsuper@cba.com.au**

A policy committee must consist of an equal number of employee and employer representatives.

Employee representative
An employee representative under SIS is nominated by:

- the employees of the plan, or
- a trade union, or other organisation, representing the interests of those employees of the plan.

Employer representative
An employer representative under SIS is nominated by:

- the employer or employers of the employees in the plan, or
- an organisation representing the interests of the employer or those employers.

For further information, contact us on **13 4074**.

Anti-Money Laundering and Counter-Terrorism Financing laws

We are required to comply with these laws, including the need to establish your identity (and, if relevant, the identity of other persons associated with your account). Instructions for completing the identification process are included with the application forms.

Additionally, from time to time, we may require additional information to assist with this process. We may be required to report information about you to the relevant authorities. We may not be able to tell you when this occurs. We may not be able to transact with you or other persons. This may include delaying, blocking, freezing or refusing to process a transaction or ceasing to provide you with a product or service. This may impact on your investment and could result in a loss of income and principal invested.

Terms and conditions

The NetBank terms and conditions will apply when you open an account with us. You can find them online at **commbank.com.au/netbank**

When you give us instructions by phone or electronically or when you access NetBank, the following terms and conditions will also apply.

It's important you read them carefully before you give us instructions, so you understand how they will affect your transactions.

Limitation of liability

- All other representations and warranties relating to these services are excluded except for any term that is implied by law, which is included in these terms and conditions. If we breach a term, we're only responsible for resupplying the service or paying the reasonable cost of having the service provided again, unless we're negligent or fraudulent. However, our responsibility may be lessened if you were also partly responsible for the loss.
- We're not responsible for any money you lose when you send information electronically, by phone or NetBank.
- You agree that we won't be responsible for any loss if we can't transact with you or other people for legal or other reasons at our discretion. This may include delaying, blocking, freezing or refusing to process a transaction, or no longer providing you with a product or service.
- You agree to use these services in line with the terms and conditions and your other legal obligations.
- You agree that we are not responsible for liabilities, claims, losses or costs that happen if we act on any communication we get from you or someone using your client number and password, that we get by phone or electronically or on NetBank about your account or investments.

Using phone and electronic communications

Security of phone and electronic requests

- We have systems to reduce the risk of fraud. However, if someone impersonating you contacts us and changes your account details or makes a withdrawal, we may argue that we're not liable for your losses, as we acted on instructions that you seemed to authorise.
- All our customers can communicate with us by phone and electronically. If you don't want us to accept any future instructions over the phone or electronically, let us know by sending us an original signed request.
- After we've received your request, we'll block access to your account for phone and electronic instructions by the second business day. Until then, these terms and conditions for phone, and electronic communications will still apply to your account.

Information received by phone or electronically

- If we receive information over the phone or electronically that doesn't match details we have for your account, we won't go ahead with the request.
- We won't process a request if the instructions we receive are incomplete or illegible or appear to contain errors.
- We can change or cancel these terms for phone and electronic communications as long as we tell you in writing 14 days before we change them.
- Apart from these terms and conditions, we may occasionally have other conditions for receiving instructions. We'll let you know if they affect you or your request.
- If you don't accept changes to these terms, you can stop instructing us by phone or electronically by providing us with an original signed request.

Call us on 13 4074

Email us on contactessentialsuper@cba.com.au

Visit commbank.com.au/super

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