# How Child Care Super Works Guide

**Preparation date: 1 July 2025**

## Contents



The important information in this document forms part of the *Child Care Super Product Disclosure Statement* dated 1 July 2025. It provides more detail to help you understand and get the most from your Child Care Super membership.

## Inside this Guide

**This Guide provides additional information about Child Care Super that may help you make decisions both before and after you join Child Care Super.**

For example, it can help you decide:

- whether Child Care Super's benefits make it the right super product for you
- whether to make additional contributions to your account, and
- how and when you can access your super savings.

It also provides important information about how Child Care Super operates and other benefits and services available to you. This information is subject to change, so you should read the latest version before making any decisions.

### Important information

The information in this document forms part of the *Child Care Super Product Disclosure Statement* (PDS) dated 1 July 2025. The *PDS, Insurance Guide* and *Target Market Determination* can be found at www.childcaresuper.com.au or by contacting us on 1800 060 215.

The information in this document is general information only and does not take account of your personal financial objectives, situation or needs. You should obtain financial advice that is tailored to your personal circumstances before making a decision about this product.

The information in the *PDS*, this document and the *Insurance Guide* is up-to-date at the date of preparation, however it is subject to change from time to time. If a change is made to information that is not materially adverse, this document may not be updated. Updated information will be published at www.childcaresuper.com.au. You may request a free paper copy or electronic copy of any updated information by calling us on 1800 060 215.

This document is issued by Equity Trustees Superannuation Limited (ABN 50 055 641 757 ; AFSL  229757; RSE Licence No. L0001458) as Trustee of Guild Retirement Fund (ABN 22 599 554 834) ('the Fund'). References to 'we', 'us' and 'our' in this document are references to the Trustee. Child Care Super is a product in the Fund.

The Promoter for the product is Guild Super Services Pty Ltd (ABN 79 672 642 394; AFS Representative No. 001306706) ('the Promoter'), which is a Corporate Authorised Representative of Future Group Financial Services Pty Ltd  (ABN 90 167 800 580; AFSL 482684)

Neither the Trustee, nor any of its related entities, guarantees your investment in the product. The Trustee does not in any way endorse, warrant or accept responsibility for any services to members or prospective members provided by or on behalf of Promoter in its own right.

# 1. How super works

Superannuation (super) is a powerful tool to help you save for your retirement, but aspects of the super system can be complex. That's why it's important that you are empowered to take action to get the best out of your super for your future.

## Contributing to super

### It's your choice

Most people can choose the super fund to which their employer contributes, called having a 'Choice of Fund'. Check with your employer if you are eligible. If you haven't exercised Choice of Fund in the past, you may have multiple super accounts across different super funds from different employers.

To stop the creation of multiple super accounts the Government introduced a system whereby your existing super fund is 'stapled' to you when you change jobs, unless you take action to make a change. Your new employer obtains information about your stapled super fund from the ATO. If you have never had a super account before you will need to choose a fund, or your employer will create an account for you with their default super fund.

It's important you take an interest in your super and help it grow into a healthy retirement nest egg. More general information on choice and stapling is available from the **ATO's website**.

### Boost your balance

Child Care Super is committed to helping you live the best possible lifestyle in retirement – and that means helping you save the money you need. A quick and easy way to increase your super savings is for you to make regular additional contributions.

Even small amounts paid regularly can build up to make a huge difference over time. While it is good to start early, it's never too late to start contributing and give your super a helping hand.

Contributions can be made into your account either by you, your spouse, or your employer. As super receives tax breaks, the Government limits contributions that can be made to super without incurring extra tax – these limits are referred to as 'contribution caps'. Different limits apply depending on whether the contributions are classified as concessional or non-concessional contributions.

All types of contributions can be accepted from you or on your behalf if you are under 75 years of age.

For members aged 75 or older, only compulsory employer contributions, or downsizer contributions, can be accepted for or on your behalf. Other forms of personal contributions, including spouse contributions, cannot be made by you or on your behalf.

## Types of contributions

Providing you meet the age-related requirements set out above and any other applicable eligibility rules, the types of contributions that can be made to your super (accumulation) account include:

- Contributions from your employer (including compulsory and other employer contributions);
- Your own contributions (including contributions under the Government's First Home Super Saver (FHSS) Scheme and, from age 55, downsizer contributions);
- Contributions from your spouse; and
- Contributions from the Government.

### Superannuation Guarantee contributions

Most Australian employers are required by Government legislation to make super contributions for their employees – called Superannuation Guarantee (SG) contributions. SG contributions are a prescribed percentage of an eligible employee's Ordinary Time Earnings (subject to a maximum dollar limit). For the 2025/26 financial year the prescribed percentage is 12%. Ordinary time earnings are generally what you earn for ordinary hours of work, including over-award payments, commissions, allowances, bonuses, and paid leave.

Some awards, enterprise agreements and other registered employment agreements have extra terms about super. These terms apply on top of the SG legislation.

SG contributions are currently required to be paid by an employer to an eligible employee's super fund at least quarterly, however this timing may change in the future.

SG contributions and any other compulsory employer contributions are concessional contributions and are subject to concessional contribution limits (refer to the *How super is taxed* section of this document for information about these limits). For more general information about SG contributions including the circumstances in which they are payable, visit the **ATO's website**.

### Salary sacrifice contributions

Salary sacrifice is an arrangement with your employer to have some of your before-tax salary or wages paid into your super fund instead of to you (that is, reducing your take home pay). This is a voluntary arrangement between an employer and an employee.

Salary sacrifice contributions (like other employer contributions) are concessional contributions subject to concessional contribution limits (refer to the *How super is taxed* section of this document for information about these limits). For more general information about salary sacrifice contributions, visit the **ATO's website**.

**IMPORTANT: Salary sacrifice contributions may be regarded as Reportable Employer Superannuation Contributions. Reportable Employer Superannuation Contributions are contributions over which the member has some influence and count as income when assessing a person's eligibility for a number of Government benefits, including welfare benefits. For more information about Reportable Employer Superannuation Contributions, visit the ATO's website.**

## Personal contributions

You can make personal contributions to your super account from your after-tax salary (that is, your take-home pay). We can only accept personal contributions from you if we hold your Tax File Number.

Personal contributions are non-concessional contributions and are subject to non-concessional contribution limits (refer to the *How super is taxed* section of this document for more information about these limits) unless you validly claim a tax deduction in relation to the contributions. For more general information about personal contributions, visit the **ATO's website**.

### Claiming a tax deduction for personal super contributions

You may be able to claim a tax deduction for personal super contributions that you make to your super fund from your after-tax income.

If you wish to claim a tax deduction, you must meet the eligibility criteria and complete the required ATO notice form in your member online account.

This notice must be submitted within the required timeframe and acknowledged by us to be effective. Contact 1800 060 215 and we'll take you through what is required.

For information about eligibility and further general information about claiming a tax deduction for personal super contributions go to the **ATO's website**.

## Spouse contributions

Your spouse can make contributions into your super account from their after-tax salary to help you to top up your retirement savings.

To be eligible to receive contributions from your spouse, you must be under age 75, and you and your spouse must both be Australian residents for tax purposes and must be married or living together on a genuine domestic basis.

Spouse contributions are non-concessional contributions and count towards the receiving spouse's non-concessional contribution limit – not the spouse making the contribution (refer to the *How super is taxed* section of this document for more information about these limits). For more general information about spouse contributions, visit the **ATO's website**.

What are the benefits?

- The contributor may receive a tax offset for contributions for a low income or non-working spouse
- The super balance of a spouse who has little or no super will be boosted and your retirement savings as a couple will be increased, and
- You and your spouse may benefit from the lower rate of tax applicable on investment earnings within super compared to wealth accumulation outside super.

## Downsizer contributions

If you are aged 55 and over (there is no maximum age limit) and meet the eligibility requirements, you can make a one-off non-concessional contribution of up to $300,000 from the proceeds from the sale of a principal residence in Australia, held for at least 10 years by you or your spouse, into your super account. This measure only applies where the contract of sale was exchanged after 1 July 2018, and does not include caravans, houseboats or other mobile homes.

A downsizer contribution can only be made from the sale of one home. Once the house is sold and the downsizer contribution has been made, there is no requirement to purchase another home to prove that you are downsizing. Other conditions apply.

If you wish to make a downsizer contribution, please complete the ***Downsizer contribution into superannuation*** form available from the **ATO's website** and provide it to us either before or at the time of making the contribution. The downsizer contribution must be made within 90 days of receiving the proceeds of sale (which is usually the date of settlement).

A downsizer contribution does not count towards either of your contribution caps and can be made regardless of the size of your Total Superannuation Balance (across all super funds you participate in). However, a downsizer contribution will count towards your transfer balance cap, which applies when you move your super into retirement phase and will be taken into consideration when determining eligibility for the Age Pension. For more general information about downsizer contributions visit the **ATO's website**.

## COVID-19 re-contribution

If you withdrew money from your super fund through the COVID-19 early release of super program, you may be eligible to rebuild your super by making personal super contributions of the same amount that was paid to you under the COVID-19 early release scheme, without exceeding your non-concessional contributions cap. These contributions can be classified as 'COVID-19 re-contributions'.

If you have decided to re-contribute the super that you took out as part of the COVID-19 early release scheme and you are close to going over your non-concessional contributions cap for the financial year, you may choose to complete and lodge a *Notice of re-contribution of COVID-19 Early Release amounts* available from the **ATO's website**. You will be ineligible to claim a personal super deduction for any amounts you choose to have treated as a COVID-19 re-contribution.

If you are not going to go over your cap for a financial year by making your re-contribution, it is not necessary for you to complete the notice, but the amount will count towards your non-concessional contributions cap. You should consider seeking professional tax advice on whether this is the right decision for you.

The re-contribution will count towards your transfer balance cap, which applies when you move your super into retirement phase. It will also count towards your Total Superannuation Balance when it is recalculated to include all your contributions on 30 June at the end of the financial year.

You are permitted to make these re-contributions up to 30 June 2030. You do not need to re-contribute to the same fund that you received the payment from. For more general information about COVID-19 re-contributions, visit the **ATO's website**.

### Government co-contribution

The Government co-contribution is a contribution made by the Government to your super account to recognise the non-concessional (after-tax) contributions you have made to your account during the financial year.

To qualify for the Government co-contribution, you must meet certain criteria including (in summary):

- Make a personal non-concessional (after-tax) contribution to your super account by 30 June and not claim a tax deduction for it. (The contribution must not exceed the non-concessional (after-tax) contributions cap - see the *How super is taxed* section of this document for more information.)
- Have total assessable income (meaning income plus reported fringe benefits plus SG contributions) between applicable income thresholds for the financial year ($47,488 and $62,488 for the 2025/26 financial year).
- Receive at least 10% of your assessable income from employment or self-employment activities.
- Be less than 71 years of age at the end of the financial year in which your personal non-concessional contributions are made.
- Not have been a temporary resident of Australia for any part of the financial year (unless you are a New Zealand citizen, or it was a prescribed visa).
- Lodge an income tax return with the ATO for the financial year.
- Have a Total Superannuation Balance (across all super funds you participate in) of less than the General Transfer Balance Cap, on 30 June of the year before the financial year in which the personal non-concessional contributions are made.

As long as the ATO is satisfied that the relevant criteria (as applicable to a financial year) have been met, the ATO will determine the amount of the co-contribution for you and pay it directly into your super account (usually, but not always, the fund to which you made the personal super contributions). The maximum amount that you can receive as a co-contribution is $500 per financial year (the amount you receive depends on your assessable income). The co-contribution will not be subject to contribution tax, nor will it count against the contribution caps.

**IMPORTANT: The amount of the co-contribution and the co-contribution income thresholds are subject to change. For the amount of co-contributions and income thresholds applicable from year to year, full eligibility criteria and other information about the Government co-contribution, go to ATO's website.**

**IMPORTANT: For further information about contribution caps, and other rules related to the taxation of contributions (including the General Transfer Balance Cap), refer to the *How super is taxed* section of this document. For further general information about the types of contributions that can be made to superannuation go to www.moneysmart.gov.au or www.ato.gov.au.**

### First home super saver (FHSS) scheme

First home buyers can make voluntary personal contributions or arrange employer (salary sacrifice) contributions of up to $15,000 per financial year, and up to $50,000, in total per person for the purposes of saving for a home deposit through the Government's FHSS Scheme. Contributions made as part of participating in the FHSS Scheme will still count towards the relevant contribution cap (for more information, see the information below about withdrawing FHSS amounts and the *How super is taxed* section of this document). For more general information about the FHSS Scheme visit the **ATO's website**.

## Making contributions

Contributions can only be made by or on your behalf to an accumulation account. See How to open an account in the Child Care Super PDS for more information. If we receive a contribution for a person that has not been accepted as a member, monies may be returned. Contributions may be made to your account in the following ways:

- **Via your employer** - Employers are required to make SG or any other compulsory contributions through a 'Superstream' compliant mechanism. Employers have access to a clearing house (issued by another financial services entity) through which employer contributions can be made. It is up to your employer to determine which SuperStream compliant system they will use. **NOTE**: The Trustee does not in any way endorse, warrant or accept responsibility for any services provided by the clearing house.
- **Voluntary contributions** - Voluntary or personal contributions can be made at any time and there is no minimum contribution required, although there are maximum caps which can have tax implications if exceeded (for more information see the *How super is taxed* section of this document). Voluntary contributions can be made:
  - **By BPAY®** – Members will receive BPAY payment details when they join Child Care Super.
  - **By Direct Debit** – You can set this up in your member online account.
  - **Via SUPERSUPER™** – you can access the SUPERSUPER™ program via your Child Care Super online account. While it is accessible via your online account it is important to note that this program is provided by a third party, not the Trustee. The Promoter provides this rewards program at no additional cost to the members or the Fund. SUPERSUPER™ contributions are personal contributions.

® Registered to BPAY Pty Ltd ABN 69 079 137 518

**IMPORTANT: We cannot accept personal contributions from you or on your behalf (other than employer contributions), if we do not hold your Tax File Number or age-related requirements are not satisfied. Contributions made in contravention of contribution rules in superannuation legislation must usually be rejected or refunded within 30 days of receipt. A refund may be adjusted for any permissible investment fluctuations, reasonable administration and transaction costs and insurance fees for cover provided prior to the refund. For more information, see the *How super is taxed* section of this document.**

## Contribution splitting

Concessional contributions including SG contributions, salary sacrifice contributions and personal contributions for which a tax deduction has been claimed, can be split with your eligible spouse (including a de-facto spouse of the same or opposite sex). It is not possible to split non-concessional contributions. To arrange to split your super contributions with your spouse, you can download the *Contribution splitting* form from **www.childcaresuper.com.au** and ensure that you have your spouse's super account details handy.

Generally, only contributions made in the financial year prior to the financial year in which the contributions splitting application is lodged, can be split. The exception is if you are closing your account with Child Care Super. In this case you can apply to split contributions made in the current financial year (provided the application is made before your account is closed).

Only 85% of the eligible concessional contributions made to your account in the financial year that you nominate for the contributions split, may be split with your spouse. This is because 15% of concessional contributions are ordinarily deducted for tax, when the contributions are received. We may make whatever adjustments we consider appropriate to the splitable amount for any tax liabilities.

Split contributions are treated like rollovers, and do not count towards the non-concessional (after-tax) contributions cap of the person receiving the split contribution. However, the contributor cannot split more than the concessional (before-tax) contributions cap applicable to them.

We keep records of the amount of contributions which you are eligible to split with your spouse for a given financial year and can provide these details to you on request.

In order for an application to split contributions to be eligible:

- The contributing spouse and the receiving spouse must be married or in an eligible de-facto relationship;
- The receiving spouse must have agreed to receiving split contributions from the contributing spouse;
- The receiving spouse must be either aged less than their preservation age or aged between their preservation age and age 65 and not permanently retired;
- The eligible contributions must have been made during the previous financial year (unless an exception applies); and
- The transferring spouse must not have already made an application to split contributions in respect of the same financial year.

If an application to split contributions is accepted by us, the contributions will be split by being paid to the super account of the receiving spouse within 90 days of us receiving your application.

Split contributions are preserved until the receiving spouse turns 65, permanently retires on or after age 60 or meets some other condition of release.

For more general information about contributions splitting, see the **ATO's website**.

## Rollovers or transfer into your super account

You are generally able (some exceptions do apply) to rollover or transfer accounts you have with other super funds to your Child Care Super account. This is called 'consolidating your super accounts'.

You may be able to combine your super into your Child Care Super account online through your member online account. If you have a MyGov account linked to the ATO, you can rollover your super online. Alternatively, you can download a paper rollover form from **www.childcaresuper.com.au**.

Special rules apply to rolling over money from an SMSF. Refer to the **ATO's website** for information on rolling over using SuperStream.

**IMPORTANT: Before closing any other superannuation account that you may have, you should consider what fees and costs you may incur, what benefits you may lose or any other significant implications of closing your account (for example, loss of insurance cover). For advice that takes into account your financial situation, needs or objectives, we recommend you contact a financial adviser.**

## Other amounts that can be paid into Super

There are other amounts that may be paid into your super account, such as certain disablement amounts on settlement of a disability claim (outside of super), proceeds from the sale of a small business, and super sourced from a foreign super fund. Special rules apply to these amounts. If you are going to receive any of these amounts or are considering contributing them into super, we recommend you consult a financial adviser. Go to the **ATO's website** for more information.

## Payments from super

### Restrictions on when you may access your benefits

Super is a long-term investment. The Government has placed restrictions on when you can access your benefits. In general, your benefits are preserved and cannot be paid to you until:

- You are age 60 and have permanently retired[1] from the workforce;
- You reach your preservation age and begin a transition to retirement (TTR) income stream (restrictions apply);
- You cease an employment arrangement on or after reaching age 60[2].
- You have reached age 65 (whether or not you have retired); or
- You have satisfied another 'condition of release' (see below).

Your 'super benefit' is the sum of all contributions and rollovers that have been made into your account, plus positive investment earnings, less negative investment earnings and any fees and costs (including insurance fees), government taxes and withdrawals that have been made from your account.

1. *Permanently retired is defined as a genuine intention to never work in paid full time or part time employment again (where part time means working at least 10 hours per week).*
2. *If you are aged 60 or over and cease one employment arrangement but start or continue in another employment arrangement, you may withdraw all of your super accumulated up to the date your original employment arrangement ceased. Any super accrued after that date in connection with any other employment arrangement will be preserved and cannot be withdrawn until a condition of release is met.*

From 1 July 1999, all contributions made by or for a member, and all investment earnings, have been subject to the preservation rule. This means your super benefit cannot be withdrawn from the super system unless you satisfy a condition of release that gives you access to some or all of the benefit. Contributions made by or for a member prior to 1 July 1999 may be defined as 'restricted non-preserved benefits' or 'unrestricted non-preserved benefits'. In certain circumstances you may be able to withdraw these benefits earlier. For example, when you change jobs, you may be able to withdraw any restricted non-preserved benefits you may have.

The amount of your preserved, restricted non-preserved and unrestricted non-preserved benefits that make up your accumulation account will be identified on your Child Care Super Annual Member Statement. For further general information about preservation rules go to **www.moneysmart.gov.au** or **ATO's website**.

You can only make a partial cash withdrawal or partial rollover to another super fund if at least $6,000 remains in your account.

### Taking your super as an income while you are working

If you have reached your preservation age and are eligible, you can start a Transition to Retirement (TTR) account to access part of your super while you are still working. This gives you access to an additional income stream (pension) with the flexibility to reduce the hours that you work.

There are some conditions that apply. You should read the GuildPension PDS and applicable Target Market Determination before deciding to start a TTR account. You should also consider obtaining personal financial advice.

To access the GuildPension PDS visit **www.childcaresuper.com.au**.

### Preservation age

The preservation age is set by the Government and determines when you can access the preserved component of your super. If you are born on or after 1 July 1964, your preservation age is 60. Note: Anyone born before this date has already reached their preservation age.

Until your preservation age is reached, in most circumstances, you are unable to withdraw your super benefit even if you cease to be in the employment of your employer.

### Other conditions of release

The other circumstances in which some or all of your super benefit may be released to you (regardless of your age), if you are an Australian citizen, New Zealand citizen or permanent resident, are:

- You are temporarily or permanently incapacitated (conditions apply);
- You die;
- You suffer a terminal medical condition (as defined in super legislation);
- You experience severe financial hardship;
- Under compassionate grounds (if approved by the relevant government body)[3];
- The amount in your account is less than $200;
- You are participating in the FHSS Scheme (for more information on FHSS Scheme payments, see below); or
- Any other circumstances allowed by law, for example, on presentation of an ATO Release Authority.

If you are a temporary resident, the circumstances in which your benefit may be released to you are more limited (e.g., death, permanent incapacity). You may also access your benefit if your visa has expired or been cancelled, and you have permanently departed Australia. For more information on Departing Australia Superannuation Payments (DASP), see below.

### Portability within Australia

While accessing your super benefit in cash is subject to restrictions, your benefit may be transferred to another complying super product within Australia at any time.

Under portability arrangements, you can generally rollover or transfer part or all of your super accounts into another fund of your choice. The portability rules allow us to refuse a portability request in some circumstances; for example, where an amount of less than $6,000 will be left in your accumulation account after the transfer. The time period for processing transfer requests is usually 3 business days from the date of receiving the request and all the relevant information required to effect the transfer, however a longer processing time may sometimes occur.

If you request to transfer the balance of your accumulation account to another fund, we must be satisfied that you have received or know that you can request all the information you reasonably need to understand the impact that actioning your request may have on your benefits. For example, any insurance cover you hold will cease if you close your accumulation account with us. If you require any further information prior to making a portability request, contact us on 1800 060 215 or via email at **info@childcaresuper.com.au**.

### Departing Australia superannuation payment

If you have worked and earned super in Australia as a temporary resident and you have permanently left the country, you may be eligible to claim the super benefit you have accumulated while working here, less any tax. The payment is called a Departing Australia Superannuation Payment (DASP).

A DASP can be claimed if:

- You visit Australia on an eligible temporary resident visa; and
- Your visa ceases to be in effect (it has expired or been cancelled); and
- You have permanently left Australia.

To apply for a DASP, visit the **ATO's website**.

If you are a temporary resident and you permanently leave Australia, you have six months to claim your super benefit. If you do not claim it within this timeframe, it will be transferred to the ATO as unclaimed money. If that happens, you will need to contact the ATO to claim it. For more information, visit the **ATO's website**.

### FHSS scheme payments

If you have made voluntary contributions to your super account since 1 July 2017 and wish to access these contributions (and associated earnings) under the Government's FHSS Scheme, you will need to apply to the ATO, who manages and administers the

3. *Compassionate grounds are limited to specific situations including where you need money to pay for medical treatment, transport, accommodating a disability and/or palliative care for you or your dependant; making a payment on a home loan or council rates so you don't lose your home; and expenses associated with the death, funeral or burial of your dependant. For more information, visit the **ATO's website**.*

FHSS Scheme, to have these funds released from your account for use for a first home deposit. The application process is done through your myGov account. Voluntary contributions for the purpose of the FHSS Scheme are limited to salary sacrifice contributions and personal (after-tax) contributions. Personal contributions that have been claimed as a tax deduction are also considered to be voluntary contributions available for release under the FHSS Scheme. SG contributions made by your employer and spouse contributions cannot be released under the FHSS Scheme.

To qualify, you must be 18 years of age or over, intending to purchase a residential home or land to build a home on, never owned property in Australia, and not previously made a FHSS release request under the FHSS Scheme. Other conditions apply.

The amount you can access under the FHSS Scheme is limited to $15,000 of your voluntary contributions from any one financial year, up to a total of $50,000 across multiple years (plus associated earnings). The ATO will determine how much you can withdraw and the tax payable on the withdrawal and will let us know if your application has been approved. We will then arrange to release the money from your super account in line with the ATO's instructions within a reasonable processing time. Amounts withdrawn under the FHSS Scheme will be subject to tax at your marginal tax rate, less a 30% tax offset.

Once you have accessed your super through the FHSS Scheme, you must use it to purchase or construct a home within a specified period. Other complex rules apply. If you don't comply with the rules, you may have to transfer the funds back into super or pay tax equal to 20% of the amount released.

For more general information about the FHSS Scheme visit the **ATO's website**.

### Payments on death

Generally, benefits must be paid to one or more of your dependants or your legal personal representative if you die. You can make a nomination in relation to the payment of any death benefits. See the *Benefits of investing* section of this document for further information on nominating a beneficiary.

### General benefit payment requirements

When any benefit is paid from your accumulation account, it will be broken down into tax-free and taxable components. For more information, see *the How super is taxed* section of this document.

In exceptional circumstances, the Trustee may alter (including by suspending or deferring) benefit payment or transfer processes or timeframes, where it considers necessary or appropriate. For example, this may occur in the case of investments that become illiquid or impaired temporarily or permanently.

The Government's Anti-Money Laundering and Counter-Terrorism Financing legislation (AML/CTF legislation) requires you (or your beneficiaries in the event of your death) to provide proof of identity prior to being able to access your super benefits (including when you wish to access your benefits via a pension account). It's often called the 'customer identification and verification' requirements. If you or your beneficiaries do not comply there may be consequences, for example, a delay in the payment of benefits.

> IMPORTANT: The payment of super benefits is subject to the provision of satisfactory proof of identity by you or (where applicable) your beneficiaries, as determined for the Fund. Note: Temporary residents should note that you are generally required to provide certified documents to verify your identity as part of your DASP application. It's much easier to have documents certified in Australia, so we recommend you do this before you leave. For more information, contact us on 1800 060 215.

### Splitting of super benefits upon relationship breakdown

In the event of a marriage breakdown, your super benefit may be split between you and your ex-spouse (including a de-facto spouse) under Family Law legislation. This can be done under a superannuation agreement or a Family Court order. A 'flag' can also be imposed on your super benefit. This will preclude you from cashing, transferring or rolling over benefits in your account while it is in place. A flag can be removed by agreement with your ex-spouse or by an order from the Family Court.

Splitting of benefits may result in your ex-spouse being entitled to all or part of your super benefits and the transfer of their entitlements to a new account in the Fund or an account with another super fund over which you will not have any rights or be able to make decisions. Where an eligible person informs us that they need information to properly negotiate a superannuation agreement or to assist in connection with Family Law rules, we may be required to provide the information and cannot tell you about the enquiry.

In addition, 'Visibility of Superannuation' laws allow a party to a permitted Family Law proceeding to request super information through the Federal Circuit and Family Court of Australia (FCFCoA) or Family Court of Western Australia (FCWA). The ATO must disclose information that it holds in relation to a person's super benefits to the Courts, who then provide the information to all parties in a proceeding. You or your legal representative can apply directly to the Courts for visibility of super information of a current or former spouse/de facto partner. To be eligible to make an application. you must be in a permitted Family Law proceeding in either of the Courts.

For more general information on super and relationship breakdowns, see the **ATO's website**.

> IMPORTANT: These laws are complex, and members and their ex-spouses should each seek independent legal advice in the event of a marriage or other relationship breakdown.

## Unclaimed monies and lost super

In certain circumstances prescribed under super legislation, super benefits must be treated as unclaimed or lost money and reported and paid to the Australian Taxation Office (ATO).

If super benefits are transferred to the ATO, they will not attract interest, nor will the unclaimed amount retain any associated insurance cover.

Unclaimed or lost monies can be claimed directly from the ATO including through your myGov account (if linked to the ATO).

A summary of the circumstances in which super benefits must be transferred to the ATO is set out below. For more general information on unclaimed and lost monies, visit the **ATO's website**.

### Low balance inactive members

You are considered to be 'low balance inactive' if, in respect of your accumulation account:

- The balance is less than $6,000; and
- You don't hold insurance cover through your account; and
- We have not received, for 16 consecutive months, a contribution or rollover into your account; and
- During the same time period, you did not update or make a new binding death benefit nomination or make changes to your insurance cover or take other steps indicating your account is active.

In respect of account balances we are required to pay to the ATO under this measure (twice yearly), the ATO has 28 days after receiving your super benefit to reunite you with your money via an active super account in your name (meaning an account that has received a contribution or rollover from you or on your behalf during the current or previous financial year), so long as the active account will hold a balance of greater than $6,000 following the reunification. Without an active super account in your name, the ATO may retain your balance as ATO-held super until you claim it directly from the ATO. You can claim ATO-held super via your myGov account.

To prevent your account balance being transferred to the ATO due to being low balance inactive, ensure that you or your employer are making regular contributions to your account or notify us (in writing) declaring you're not a member with an inactive low-balance account (the written notice is valid for 16 months).

### Inactive members aged 65 or more

If you are 65 years of age or more, you are considered to be inactive if, in respect of your accumulation account:

- We have not received any contributions or rollovers from you or on your behalf in the last two years; and
- It has been five years or more since you last contacted us; and
- We are unable to make contact with you.

### Lost, uncontactable member

You are considered to be 'lost uncontactable' if, in respect of your accumulation account:

- We've been unable to contact you by mail or email at the address(es) we hold for you; and
- You haven't been in contact with us, or accessed your super account via the member online account facility, in the last 12 months; and
- We have not received a contribution or rollover into your account in the last 12 months.

### Other reasons

Benefits for the following people may also be transferred to the ATO:

- Former temporary resident members who have departed Australia without claiming their super benefits within 6 months of departure and the ATO has issued a notice to the Fund requesting payment;
- Deceased members whose benefits that have gone unclaimed following death; and
- A spouse who is entitled to a benefit split under the Family Law Act 1975 that has not been claimed.

# 2. Benefits of investing

The Fund is proud of delivering quality superannuation services to members throughout Australia, including members working in the early learning sector. It is our mission to help you get the most from your super, keeping things simple and helping you achieve the best possible lifestyle when you finish working. The Fund has a particular focus on the financial wellbeing of members and their families.

Your super is your money. It's there to provide you with an income in retirement, so make it work hard for you. We're here to help you do just that.

## Benefits and features of Child Care Super

### Peace of mind

We are committed to helping you build your super through a Child Care Super accumulation account so that you can afford the best possible lifestyle when you finish working. As a member, you can:

- access tools and information to help you maximise and build your super savings, and
- be assured that we will manage your super according to the Fund's investment strategy, which has been designed with the Fund's membership profile in mind.

Our aim is to grow and protect your super savings over the long term.

### Flexible – invest according to your needs

You can choose how your super is invested. Our accumulation account gives you access to two solutions when it comes to your super investments – the MySuper Lifecycle Investment Strategy (MySuper product) and three investment options in the MyMix Solution. Each is specifically designed by taking into account the Fund's membership profile. So, whether you prefer to leave the decision making to someone with more experience and expertise, or you prefer to make your own investment choices, you can select an option(s) to suit you. You'll find more information in the *How we invest your money* section of this document.

#### SUPERSUPER™

SUPERSUPER™ is a shop-and-save rewards program that is made available to members of Child Care Super[4].

With SUPERSUPER™ you can add contributions to your account through this program. The contributions are calculated as percentage of the total spent each time you shop at a participating retailer and, so long as you have provided your Tax File Number (TFN) to us, they are added to your Child Care Super account at regular intervals.

Contributions made via SUPERSUPER™ are treated as non-concessional (after- tax) contributions, unless you claim a tax deduction for them – at which time they become concessional (before-tax) contributions.

It's important to be aware that there are limits to how much you can contribute to your super without incurring additional tax. You can find out more about this see the *How super is taxed* section of this document.

### Helpful

We provide access to and assistance with your account in a way that suits you and your needs. Your Child Care Super member online account gives you 24/7 account access. You can check your Child Care Super account balance, set up direct debit payments, access the shopping rewards program SUPERSUPER™ and update your account details, investments, and insurance cover. A mobile app is also available so you can manage your super anytime, anywhere.

You can access easy to understand tips, tools, and calculators on the website, to help you boost your super and improve your financial situation in retirement.

### Personal advice about your account

You can access limited personal advice (relating to your membership of the Fund only – referred to as 'intra-fund advice') from Future Group Financial Services Pty Ltd ABN 90 167 800 580 AFSL 482684 (Future Group) via its Coach service. Intra-fund advice may include advice about contributions, insurance, and investment options. You can contact the Coach Service on 1300 262 249. Any intra-fund advice is provided by or on behalf of Future Group and not the Trustee. The cost of intra-fund advice is included in the administration fees and costs. To find out more information about the intra-fund advice services available to you, refer to the **Financial Services Guide (FSG)** issued by Future Group Financial Services Pty Ltd or call 1800 060 215.

If you require more comprehensive advice (for example, advice relating to other superannuation or financial products) you may wish to engage the services of a financial adviser.

Additional adviser fees may be payable to the adviser for the services they provide to you, depending on the type of advice you commit to purchasing. These additional fees for personal advice will be payable directly by you to the adviser and cannot be deducted from your Child Care Super account.

4. *SUPERSUPER™ is provided to you by EonX Services Pty Ltd ABN 39 615 958 873. This third-party provider is responsible for this program including its ongoing management and operation. The trustee has no involvement with this provider or its program. The Promoter facilitates the provision of this rewards program at no additional cost to the members or the Fund.*

## Protection

### Insurance cover relevant to your life stage

When you join Child Care Super, if you are eligible, you may automatically receive Default Death, Total and Permanent Disablement and Income Protection insurance cover – without filling in a form or providing full health information (insurance fees and conditions apply).

If you want higher levels of insurance cover, within three months of Default cover commencing, provided you have not made any changes to the Default cover, you may be eligible to apply for an 'Insurance Boost'.

You will need to complete the *Insurance Boost* form available on the website and answer limited health questions (there is no need to provide full health information).

Provided you are eligible, you can also apply to transfer any similar insurance you currently have with another super fund into Child Care Super.

If you are accepted for the higher levels of cover (terms and conditions apply), additional insurance fees will apply. You'll find more information about the Default cover and insurance options available to you in the *Insurance Guide* available at **www.childcaresuper.com.au** or by contacting Child Care Super.

## Trust and Security

Child Care Super is a trusted community partner. Built and set up for the early learning sector, you can remain a member of Child Care Super no matter where you work and throughout your life, even if you start working in a different industry.

### We're with you for life...

It's easy to stay with Child Care Super when you change jobs. If you'd like a new employer to contribute to Child Care Super, it's as simple as giving the new employer a completed Choice of Superannuation Fund form to tell them you're nominating Child Care Super for your employer contributions. The form is available on the Child Care Super website or by contacting us on 1800 060 215.

### ...even in retirement

Child Care Super provides access to retirement income products, including a Transition to Retirement product. You should consider the GuildPension *Product Disclosure Statement* and the applicable *Target Market Determination* available on the website or by request, before deciding whether to acquire a retirement income product.

# Death benefit nominations

You can nominate a beneficiary for payment of a lump sum death benefit, on either a binding or a non-binding basis, by completing and lodging the relevant form available for download at **www.childcaresuper.com.au**.

## Non-binding nominations

A non-binding nomination is a written request made by you that suggests to the Trustee the beneficiaries that may receive your super benefit in the event of your death.

You can change your non-binding nomination at any time by logging into your member online account.

The Trustee has the final say as to who should receive your benefit. The Trustee will consider your nomination but is not bound to follow it. The Trustee has the discretion to pay to any one or more of your dependant(s) or legal personal representative(s) or a combination of both. A non-binding nomination has no expiry date.

## Binding death benefit nomination

You can make a binding nomination. Generally, your valid binding nomination binds the Trustee to pay your death benefit to the nominated beneficiary(ies) provided the nomination is effective at the time of your death. Your binding nomination expires every three years from the date it is signed, unless you renew it before it expires. You will be notified of your options before expiry.

You can change your nomination at any time by making a new binding nomination.

To make or change your binding death benefit nomination, provide us with a duly completed *Binding Death Benefit Nomination* form, available on the website. You can renew or revoke your binding nomination at any time by completing the *Binding Death Benefit Nomination* form, available on the website.

## Nominating a beneficiary

You can nominate one or more of your dependants, or your Legal Personal Representative to receive your superannuation benefit in the event of your death. If you make a valid binding nomination, nominating your Legal Personal Representative, it is a good idea to have a valid Will and keep it up-to date, as the Trustee must pay your death benefit to your estate.

Under superannuation law, your 'dependants' are defined to include:

- Your spouse (including a de-facto spouse of the same or opposite sex);
- Your child (including a child of a spouse who is not your biological child);
- A person in an 'interdependent relationship' with you; or
- Any other person who the Trustee considers was financially dependent on you for maintenance or support, at the date of your death.

Someone can be in an interdependent relationship with you if:

- You have a close personal relationship;
- You live together;
- One or each of you provides the other with financial support; and
- One or each of you provides the other with domestic support and personal care.

Dependency can also arise where two people have a close personal relationship but don't live together or provide each other with financial support or personal care because of a physical, intellectual or psychiatric disability (e.g., one person lives in a psychiatric institution suffering from a psychiatric disability).

> IMPORTANT: the definition of a dependant for tax purposes differs to that under superannuation law. For more information see the *How super is taxed* section of this Guide.

### Invalid nominations

Your nomination may be invalid or become ineffective if:

- One of your beneficiaries dies before you do;
- One of your nominated dependants is not a dependant at the time of your death;
- You are no longer a member of Child Care Super at the time of your death; or
- The nomination was not made directly by you (the Trustee will not accept nominations made under a Power of Attorney, or from anyone other than a member).

If your nomination is not valid and in effect at the time of your death, the Trustee will treat it as a non-binding nomination and will pay the benefit at its absolute discretion.

### Death benefit nominations in your Annual Statement

We will confirm your death benefit nomination details each year in your Annual Member Statement. It is important that you take note of this and review your nomination to ensure it continues to suit your circumstances, especially if they have changed.

### Keep your nominations up-to-date

It's important that you keep your beneficiary nominations up-to-date. If your spouse dies, or you separate or divorce, you should update your beneficiary nomination by completing and lodging the relevant form available from **www.childcaresuper.com.au**. We will write to you and confirm any new, amended or cancelled nominations received on your behalf.

## Trust Deed

The Fund is governed by a Trust Deed which sets out the rights of members and beneficiaries, and the rights, duties and responsibilities of the Trustee. In the event of any inconsistency between the PDS (including this document) and the terms of the Trust Deed, the terms of the Trust Deed will prevail.

You can obtain a copy of the Trust Deed free of charge by calling 1800 060 215 or by email at **info@childcaresuper.com.au**.

From time to time, the Trustee may determine to amend the Trust Deed as circumstances change, such as to reflect changes in legislation. The Trustee can generally amend the Trust Deed without your consent if:

- The amendment does not reduce the existing accrued benefits of members or beneficiaries; or
- All relevant consents as required by law or by the Trust Deed are obtained; or
- In the opinion of the Trustee, the principal purpose of the amendment is to better enable the Fund to comply with super law.

## Reporting

As a member, you will receive or be given access to the member and Fund level information as required by law.

### Annual Member information

We prefer to communicate with our members electronically. The type of information we send can include significant event notices, your Annual Member Statement, and transaction confirmations. Information can be sent via email, or by making the communication available on the website or on your member online account and notifying you when the information is ready to view. We may notify you electronically or by post, depending on your preference and what contact information we have for you. You can opt out of electronic communications and change your contact preferences online or by contacting us. We're happy to send you printed copies of any information upon request free of charge.

Following the end of each financial year you'll receive or have access to an Annual Member Statement, which provides a summary of your super benefit as at the previous 30 June. Annual Member Statements will be uploaded to your member online account. You will receive an email directing you to login when your statement is ready. The transactions that will appear on your statement include (where applicable): balance at the end of the previous year; contributions, rollovers, investments earnings (net of relevant fees, costs and taxes); withdrawals, fees and costs (including insurance premiums) and tax deducted from your account and the balance at the end of the year.

### Annual Fund information

Each year, you will have access to a Fund Report that will provide you with information on the management and the financial position of the Fund as at the previous 30 June. The Fund Report will be available from **www.childcaresuper.com.au**. You may request that a copy be sent to you (free of charge) by post or in electronic form.

Other information about the Fund (e.g. Financial Statements, Auditor's report) and the Trustee (e.g. Director's report) is available at **www.childcaresuper.com.au**

### Exit information

When you cease to be a member of, or close an account in Child Care Super, you will receive an Exit Statement and, if applicable, a Rollover Benefit Statement and/or a PAYG Payment Summary, unless this occurs as a result of your benefit being paid to the ATO as the unclaimed monies of a former temporary resident.

> IMPORTANT: If you are a former temporary resident whose super benefits are transferred to the ATO as unclaimed money, you may not be notified of this or receive an exit statement after the transfers occurs. The Trustee will rely on relief provided by the Australian Securities & Investments Commission (ASIC) Corporations (Unclaimed Superannuation – Former Temporary Residents) Instrument 2019/873] which says, in effect, that the Trustee of a super fund is not obliged to meet certain disclosure requirements in relation to non-residents that have ceased to hold an interest in the Fund as a result of the payment of unclaimed super to the Commissioner of Taxation. You have a right, under the Government's legislation, to claim your super money directly from the Australian Taxation Office (subject to the applicable tax rates).

If you require any further information, phone 1800 060 215.

# 3. Risks of super

It is important to understand that there are risks inherent in any investment. The purpose of this section of this document is to outline the types of risks, including investment risks that may apply to the investment options available through this product. Further information about risks, based on a 'Standard Risk Measure' developed by the super industry to indicate the risk level associated with available investment strategies or options, is shown in the *How we invest your money* section of this document

Investment risk is the chance that your investment will fall in value (e.g. due to negative investment returns). Some significant types of investment risk are:

### Climate change risk

Climate change risks are typically organised into three categories:

- transition risks, which arise from the transition to a low carbon economy, such as increased costs associated with meeting new policy or regulatory changes;
- physical risks, such as supply chain disruption and increased insurance premiums arising from damage caused by changing climate conditions or increased extreme weather events; and
- liability risks, such as the potential for increases in stakeholder litigation and regulatory enforcement related to a failure to appropriately respond to the impacts of climate change.

### Company specific risk

The value of an investment in a particular company may vary because of changes to management, product distribution or the company's business environment.

### Credit risk

Credit risk is the risk that a borrower will default on its obligations under a loan. This is relevant where the investment manager invests in corporate, government and semi-government bonds and other fixed interest securities, because these are effectively loans to the bond issuer.  The risk is sought to be mitigated to an extent by the knowledge and experience of the underlying investment managers.

### Derivatives risk

Derivatives are generally contracts that call for money to change hands at some future date, such as company issued options or listed exchange traded warrants or foreign exchange contracts. Exposures may be direct and indirect, the latter resulting from the managed funds in which the Fund invests. Risks associated with derivatives include the value of the derivative failing to move in line with the value of the underlying asset, market or index. This risk is relevant across all investment options available in the product.

### Diversification risk

The extent of diversification across an investment option's assets may impact the amount of investment risk associated with an option's investment strategy. Diversification of investments can help manage investment risk. Diversification in the underlying assets or investments of an available investment option can help moderate the risk of lower investment returns and a lack of diversification can increase investment risk.

### Foreign currency risk

Investment in international equities and other non-Australian assets may give rise to foreign currency exposure. This means the value of foreign investments may vary as exchange rates change.

Fluctuations in foreign currency can have both a positive and negative impact on investments with exposure to international equities, depending on how the investments are made.

### Inflation risk

The rate of inflation can exceed the return from your investment. If this happens, the real value of your investment reduces.

### Interest rate risk

Changes in official interest rates can directly and indirectly impact on investment returns. Generally, an increase in interest rates has a negative effect on the valuation of stocks.

### Liquidity risk

Investments may become illiquid due to market developments or other factors (that is, they cannot be readily converted to cash, at all or, at a price that reflects the investments true value, or quickly enough to meet liabilities, in particular benefit payments).

### Market risk

Changes in legal and economic policy, political events and technology failure can all directly or indirectly create an environment that may influence the value of your investments.

### Market timing risk

The timing of your investment decision(s) may expose you to lower returns or capital losses.

### Mismatch risk

The investment option/s you chose might not suit your needs or circumstances or the underlying investments might diverge from the investment strategy for the option/s.

### Sequencing risk

The risk that a sequence of negative investment returns close to retirement could erode your retirement savings. Your account balance is likely to be at its largest when you approach retirement, and large negative returns at this time would have a more significant impact in dollar terms than if they were to happen when you're just starting out at a younger age.

### Sovereign risk

There may be uncertainty of returns on a foreign investment due to the possibility the foreign Government might take actions which are detrimental to the members' interests.

### Other risks that may be relevant are:

- **Legislative risks** – There is a risk that changes to current legislation, such as taxation law or standards in tax law (including benefit payment or pension standards) may occur in the future and have an effect on the value, benefits or taxation of your investment.
- **Longevity risks** - The amount of contributions you make into super, even after good investment returns, may not provide you with enough income in your retirement. There's a possibility you could outlive your retirement savings.
- **Compliance risks** – Legislation governing super funds is complex and constantly changing. There is a risk of non-compliance with legislative requirements by the Trustee or its service providers that could impact on member benefits.

- **Operational risks** – Operational risks include the risks due to inadequate or failed internal or service provider processes, people and systems that could impact the administration of the Fund, this product or members benefits.
- **Insurance risks** – Insurance is obtained from a third party. This involves the risk that the third-party insurer may not be able to meet its obligations under the contract of insurance. We cannot guarantee the payment of an insured benefit or the performance of an insurer.

## Management of investment risks

The Trustee manages investment risks by establishing appropriate investment strategies that consider a range of factors including the risk, return, diversification and cash flow needs of the Fund, and its products, as well as by providing members with a range of investment option choices to help meet their own needs. This includes managing, analysing and monitoring the liquidity position of the Fund and taking such action as may be required to enable the Fund to discharge its liabilities and meet its cash flow requirements in the best interests of members as a whole. For example, the Trustee may alter transfer, withdrawal or investment processes; allocations to cash; freeze withdrawals from illiquid or impaired assets temporarily or permanently; or cease accepting further investments in illiquid or impaired assets temporarily or permanently. The Trustee monitors investment performance on a regular basis to ensure the investment objectives associated with available investment options are appropriate.

The Trustee has appropriate organisational structures, including systems and processes to monitor and deal with risks associated with the operation of the Fund, with the assistance of its service providers. These arrangements are reviewed regularly to ensure operational risks are identified and managed efficiently.

The Trustee also maintains an Operational Risk Reserve, in accordance with super legislation (see the *Fees and costs* section of this document for more information). Further information about this reserve appears in the Fund's annual report for each financial year.

# 4. How we invest your money

## The basics of investing

### Asset classes and risks

Different types of investments are broadly categorised into 'asset classes'. These include Cash, Fixed Interest, Shares, Property and Alternative investments. Each asset class carries a different level of potential risk as well as different level of potential return (known as the risk/return relationship).

In addition, assets are categorised as either 'growth' or 'defensive'. Shares and Property are considered growth assets. Cash and Fixed Interest are considered defensive assets.

Alternative investments may be characterised as either growth or defensive assets, depending on their characteristics.

The higher the level of risk associated with an investment, the higher its potential return over the long term, and conversely the lower the level of risk, the lower its potential return over the same term.

Generally, growth assets are expected to produce the highest return over the long term, say 20 years or more. They also have the highest chance (or risk) of producing a negative return or loss in value in the short to medium term. Defensive assets tend to provide comparatively lower returns over the long term, but also have a lower chance of producing a negative return or loss in value. This means that investment strategies with a higher proportion of growth assets, such as shares and property, have historically provided better long-term returns than investments which have a higher exposure to defensive assets, such as fixed interest and cash.

Having enough time in the market is an important consideration when selecting investments and strategies. Short-term fluctuations in investment returns are generally less important when your focus is on achieving a long-term growth objective.

### Risk profiles

The risk profile of an investment option reflects the likely fluctuations (that is, rises and falls) in returns. The investment options made available in Child Care Super have different risk profiles depending on their underlying investments, including the degree of diversification in the underlying assets or asset types (asset allocation). The risk profile information shown later in this section of this document is based on a Standard Risk Measure, designed to help you compare different investment options or choices within and across super funds.

### Standard Risk Measure

The Standard Risk Measure is based on industry guidance to allow members to compare investment options that are expected to deliver a similar number of negative annual returns over any 20-year period. The Standard Risk Measure is not a complete assessment of all forms of investment risk. For instance, it does not detail what the size of a negative return could be, or the potential for a positive return to be less than a member may require to meet their objectives. Further, it does not take into account the impact of administration fees and costs and tax on the likelihood of a negative return. Members should still ensure that they are comfortable with the risks and potential losses associated with their chosen investment option.

The Standard Risk Measure is grouped into the following bands:

| 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 |

The appropriate level of risk for you will depend on a range of factors including your age, your investment timeframes, your risk tolerance and what other investments you hold and how they are invested. You should assess your personal situation carefully before making an investment decision.

**IMPORTANT: Your investment is not guaranteed. The value of your investment can rise or fall. Neither the Trustee, nor any related entities or any other persons referred to in this document, guarantee the capital invested, your account, the underlying investments, or the performance of investments. If you close your account, you may get back less than the amount paid in because of the level of returns earned by your investments (including negative returns) and applicable fees and costs.**

We recommend you consult a financial adviser for assistance with how to manage your investment risk having regard to your personal financial objectives, situation, and needs.

## Are you ready to invest?

There are several factors to consider when choosing how to invest:

- What are your goals? You can use a financial calculator to help you understand how much you need to live the lifestyle you want at retirement. ASIC provides a retirement calculator available on **www.moneysmart.gov.au**. You can also access financial calculators from **www.childcaresuper.com.au/tools-and-resources/calculators-and-tools**. Calculators accessible from **www.childcaresuper.com.au/tools-and-resources/calculators-and-tools** are made available by a third party, not the Trustee.
- Have you considered your investment horizon and how long your super will be invested for? Generally, having a longer investment timeframe allows for a more growth-oriented investment approach. This is because you may have more time to ride out market fluctuations, giving your investments a chance to recover from short-term declines. However, it's important to consider your period of retirement, risk tolerance and financial goals, as market downturns can still impact long-term outcomes.
- Do you understand investment risk? What level of investment risk are you prepared to accept?
- Have you considered how you will balance those risks with your retirement goals?
- Do you know your needs and the types of investments that may be right for you?

## The Fund's investment strategy

The Fund offers a range of investment options which take risk management strategies mentioned in the *Risks of super* section of this document into account. For example, all our investment options offer diversification in one or more ways; across asset classes, investments within an asset class, across different external managers or across countries.

The Trustee has appointed Future Group Investment Management Pty Ltd (ABN 55 621 040 702, AFS Representative No 001271441) ('the Investment Manager'), which is a Corporate Authorised Representative of Future Group Financial Services Pty Ltd (ABN 90 167 800 580; AFSL 482684) to provide investment management and advisory services to the Fund. The Trustee may also use independent asset consultants, where appropriate, to provide investment market information and/or to advise on various issues relating to the investment options offered.

With the assistance of the Fund's Investment Manager, we aim to achieve the objectives of each investment option by investing in pooled investment products that are managed by external professional managers. The performance of each manager is closely monitored and changes are made when appropriate. While we aim to achieve the investment objectives, it's important to remember future returns are not guaranteed.

The Fund's investment strategy is to invest in a diversified portfolio of asset classes in accordance with the investment strategies (including asset class benchmarks) for each option. Each investment option's investment mix is managed by the Fund's external investment managers in accordance with the investment strategies set out in the following pages. The actual asset allocation may vary from time to time but will generally remain within the ranges set out in the following pages. The asset allocation may move outside those ranges in limited circumstances such as any large transition of assets.

### Making your investment choice

Child Care Super offers two solutions when it comes to your super investments – the MySuper Lifecycle Investment Strategy and the MyMix Solution – each one specifically designed with the needs of different members in mind. These solutions don't take into account your individual circumstances so it's important you consider obtaining advice from an appropriately authorised financial adviser about what suits you.

In this section, we explain each of these solutions (and options) in detail, however, below is a summary of how they compare:

| MySuper Lifecycle Investment Strategy | MyMix Solution |
|---|---|
| **We'll choose for you** | **You choose** |
| • A 'lifecycle investment strategy', so there's no need to choose your investment mix.<br>• Your super contributions are automatically invested in a portfolio designed to suit your age group.<br>• As you get older, your investments are automatically adjusted to reduce the level of investment risk, making your investments more stable as you approach retirement. | • Designed for those who want to have a greater say in how their money is invested.<br>• Easy access to a range of investment options providing differing levels of risk and investment return.<br>• Change your investment selections at any time as your needs change. |

### What if you do not make an investment choice?

If you don't make an investment choice or your investment choice is unclear, your super contributions (or other amounts paid into your account after your membership is established) will automatically be invested in our MySuper product (Guild Retirement Fund MySuper), which uses a MySuper Lifecycle investment Strategy, based on your age.

In event of your death, your account balance will remain in the investment option(s) you were in prior to your death. Any insurance proceeds payable will be invested in the **Secure** investment option upon receipt of the proceeds from the insurer.

## MySuper Lifecycle investment strategy

This strategy is made up of three age-based investment options or lifestages. Your super contributions are automatically invested in the option for your age group. As you approach retirement your investments are automatically adjusted to reduce the level of investment risk. This helps to protect your money by gradually making your investments more stable as you approach retirement.

### Here's how it works

The three lifestage options (Building, Growing and Consolidating) are described below. As you approach retirement, the proportion of growth assets (which have a high risk/high return relationship) decreases, while the proportion of defensive assets (which have a low risk/low return relationship) increases. This helps protect your savings from short-term falls in investment markets and can make your investments more predictable as you approach retirement.

**So for example:** If you are young and just beginning your career, you will be automatically invested in the Building lifestage option which invests more in growth assets, and has the potential to provide higher returns over the longer term. As you get older, we will automatically switch your account into the Growing lifestage option which has a lower risk/return relationship than the Building lifestage option. As you approach retirement, we will automatically switch your account into the Consolidating lifestage option which, in turn, has a lower risk/return relationship than the Growing lifestage option. This is designed to help make your investments more stable.

**Note that your age is determined as at 1 July each year based on your age next birthday. The date when any changes to your investment options are made is also 1 July. Changes do not actually take place on your birthday.**

This table shows the investment objectives and strategies of the three lifestage options that make up the MySuper Lifecycle Investment Strategy.

| | Building | | Growing | | Consolidating | |
|---|---|---|---|---|---|---|
| Investment Return Objective | Achieve returns (after investment fees and taxes) that exceed movements in the Consumer Price Index (CPI) by at least 3.5% p.a. over rolling 10-year periods. | | Achieve returns (after investment fees and taxes) that exceed movements in the Consumer Price Index (CPI) by at least 3.0% p.a.over rolling 10-year periods. | | Achieve returns (after investment fees and taxes) that exceed movements in the Consumer Price Index (CPI) by at least 1.5% p.a.over rolling 10-year periods. | |
| Investment Strategy | Invests 90-100% of the portfolio into growth assets | | Invests 75-100% of the portfolio into growth assets | | Invests 20-50% of the portfolio into defensive assets | |
| Suitability | Ages under 25<br>Investors who seek to maximise long term returns and are comfortable with periods of short-term volatility. | | Ages between 25 to 59<br>Investors who seek to maximise long-term returns and are comfortable with periods of short-term volatility. | | Ages 60 and over<br>Investors who seek strong returns over the long term without being overly concerned with short-term volatility. | |
| Recommended Minimum Investment Timeframe | 10 years | | 10 years | | 8 years | |
| Risk Level[a] | Risk Band 7: Very High<br>6 or greater estimated negative annual returns over any 20-year period. | | Risk Band 6: High<br>4 to less than 6 estimated negative annual returns over any 20-year period. | | Risk Band 6: High<br>4 to less than 6 estimated negative annual returns over any 20-year period. | |
| **Asset allocation** | **Target %** | **Range %** | **Target %** | **Range %** | **Target %** | **Range %** |
| Cash / Money Market Securities | 2 | 0-10 | 4 | 0-25 | 9 | 0-35 |
| Fixed Interest | - | - | 4 | 0-15 | 16 | 0-45 |
| Defensive Alternatives | - | - | 3 | 0-10 | 11 | 0-30 |
| **Defensive** | **2** | **0-10** | **11** | **0-25** | **36** | **20-50** |
| Australian Shares | 45 | 20-60 | 36 | 15-55 | 25 | 10-40 |
| International Shares | 53 | 25-75 | 43 | 20-65 | 30 | 10-45 |
| Growth Alternatives | - | - | 10 | 0-30 | 9 | 0-30 |
| **Growth** | **98** | **90-100** | **89** | **75-100** | **64** | **50-80** |

a. *For more information, read the Standard Risk Measure in this section.*

## Investment fast facts

The Fund offers two ways to invest – either we choose an investment strategy for you based on your age, or you can select your own investment mix from a range of different options.

As a member you can change how your super is invested at any time. Check out all the investment options available in this section.

If you don't make an investment choice after opening an accumulation account, your money will be invested in the MySuper Lifecycle Investment Strategy described in this section. The product dashboard for the MySuper Lifecycle Investment Strategy is at **www.childcaresuper.com.au**

## MyMix Solution – designed for those who want to choose

If you don't consider the MySuper Lifecycle Investment Strategy is suitable, then we offer you a choice of three investment options through the MyMix Solution, including two diversified and one single asset class option.

Flexibility is key – you can choose to invest a proportion of your super in the MySuper Lifecycle Investment Strategy and the rest in any combination of the investment options in the MyMix Solution. However, having a mix of investments in the MySuper Lifecycle Investment strategy and the MyMix Solution impacts your access to a maternity/paternity leave waiver relating to the dollar-based administration fee applicable to accumulation accounts (conditions apply). Refer to the *Fees and costs* section of this document for further details.

Plus, at any time you can change the investment option for all or part of your account or direct your future contributions to a different investment option.

This table shows the investment objectives and strategies of the three investment options available to you through the MyMix Solution:

| | Diversified investment options | | | | Single asset class investment option | |
|---|---|---|---|---|---|---|
| | **Growth** | | **Balanced** | | **Secure** | |
| Investment Return Objective | Achieve returns (after investment fees and taxes) that exceed movements in the Consumer Price Index (CPI) by at least 3.0% p.a. over rolling 10-year periods. | | Achieve returns (after investment fees and taxes) that exceed movements in the Consumer Price Index (CPI) by at least 1.25% p.a. over rolling 10-year periods. | | Achieve gross returns (before investment fees and taxes) at least equal to the Bloomberg Bank Bill Index returns over rolling 1-year periods. | |
| Investment Strategy | Invests 60-90% of the portfolio in growth assets and between 10-40% in defensive assets | | Invests 50-80% of the portfolio in growth assets and between 20-50% in defensive assets | | Invests 100% of the portfolio in cash and money market securities | |
| Suitability | May suit investors who want to achieve strong returns over the long term and are comfortable with periods of short-term volatility. | | May suit investors who seek to maximise long-term returns without being overly concerned with short-term volatility. | | May suit investors who are primarily concerned with short-term security of capital. | |
| Recommended Minimum Investment Timeframe | 10 years | | 8 years | | 1 year | |
| Risk Level [a] | Risk Band 6: High<br>4 to less than 6 estimated negative annual returns over any 20-year period | | Risk Band 5: Medium to high<br>3 to less than 4 estimated negative annual returns over any 20-year period | | Risk Band 1: Very low<br>Less than 0.5 estimated negative annual returns over any 20-year period | |
| **Asset allocation** | **Target %** | **Range %** | **Target%** | **Range%** | **Target%** | **Range%** |
| Australian Shares | 35 | 15-50 | 20 | 5-40 | - | - |
| International Shares | 40 | 10-60 | 23 | 10-40 | - | - |
| Alternatives (growth) | 11 | 0-30 | 9 | 0-30 | - | - |
| **Growth** | **86** | **60-90** | **52** | **50-80** | - | - |
| Fixed Interest | 6 | 0-30 | 18 | 0-45 | - | - |
| Alternatives (defensive) | 5 | 0-10 | 9 | 0-15 | - | - |
| Cash / Money Market Securities | 3 | 0-25 | 21 | 0-35 | 100 | 0-100 |
| **Defensive** | **14** | **10-40** | **48** | **20-50** | **100** | **0-100** |

a. *For more information, read the Standard Risk Measure in this section.*

# Changing your investments

As a Child Care Super member, you can change which investment option(s) your super is invested in at any time, quickly and easily. To do this, log into your Child Care Super online account and submit your request. Alternatively, you can call Child Care Super for assistance.

# Other investment information

Investing in an investment option, in the MySuper Lifecycle Investment Strategy or the MyMix Solution, means that you are allocated units in that option at the applicable unit price (based on the value of the investment pool or portfolio). You do not have a direct entitlement to the underlying assets of the option. For further information, refer to the *Unit pricing* section below.

## Investment performance

The investment performance of each investment option is regularly monitored by the Trustee to ensure the investment strategy of each option remains appropriate. The most up-to-date investment returns are available at **www.childcaresuper.com.au**. If you don't have internet access, please contact 1800 060 215 and we will provide this information to you.

Published investment returns are calculated after the deduction of investment fees and costs (including any performance fees), transaction costs and in the case of TTR pensions, investment earnings tax.

> IMPORTANT: Past investment performance is not a reliable indicator of future investment performance.

## Derivatives policy for investment options

Derivatives are securities that derive their value from other security types. Examples of derivatives include futures and options. The trustee will mainly use derivatives to assist in the adjustment of asset exposure in accordance with an approved investment strategy, for example currency overlay and management. Underlying investment managers may use derivatives to assist in managing investment risk and other aspects of their specific strategies.

## Other investment considerations

The Trustee does not take into account labour standards or environmental, social or ethical considerations in the selection, retention or realisation of investments of the Fund.

## Closed/terminated or suspended investment options

From time to time the Trustee may change the investment options. This can occur when the Trustee decides to suspend or close investments, or if the investments are no longer economically viable or have not reached the required volume to sustain investment strategies and objectives. In addition, if superannuation law changes and particular investments are no longer permissible, or if other changes make it prudent to do so, the Trustee may dispose of the investment on such reasonable basis and terms as it decides.

If an investment option you have selected is to be closed, terminated or suspended, we will inform you, where possible, in advance of the change to allow you the opportunity to review your individual circumstances. If you do not notify the Trustee of any changes you wish to make to your investments (where applicable) within the period specified by us, we will implement default arrangements, as advised in the notice provided to you. If an investment option needs to be terminated immediately and we are unable to inform you in advance, we may determine a 'nearest equivalent replacement' to transfer your investment into until you have time to review your investment options.

## Unit pricing

Investing in an investment option means that you are allocated units in that option at the applicable unit price (based on the value of the investment pool or portfolio). You do not have a direct entitlement to the underlying assets of the option.

The Trustee generally calculates the unit price of each investment option each business day (this may vary depending on the circumstances). A unit price will be calculated for each of the investment options based on the net market value and number of units on issue for each option.

The net market value of each investment option will be determined by taking into account:

- the value of assets in the investment option
- plus investment earnings (which may be positive or negative)
- minus relevant fees and costs and Government taxes or charges (where applicable).

Each investment option unit price is calculated on Victorian business days only.

The unit price is the price applied when you invest in or sell out of an investment option. For example, when you or your employer makes a contribution or you combine your other super accounts into your Child Care Super accumulation account, units are purchased. Or when withdrawals are made from your account for investment switches (including automatic switches we make for you under the MySuper Lifecycle Investment Strategy), benefit payments or fees (including insurance fees), units are sold at the unit price.

The performance of your investments will depend on a range of factors including when the units are purchased and sold, your investment selection and any investment switches you make. The Trustee may, where required by law or as it considers necessary or appropriate, suspend or defer unit pricing or the allocation and redemption of units, for example, if investments become illiquid.

## You can take control by investing in the MyMix Solution

You have more control and freedom to set your own investment strategy with the MyMix Solution. There are three investment options, each with different risk/return relationships to suit different investor types.

When you choose your own investments through the MyMix Solution, then you may be eligible for a Maternity/Paternity leave fee waiver, which is the waiver of the dollar-based administration fee for up to 12-months provided 100% of your account balance is invested in the MyMix Solution.

Refer to the *Fees and costs* section in this document for further details.

## Helpful investment hints

If you are a Child Care Super member:

- Check what investment option/s your super is invested in and if it is suitable to your situation.
- You can change your investments securely by logging into your account via Child Care Super online or contact us.
- If you are not a Child Care Super member, then when you join:
  - Your super will be invested in the MySuper Lifecycle Investment Strategy.
  - You can remain in the MySuper Lifecycle Investment Strategy or choose your own investment mix from the MyMix Solution after your account is set up.
  - You can change your investments securely by logging into your account via Child Care Super online or contact us.

# 5. Fees and costs

**DID YOU KNOW?**

**Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.**
**For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from $100,000 to $80,000).**
**You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs. You or your employer, as applicable, may be able to negotiate to pay lower fees.* Ask the Fund or your financial adviser.**

**TO FIND OUT MORE**

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

* This text is required by legislation. Fees are not negotiable.

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

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

Taxes are set out in the *How super is taxed* section of this document and insurance fees are set out in the *Insurance Guide* available at **www.childcaresuper.com.au** or by contacting 1800 060 215.

**You should read all the information about fees and other costs because it is important to understand their impact on your investment. Investment fees and costs, transaction costs, and buy-sell spreads vary depending on the investment option(s) you are invested in, as set out in the table below.**

See *Defined Fees* further below for the definition of each type of fee and cost according to government legislation. Not all the defined fees listed will apply to this product.

## Fees and costs summary

| Type of fee or cost | Amount | How and when paid |
|---|---|---|
| **Ongoing annual fees and costs[a]** | | |
| Administration fees and costs[b] | $72.80 p.a.<br>($1.40 per week) | This dollar-based fee is deducted from your account balance at the end of each month in arrears, or when you close your account. |
| | **Plus**<br>0.15% p.a. | This percentage-based fee is calculated as a percentage of assets. It is deducted from gross investment returns and reflected in the calculation of unit prices each business day.<br>**This fee reduces the return on your investments but is not deducted directly from your account**. |
| | **Plus**<br>0.02% p.a.(estimated)[c] | This fee is paid from the Fund's reserves as and when required to cover additional costs incurred by the Fund.<br>**This fee is not deducted directly from your account or reflected in the calculation of unit prices.** |
| Investment fees and costs (estimated)[d] | **MySuper Product**<br>Building 0.40% p.a.<br>Growing 0.52% p.a.<br>Consolidating 0.55% p.a.<br>**MyMix Solutions**<br>Secure 0.03% p.a.<br>Balanced 0.57% p.a.<br>Growth 0.65% p.a. | Deducted from investment returns and reflected in the calculation of unit prices each business day.<br>**This fee is not deducted directly from your account.** |
| Transaction costs (estimated)[e] | **MySuper Product**<br>Building 0.07% p.a.<br>Growing 0.02% p.a.<br>Consolidating 0.05% p.a.<br>**MyMix Solutions**<br>Secure: 0.00% p.a.<br>Balanced: 0.03% p.a.<br>Growth: 0.02% p.a. | Reflected in calculation of unit prices each business day depending on the costs incurred outside the Fund in investing the assets of the investment option.<br>**This cost is not deducted directly from your account.** |
| **Member activity related fees and costs** | | |
| Buy-sell spread | Nil | Not applicable. |
| Switching fee | Nil | Not applicable. |
| Other fees and costs[f] | Varies, depending on the activity or insurance | Activity fees are deducted directly from your account, when applicable. Any insurance fees (premiums and associated costs) are deducted from your account balance at the end of each month in arrears, or when you close your account. |

a. *If your account balance for a product offered by the Fund is less than $6,000 at the end of the financial year, certain fees and costs charged to you in relation to administration and investment are capped at 3% of the account balance for the year (or the period until your account is closed). Any amount charged in excess of that cap must be refunded.*

b. *The Administration fees and costs (excluding any amount deducted as a percentage-based fee from the Fund's reserves) is subject to a maximum of $800 p.a.*

c. *Estimates are based on the 2024/25 financial year and may vary in future years.*

d. *Estimated investment fees and costs include an amount up to 0.04% p.a for performance fees. The calculation basis for this amount is set out in the Additional explanation of fees and costs section below. Investment fees and costs are indicative only and may change in subsequent years depending on (for example) the investment performance and indirect costs incurred in underlying investments.*

e. *Disclosed transaction costs are an estimate of transaction costs incurred in the 2024/25 financial year (based on information available at the date of preparation of this PDS). As a result, these figures are indicative only and may change in subsequent years.*

f. *Other fees and costs may apply, including activity fees and insurance fees (where applicable). See the Additional explanation of fees and costs section below.*

## Example of annual fees and costs for a superannuation product

This table gives an example of how the ongoing annual fees and costs for the MySuper product for this superannuation product can affect your super investment over a one-year period. You should use this table when you want to compare this superannuation product with other superannuation products.

The example is applicable to the Consolidating lifestage of the MySuper product. Combined ongoing fees and costs for other lifestages of the MySuper product are lower.

| EXAMPLE – MySuper product | | Balance of $50,000 |
|---|---|---|
| Administration fees and costs | 0.17%<br>Plus $72.80 | For every $50,000 you have in the superannuation product, you will be charged or have deducted from your investment **$85**[a] in administration fees and costs, plus **$72.80** regardless of your balance. |
| **PLUS** Investment fees and costs | 0.55% | **And,** you will be charged or have deducted from your investment **$275** in investment fees and costs. |
| **PLUS** Transaction costs | 0.05% | **And,** you will be charged or have deducted from your investment **$25** in transaction costs. |
| **EQUALS** Cost of product | | If your balance was $50,000 at the beginning of the year, then for that year you will be charged fees and costs of **$457.80**[b] for the superannuation product. |

a. *This figure includes an amount of $10 paid from the Fund's reserves based on the 2024/25 financial year*

b. *Note: Additional fees may apply.*

## Cost of product for 1 year

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

The cost of product information assumes a balance of $50,000 at the beginning of the year. Additional fees such as buy-sell spreads may apply: Further information about the additional fees that may apply can be found in the *Additional explanation of fees and costs* below. Buy-sell spreads are not applicable to Child Care Super.

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

| Name of Investment Option | Cost of product on a balance of $50,000[a] |
|---|---|
| MySuper | |
| Building | $392.80 |
| Growing | $427.80 |
| Consolidating | $457.80 |
| MyMix | |
| Secure | $172.80 |
| Balanced | $457.80 |
| Growth | $492.80 |

a. *These figures include an amount of $10 paid from the Fund's reserves*

Note: Additional fees may apply. Please refer to the *Additional explanation of fees and costs* and *Defined fees* sections below for more information.

# Additional explanation of fees and costs

## Administration fees and costs

These are the fees and costs relating to the administration and operation of this product, including administering your super account and operating the Fund more generally, payable by you, or (in some cases) from Fund's reserves. These fees and costs may include the cost of maintaining the Fund's Operational Risk Reserve (ORR). See further below for more information about the ORR and other Fund reserves.

The dollar and percentage-based administration fees and costs (excluding any additional percentage-based fee that may be deducted from the Fund's reserves) is capped at $800 p.a. As the percentage-based administration fee is calculated as a percentage of your Child Care Super investment and deducted from gross investment returns each business day, any amount charged above the cap will be refunded on a monthly basis. The refund (or 'rebate') is calculated using your Child Care Super account balance at the end of each month, and is paid by allocating additional units to your account. If you close your account, your proceeds will include any rebate calculated to the date of exit. If you hold more than one investment option, then your rebate will be applied (through the allocation of units) proportionally across those investment options.

The additional percentage-based fee that may be deducted from the Fund's reserves is to cover additional costs (such as regulatory change expenses) incurred in a financial year and will be included as administration fees and costs where the amount deducted from the reserve is in excess of the administration fees and costs recovered from member's account balances or through unit prices. The amount shown in the *Fees and costs summary* as payable from the Fund's reserves is an estimate based on additional administration costs paid from the reserves for the 2024/25 financial year. The amount payable from the reserves in the current or future financial years may be different.

### Dollar-based administration fee

This is a dollar-based fee that is deducted monthly in arrears from your account.

If you have chosen a range of investment options, the direct administration fees are deducted proportionally from all investment options in which you are invested at the time of the fee deduction. However, the Trustee reserves the right to make fee deductions from the investment options it determines, where fee deductions cannot be implemented as outlined above for any reason.

### Maternity/Paternity leave fee waiver

The MyMix Solution dollar-based administration fee may be waived while you're on maternity/paternity leave for up to 12 months.

This applies to members with 100% of their account balance invested in a MyMix Solution investment option(s) who notify us that will or have commenced maternity/paternity leave. Contact Child Care Super by phone or in writing and advise that you will or have commenced maternity/ paternity leave. The waiver will be effective the day we receive your notification that you commenced maternity/paternity leave, if 100% of your account balance is invested in a MyMix Solution investment option(s) on that date. It will stop when you are not fully invested into MyMix or the end of the 12-month period, whichever is earlier.

The fee waiver does not apply if any portion of your existing account balance is or becomes invested in the MySuper product.

The Promoter provides this waiver at no additional cost to the members or the Fund.

## Investment fees and costs

Investment fees and costs are deducted from the Fund's assets before unit prices are determined. Investment fees and costs are expressed as an annual percentage of the net assets.

The investment fees and costs comprise of an investment fee charged by the underlying investment managers of the Fund and indirect investment costs which are incurred in the underlying investments. These costs are based on estimated and actual information for the 2024/25 financial year, available to us at the date of preparation of this document. To the extent practicable, this information was obtained from investment managers of the underlying investments and may be higher or lower and may change without prior notice.

The investment fees and costs are shown in the *Fees and costs summary* above.

## Performance fees

Performance fees are an amount paid or payable, calculated by reference to the performance of an investment and, where applicable, are reflected in the estimated investment fees and costs.

The manager of an underlying investment may be entitled to a performance fee if the investment outperforms a set target. If a performance fee is payable, it is accrued in the unit price and this cost is passed on to members through the investment fees and costs of the investment option. Performance fees do not affect the administration fees and costs of this product.

Performance fees are generally calculated as an agreed percentage of any investment performance above an agreed hurdle rate, multiplied by the average portfolio balance.

The performance fee set out below is a historical average which is included in the Investment fees and costs shown in the Fees and Costs Summary above. Future performance fees will depend on the investment return achieved from year to year and, accordingly, the amount of the performance fees, and their impact on the investment fees and costs you pay, will vary. Updated 5-year average performance fees may be published at **www.childcaresuper.com.au**. We recommend that you regularly check **www.childcaresuper.com.au** for updated fees and costs information.

| Investment Option | 5 Year Average Performance Fee up to 30 June 2024 (% p.a.)[a] |
|---|---|
| **MySuper** | |
| Building | 0.00% |
| Growing | 0.03% |
| Consolidating | 0.03% |
| **MyMix** | |
| Secure | 0.00% |
| Balanced | 0.04% |
| Growth | 0.04% |

a. *The figure required to be shown is the average of the performance fees attributable to each investment option for the last 5 financial years to 30 June 2024 or, if the investment option has not existed or did not provision for performance fees for the last 5 financial years, the average for the period since the option has existed and provided for performance fees. These are estimates only based on information available as at the date of preparation of this document.*

## Transaction costs

Transaction costs are costs associated with the sale and purchase of assets of the super entity, other than costs that are recovered by charging buy-sell spreads. These costs include costs relating to the buying and selling of investments and may include costs such as brokerage, buy-sell spreads of the underlying investments (where applicable), settlement costs (including settlement related custody costs), stamp duty on investment transaction costs and clearing costs.

These costs are influenced by numerous factors including the complexity of investments involved in transactions, the different asset classes and investment managers that make up the investments involved in the transaction and the time and costs of services provided in relation to the processing of investment transactions. Transaction costs shown in the *Fees and costs summary* above are an estimate only, based on information available to us (at the date of preparation of this document) about the costs incurred in the 2025/26 financial year. Transaction costs payable may be higher or lower. Any transaction costs are an additional cost to you, deducted from the Fund's assets before unit prices are determined.

The estimated transaction costs applicable to each investment option (based on the 2024/25 financial year), are shown in the *Fees and costs summary* above.

## Buy-sell spread

While costs related to external buy-sell spreads may be incurred indirectly (refer to explanation of transaction costs above), the Trustee does not charge buy-sell spreads on the investment options. The Trustee reserves the right to charge buy-sell spreads at any time by providing you with at least 30 days' advance notice.

## Insurance fees

The total cost of your insurance is referred to as 'Insurance fees' and includes the insurance premium and any associated costs (including an insurance administration fee). Insurance fees are deducted monthly in arrears from your account, or when you close your account in the product.

Your insurance premium is usually dependent on a number of factors including the type of cover you have, your age, the amount of cover, your occupation factor, and if you have any additional loadings.

Any insurance fees deducted from your account will be paid by redeeming units on a proportional basis across all the investment options you hold in your account at the time of the fee deduction. However, the Trustee reserves the right to make fee deductions from the investment options it determines, where fee deductions cannot be implemented as outlined above for any reason.

Refer to the *Insurance Guide* available at **www.childcaresuper.com.au** or call 1800 060 215 for information about the insurance fees applicable to insurance cover.

## Intra-fund Advice and Advice fees

As a member, you have access to Coaches who can provide you with intra-fund advice about your investment option mix, contributions, insurance, and other aspects of your membership in the Fund. Any intra-fund advice is provided by or on behalf of Future Group Financial Services Pty Ltd ABN 90 167 800 580 AFSL 482684 (Future Group), not the Trustee. The cost of intra-fund advice is included in the administration fees and costs. For further information about the intra-fund advice services consider the **Financial Services Guide (FSG)**.

For more comprehensive personal advice that takes into consideration your desired lifestyle now and into the future as well as your other financial circumstances, objectives and needs, you may wish to obtain advice from a financial adviser.

Advice fees may apply for this personal advice which will be payable directly by you to the adviser. Child Care Super does not permit advice fees relating to more comprehensive advice to be deducted from member accounts.

## Taxation

Goods and Services Tax (GST) may apply to fees and charges. All fees and costs shown in this document and in the PDS are inclusive of GST where applicable.

RITCs received by the Fund in relation to any GST applied to fees and charges deducted are retained within the Fund's reserves.

### Tax rebates

The Fund may be eligible to claim tax deductions in relation to Fund expenses. The benefit of any tax deductions relating to percentage-based fees and costs (excluding additional percentage-based costs deducted from the Fund's reserves) is passed on to members through the calculation of the Fund's unit prices. The benefit of any tax deductions relating to insurance fees is passed on to the member at the end of each month or when the account is closed, in arrears. The benefit of any other tax deductions relating to fees or costs is retained in the Fund's reserves and may be used for Fund purposes including, for example, to replenish the Operational Risk Reserve or to meet expenses.

For more information about tax relevant to super, refer to the *How super is taxed* section of this document.

## Fund reserves

### Operational risk reserve

As a result of legislative requirements, we maintain an operational risk reserve (ORR) in the Fund to cover potential losses to members arising from an operational risk event, being an event where the Fund suffers loss due to inadequate or failed internal processes, people and systems, or because of an external event.

The ORR may be drawn upon to assist in compensating members of the Fund in the event of an operational risk having materialised.

The ORR target is currently set at 0.25% of funds under management. The ORR is maintained in line with the Trustee's ORR strategy for the Fund, however if there are insufficient funds to maintain the ORR, additional funds may be allocated from the Fund's other reserves or (subject to any required notifications) from additional one-off fee deductions from members' accounts.

### Contingency reserve

The Fund maintains a Contingency reserve that is managed in accordance with the trustee's Reserving Policy. The reserve provides a buffer against losses not covered by the ORR. It is also used to provide funding for the ORR.

An additional fee of up to 0.02% p.a. may be deducted from the Contingency reserve to cover regulatory costs and initiatives that deliver member outcomes. This amount is not deducted directly from your account or reflected in the calculation of unit prices.

## Changes to fees and costs

The amount or level of fees or charges can be changed without your consent. A material increase in fees or charges must be notified to you at least 30 days in advance of the increase taking effect. Estimated fees and costs are subject to change from time to time and these changes may be published at **www.childcaresuper.com.au**. We recommend that you regularly check the website for updated fees and costs information.

## Additional expenses

The Trustee has the right to be reimbursed out of the assets of the Fund for all expenses it incurs on behalf of the Fund (unless precluded by law).

The Trustee will pay the routine expenses of the Fund (including, but not limited to custody, accounting and audit) from the administration fees and costs charged to members. However, if the Trustee should incur additional expenses in a financial year which have not been anticipated by the Trustee when disclosing the administration or other fees and costs (including unexpected costs arising from any disputes or litigation or costs changes in law) those expenses may be paid out of the Fund's reserves or other Fund assets, including member accounts.

For example, from time to time, the Government makes changes to super rules and infrastructure which result in additional implementation costs for the Fund. The Government may also apply additional levies on super funds. If not paid from reserves, we may deduct an appropriate amount from your account to recover some or all of these costs, but we'll notify you at least 30 days before we make any deduction.

## Defined Fees

These definitions are prescribed by law.

### Activity Fees

A fee is an ***activity fee*** if:

a) 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
b) those costs are not otherwise charged as administration fees and costs, investment fees and costs, transaction costs, a buy-sell spread, a switching fee, an advice fee or an insurance fee.

### Administration Fees and Costs

***Administration fees and costs*** are fees and costs that relate to the administration or operation of the superannuation entity and includes costs incurred by the trustee of the entity that:

a) relate to the administration or operation of the entity; and
b) are not otherwise charged as investment fees and costs, a buy-sell spread, a switching fee, an activity fee, an advice fee or an insurance fee.

### Advice Fees

A fee is an ***advice fee*** if:

a) 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
b) those costs are not otherwise charged as administration fees and costs, investment fees and costs, a switching fee, an activity fee or an insurance fee.

### Buy-sell Spreads

A ***buy-sell spread*** is a fee to recover costs incurred by the trustee of the superannuation entity in relation to the sale and purchase of assets of the entity.

### Exit Fees

An ***exit fee*** is a fee, other than a buy-sell spread, that relates to the disposal of all or part of a member's interests in a superannuation entity.

### Insurance Fee

A fee is an ***insurance fee*** for a superannuation product if:

a) the fee relates directly to either or both of the following:
   i) insurance premiums paid by the trustee of a superannuation entity in relation to a member or members of the entity;
   ii) costs incurred by the trustee of a 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 administration fees and costs, investment fees and costs, transaction costs, a switching fee, an activity fee or an advice fee.

### Investment Fees and Costs

***Investment fees and costs*** are fees and costs that relate to the investment of the assets of a superannuation entity and includes:

a) fees in payment for the exercise of care and expertise in the investment of those assets (including performance fees); and
b) costs incurred by the trustee of the entity that:
   i) relate to the investment of assets of the entity; and
   ii) are not otherwise charged as administration fees and costs, a buy-sell spread, a switching fee, an activity fee, an advice fee or an insurance fee.

### Switching Fees

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 a superannuation entity from one class of beneficial interest in a superannuation entity to another.

A ***switching fee*** for a superannuation product 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.

### Transaction Costs

***Transaction costs*** are costs associated with the sale and purchase of assets of the superannuation entity, other than costs that are recovered by the superannuation entity charging buy-sell spreads.

# 6. How super is taxed

This section provides a general guide to the way activities in relation to your super account may be taxed.

Your super account may be taxed at three distinct phases:

- When contributions are made to your account;
- When earnings are generated for investment; and
- When withdrawals are made from your account.

**IMPORTANT: This is a general summary as at the date of preparation of this document. The impact of tax laws will depend on your personal circumstances. For this reason, we strongly recommend that you consult a professional adviser before acting on the basis of this information. For further general information, including updates to caps or thresholds, go to the ATO's website.**

## Tax on contributions

The tax treatment of contributions depends on whether they are defined as concessional contributions or non-concessional contributions.

### Concessional contributions are before-tax contributions

This means that usually they are paid from your pre-tax salary. Concessional contributions include employer contributions (such as SG contributions, salary sacrifice contributions and additional employer contributions to pay for fees and premiums), and any personal contributions you make for which a tax deduction has been claimed. The money is subject to tax when contributed to your super account.

### Non-concessional contributions are after-tax contributions

This means they are paid from your take home salary or money in your bank account. This money is not usually subject to tax when contributed to your super account as you have already paid tax on it at your nominal rate. Non-concessional contributions include personal contributions (for which a tax deduction is not obtained). Concessional contributions that have exceeded the concessional contributions cap also count as non-concessional contributions.

Contribution limits apply for taxation purposes (see below). If you split concessional or non-concessional contributions with your spouse, they still count towards your contribution limits. For more information about concessional and non-concessional contribution limits, including amounts included within these limits, and the treatment of excess contributions, go to **ATO's website**.

### Concessional contributions cap

A concessional tax rate of 15% will ordinarily apply to concessional contributions up to $30,000[5] per person per annum. We generally deduct this tax from your account when concessional contributions are processed to your account, and remit it to the Australian Taxation Office (ATO) when required. However a refund of this tax is available if you are a low-income earner, subject to certain limits (see *Low Income Tax Offset* below).

### Increase to contribution tax for high income earners

If your combined[6] income and concessional contributions exceeds $250,000 in a financial year, you are classified by the Government as a 'high income earner' and may be required to pay an extra tax, known as a 'Division 293 tax'.

As a high-income earner, your marginal tax rate is higher than an average income earner, which means that when you make concessional contributions to your super account, you receive a larger tax concession. Division 293 tax imposes an additional tax of 15% on some of these contributions to bring the concession back to an amount in line with the average. If this additional tax applies, you'll receive an Additional tax on concessional contributions (Division 293) notice from the ATO.

For more general information about Division 293 tax, visit the **ATO's website**.

### Concessional contribution cap breaches

Concessional contributions in excess of the concessional contributions cap means that:

- the excess concessional contribution is included in your assessable income,
- it will count towards your non-concessional contribution caps, and
- the amount will incur additional tax at your top marginal tax rate.

You will be required to pay this additional tax personally. You can choose to withdraw the excess concessional contributions (and up to 85% of any associated investment earnings) from your super account to help pay your tax liability. If you do, this amount will be sent directly to the ATO by us on your behalf. Otherwise, you can leave the excess concessional contributions in your super account where they will count towards your non-concessional contributions cap and pay the additional income tax from your personal cash flow.

The amount of excess concessional contributions that count towards your non-concessional contributions cap will be reduced by the amount of excess concessional contributions you release from your account 'grossed-up' by 15%.

5. *For the 2025/26 financial year. Subject to indexation in future years. Your concessional contributions cap may be higher if you have unused concessional cap amounts from previous years that you can 'carry forward' (use) - see above.*
6. *The calculation of income for this purpose is complex and includes your taxable income plus concessional super contributions, adjusted fringe benefits, net investment earnings, target foreign income and tax-free Government pensions and benefits, less certain prescribed amounts.*

> **IMPORTANT: The contribution caps are applied per person, not per Fund. If you have more than one super account, the concessional contributions made to all of your super accounts in a single financial year are added together by the ATO and counted towards your concessional contributions cap.**

### Unused concessional cap carry forward

If your Total Superannuation Balance is less than $500,000 on 30 June of the previous financial year, you may be entitled to make concessional contributions above the standard concessional contributions cap for a year by using some or all of the unused portion of your concessional contributions cap from previous years (up to 5 years' worth), without having to pay extra tax. See further below for an explanation of *Total Superannuation Balance*.

The 2018/2019 financial year was the first financial year that you could accrue unused cap amounts. Unused amounts are available on a rolling basis for a maximum of five years, and after this period will expire. For more general information about the carry-forward of unused concessional contributions, see the **ATO's website**.

### Low income superannuation tax offset (LISTO)

Under the LISTO scheme, if you earn less than $37,000 per annum, you will receive a refund from the Government of up to $500 of the 15% contributions tax you paid on concessional (before-tax) contributions paid into your super account.

You don't need to apply to be eligible for the LISTO. At the end of each financial year, the ATO will receive your Tax Return and a statement from the Fund listing all of the concessional contributions that have been made to your super account. The ATO will then determine if you are eligible to receive the tax offset, and the amount of the offset (based on your income and contribution history) and will make a payment directly into your super account.

For more general information about the LISTO scheme, see the **ATO's website**.

### Non-concessional contributions cap

Non-concessional contributions are limited to $120,000[7] per person per annum, unless you are eligible to exercise the 'bring-forward arrangements' (see below).

There are many types of non-concessional contributions, including:

- Personal contributions you make, or your employer makes on your request, from your after-tax income (that you have not claimed as a tax deduction);
- Contributions your spouse makes to your super fund (excluding when your spouse is your employer);
- Excess concessional (before-tax) contributions which you have not released from your super fund;
- Amounts you withdraw from a super fund and 're-contribute' to super and which you have not claimed as an income tax deduction (unless withdrawn under the COVID-19 early release of super program, previously made available by the Government, and the re-contribution occurs between 1 July 2021 to 30 June 2030. See the *How super works* section of this document for more information about COVID-19 re-contributions); and
- Contributions made for you by someone else if you are under 18 and the contributor is not your employer.

Provided you meet the relevant conditions, downsizer contributions (see further below), personal injury payments (referred to as structured settlement contributions) and contributions from the sale of small business related assets (that you have chosen to count towards your capital gains tax cap that have not exceeded your lifetime limit), do not count towards your non-concessional contributions cap (for further information about structured settlement contributions and contributions relating to CGT exemptions, refer to the **ATO's website** or speak to a professional tax adviser, as the applicable arrangements are complex).

Your non-concessional contributions cap is impacted by your Total Superannuation Balance and is nil for a financial year if your Total Superannuation Balance is equal or greater than the General Transfer Balance Cap at the end of the previous financial year (see further below for an explanation of the *Total Superannuation Balance* and *General Transfer Balance Cap*).

> **IMPORTANT: If you have more than one super account, the non-concessional concessional contributions made to all of your super accounts in a single financial year are added together by the ATO and counted towards your non-concessional contributions cap.**

*7. For the 2025/26 financial year. The cap will be indexed in future years so that it is always four times the cap on concessional contributions.*

## Bring forward contribution arrangements

If you make contributions above the standard annual non-concessional contributions cap, you may be eligible to automatically gain access to future year caps. This is known as 'bring-forward arrangements'. It allows you to make extra non-concessional contributions without having to pay extra tax.

For the 2025/26 financial year and later years, to access the non-concessional bring-forward arrangement you must meet all these conditions. You:

a) Are under 75 years of age for at least one day during the triggering year (the first year); and
b) Contribute more than the annual non-concessional contributions cap; and
c) Are not already in an active bring-forward period[8]; and
d) Have a Total Superannuation Balance at the end of 30 June of the previous financial year that is below the General Transfer Balance Cap (see below for an explanation of *Total Superannuation Balance* and the *General Transfer Balance Cap*).

The amount of non-concessional contributions you can bring forward depends on the amount of your Total Superannuation Balance. The amount of the non-concessional contributions cap you can bring forward if you commence a bring forward arrangement in the 2025/26 financial year is as follows:

a) Three times the annual non-concessional contributions cap over three years (that is, $360,000) if your Total Superannuation Balance on 30 June of the previous financial year is less than $1.76 million;
b) Two times the annual non-concessional contributions cap over two years (that is, $240,000) if your Total Superannuation Balance on 30 June of the previous financial year is $1.76 million or above but less than $1.88 million;
c) One times the annual non-concessional contributions cap over two years (that is, $120,000) if your Total Superannuation Balance on 30 June of the previous financial year is $1.88 million or above but less than the General Transfer Balance Cap; or
d) Nil ($0) if your Total Superannuation Balance is equal to or above the General Transfer Balance Cap.

Once a bring-forward arrangement is triggered in a financial year, your non-concessional contributions made over the next one or two years cannot be more than the sum of your increased bring-forward non-concessional contributions cap amount minus the non-concessional contributions made in the year the bring-forward was triggered. For example, if you used your total increased bring-forward cap in the first year, you would have a nil cap for the next two years.

For more general information about the bring forward contribution arrangements, see the **ATO's website**.

## Spouse contribution tax offset

If you are classified by the ATO as a low-income or non-working spouse, and your spouse makes contributions to your super account, your spouse may qualify for a tax offset of up to 18% on up to $3,000 in contributions per annum. The maximum offset for a year of income is $540.

The tax offset available to your spouse decreases as your income exceeds $37,000 per annum and cuts off when your income reaches $40,000 per annum or more. This doesn't mean that your spouse can no longer contribute to your super account, it just means they won't receive a tax offset for doing so.

Spouse contributions are not usually subject to the 15% contributions tax rate and they are tax-free on withdrawal. Spouse contributions are non-concessional contributions and count towards the receiving spouse's non-concessional contribution limit - not the spouse making the contribution.

For more general information about the tax offset for spouse contributions, see the .

### Downsizer contributions

The downsizer contribution is considered to be a one-off non-concessional (after-tax) contribution, but it will not count towards your non-concessional contributions cap. The downsizer contribution can also still be made even if you have a Total Superannuation Balance of more than the General Transfer Balance Cap however it will affect your Total Superannuation Balance when it is re-calculated at the end of the financial year in which the downsizer contribution is made (see the *How super works* section of this document for information about eligibility requirements for Downsizer contributions). The downsizer contribution is not tax deductible and will be taken into account when determining your eligibility for the Age Pension (See further below for an explanation of the *Total Superannuation Balance* and *General Transfer Balance Cap*).

### Non-concessional contribution cap breaches

Non-concessional contributions in excess of the non-concessional contributions cap will incur additional tax, payable directly by you, if you choose to leave them in your super account.

The ATO will determine if you have exceeded the non-concessional contributions cap by assessing the information reported by your super fund and in your personal tax return and considering your date of birth. They will send you a determination letter and ask you to select your option for paying the additional tax.

In summary, you have two options for paying the additional tax:

a) You can withdraw the entire excess non-concessional contribution amount, plus 85% of any associated investment earnings. The ATO will add the full amount of associated earnings to your assessable income and give you a non-refundable tax offset of 15% on those earnings. The ATO will issue a release authority to your super fund(s) and an amended notice of assessment to you. The released amount will be used to pay your additional tax (and any other Federal Government debts owing e.g. HECS), with any balance refunded to you.
b) You can choose to leave the entire excess non-concessional contributions and associated investment earnings in your super account. The ATO will send you a Notice of Assessment taxing

8. *Different conditions apply if you started to access the bring forward arrangement in previous financial years. See the* ***ATO's website*** *for details.*

you on your entire excess non-concessional contributions at the highest marginal tax rate plus Medicare Levy. This tax must be paid from your super account. The ATO will send a release authority to your fund to release the tax amount to the ATO.

For more general information on non-concessional contributions cap breaches, see the **ATO's website**.

### No TFN tax

If you have not supplied your TFN to the Fund, concessional contributions will be taxed at the top marginal tax rate plus Medicare levy, referred to as 'No TFN tax'.

You can supply your TFN by completing the relevant form, using the member online account, or contacting us. Once your TFN has been recorded, a refund of No TFN tax (if applicable) may be credited back to your account. The ATO only allows this refund to be made for up to a maximum of three previous financial years where it had previously been deducted. Additional No TFN tax paid in years prior to the last three financial years cannot be refunded.

### Tax deductibility of contributions

An employer is generally entitled to a full deduction for all contributions to super on behalf of employees under age 75. Certain criteria must be met including that the employee is engaged in producing the employer's assessable income. Contributions made within 28 days of the end of the month in which an employee turns 75 or that are required to be made under an industrial award or other prescribed arrangements (after age 75) may also be deductible.

All individuals under the age of 67, and those aged 67 to 75 who meet the work test (working 40 hours within a 30-day period in a financial year) or are able to rely on a work test exemption, may claim a tax deduction for personal non-concessional contributions to eligible super funds, up to the concessional contributions cap. To apply, you must complete the ATO's *Notice of Intent to Claim a Tax Deduction on Personal Contributions* form and provide it to us. For more information refer to the *How super works* section of this document or go to **ATO's website** for more information. Time limits apply for claiming a deduction. We recommend you seek professional tax advice if you are considering making tax-deductible personal super contributions.

### Transfer Balance Cap

The General Transfer Balance Cap is $2.0 million for the 2025/26 financial year. This cap may affect the amount of super contributions that can be made to your super account (see *Total Superannuation Balance* below).

It may also be relevant to determining the total amount of your accumulated super that can be transferred into the tax-free retirement phase. This amount will be indexed periodically in $100,000 increments in line with CPI. While the General Transfer Balance Cap is a specified amount, this cap amount does not apply to all individuals when commencing a retirement phase income stream. Every individual has their own Personal Transfer Balance Cap of between $1.6 million and $2 million depending on their circumstances.

Subsequent earnings on balances in the retirement phase will not be capped or restricted.

Your Personal Transfer Balance Cap will depend in the financial year you started your first retirement phase income stream. You can view your Personal Transfer Balance cap information in ATO online (using your myGov account).

For more general information on the Transfer Balance Cap, see the **ATO's website**.

### Total Superannuation Balance

Your Total Superannuation Balance is the total amount that you hold in super in the Australian superannuation system (across multiple accounts in multiple funds if applicable).

If your Total Superannuation Balance on the 30 June of the previous financial year is more than the General Transfer Balance Cap, you will not be able to make any further non-concessional contributions.

In addition, if your Total Superannuation Balance is close to the General Transfer Balance Cap, you will only be able to access the number of years of bring forward required to take your balance up to that cap.

For more general information on the Total Superannuation Balance, see the **ATO's website**.

## Tax on rollovers and transfers

No tax is payable by you if you elect to rollover or transfer some or all of your account balance in the Fund to another complying Australian super fund, approved deposit fund, retirement savings account or other approved super institution (or, usually, vice versa). Payment of tax by you is ordinarily deferred until such time as your super benefit is paid to you in cash.

An exception to this is where the rollover or transfer is from an untaxed source, such as an unfunded super scheme (for example, some public sector super schemes). In this case, the rollover or transfer will be taxed at 15% plus the Medicare levy. A higher rate of tax (the top marginal rate plus the Medicare levy) also applies to transfers over $1,865,000 for the 2025/26 financial year from an untaxed scheme to a taxed scheme.

If you elect to transfer your accumulation account into a pension account, the regular payments you receive from the pension account are taxed as income, but the tax-free proportion of your benefit is not subject to tax and a 15% tax offset (rebate) will also generally apply. No tax is payable on any pension payments made to you on or after age 60 and such payments do not count towards your assessable income.

## Tax on investment earnings

All income and capital gains are taxed at a rate of up to 15%. This tax is calculated and deducted before investment returns are applied to your account. Fund expenses are an allowable deduction for the purpose of calculating taxable income. Any franking credits and foreign tax credits we receive are used to reduce the effective tax rate to below 15%.

## Tax on benefit payments

The rate at which your super benefits will be taxed depends on several factors, including:

a) Your preservation age and the age you will be when you receive the payment;
b) Whether the money in your super account is taxable or tax-free; and,
c) Whether you will receive the payment as a lump sum or an income stream.

### Lump sum withdrawals

Depending on your age, tax may be payable on a lump sum benefit paid to you from your super account. In general, lump sum benefits paid to persons aged under 60 will be taxed, whilst benefits paid to persons aged 60 or over do not incur tax (if paid from a taxed source).

When you claim a benefit prior to age 60, we will give you a statement showing the breakdown of your account balance into tax-free and taxable components. The tax-free component includes, for example, your personal after-tax contributions and an allowance for super benefits arising from employment under old tax rules in place before July 1983. The taxable component forms the balance of your benefit and includes employer contributions and investment earnings. The tax-free component is always paid tax-free.

If you under preservation age (age 60 for members born 1 July 1964 and after) the entire taxable component will be taxed at 20% plus the Medicare levy. The tax treatment for benefit withdrawals paid to you is summarised below:

| Age | Component and tax treatment for withdrawals |
|---|---|
| Age 60 or over | No tax incurred on withdrawals |
| Less than age 60 | Tax free component[a] does not incur tax<br>Taxable component[b] taxed at your marginal tax rate or 20% (plus Medicare levy), whichever is lower (assuming there is no untaxed element in your taxable component). |

a. *The tax-free component consists of amounts such as the accumulation of non-concessional contributions, pre July 1983 components and invalidity components. If you would like more information about these components contact us on 1800 060 215.*

b. *The taxable component is the benefit less the tax-free component. If you would like more information about these components contact us on 1800 060 215.*

When any benefit is paid from an accumulation account, it must comprise both tax-free and taxable components, in the same proportions as the total amount. You cannot nominate to withdraw specific components of your account before others.

If we do not have your TFN at the time a benefit is paid to you, higher tax applies.

For more general information on the tax payable on lump-sum withdrawals, see the **ATO's website**.

### Death benefits - lump sum

The tax treatment of a lump sum death benefit payment from a deceased member's account depends on who the benefit is paid to.

The definition of a dependant is different for who can receive a super death benefit (defined in super law) and how the death benefit will be taxed (defined in taxation law).

Under super law, a death benefit dependant can be the deceased's spouse (including de facto spouse) or child of the deceased or the deceased's spouse (of any age), or a person who was either financially dependent on, or in an interdependency relationship with, the deceased.

Under taxation law, a death benefit dependant can be the deceased's spouse (including de facto spouse), or former spouse, or child of the deceased or deceased's spouse under 18 years of age, or a person who was either financially dependent on, or in an interdependency relationship with, the deceased.

Whilst a lump sum death benefit can be paid by the Trustee to any person who meets the death benefit dependant definition under super law, the lump sum death benefit payment will only be tax free for those persons who meet the taxation law definition of a death benefit dependant.

For super law death benefit dependants who are not also taxation law death benefit dependants, the tax-free and taxable components of the benefit will need to be calculated and tax paid on the taxable component (generally 15% plus the Medicare levy).

Where a death benefit is received by the legal personal representative of a deceased estate, tax payable will be determined according to who is intended to benefit from the estate.

For more general information on super death benefits, see the **ATO's website**.

The tax treatment of death benefits paid in the form of an income stream is different, summarised below.

### Death benefits - income stream

Death benefits can be paid as an income stream to a dependant if you die before commencing an income stream. Death benefits can be paid as an income stream to a dependent child, although when the child turns 25, the balance in the account must be paid to the child as a lump sum (tax-free), unless the child is permanently disabled.

An income stream cannot revert to or be paid to a non-dependent upon your death. These income streams will be paid out to the non-dependant as a lump sum.

Please seek professional advice or contact us on 1800 060 215 for further details.

### Terminal Illness benefits

Tax does not apply to lump sums paid to individuals diagnosed with a terminal medical condition (as defined in Government legislation), regardless of the individual's age.

### Total and Permanent Disablement benefits

Total and Permanent Disablement benefits are taxed at different rates, depending on the member's age at the date they were disabled. For more information, please contact us on 1800 060 215.

### Income Protection benefits

Income Protection insurance benefits are paid as taxable income and, like salary and wages, attract Pay-As-You-Go (PAYG) tax at your marginal tax rate. The tax is deducted and remitted to the ATO before the benefit is paid. Higher tax applies if we do not hold your TFN.

### Departing Australia superannuation payments

If you enter Australia on a temporary visa you are entitled to receive your super benefit once your visa has expired and you have permanently departed Australia. This type of payment is known as a Departing Australia Superannuation Payment (DASP).

The tax rates payable in respect of a DASP are as follows:

- Tax free component – Nil
- Taxable component – 35% (taxed element) and 45% (untaxed element).

A tax rate of 65% may be applied to your DASP if it includes amounts attributable to super contributions made whilst you were a working holiday maker under the 417 (working holiday) or 462 (working holiday subclass) visa.

For more general information about DASP tax rates, see the **ATO's website**.

# 7. Other important information

You should be aware of the following information when joining Child Care Super.

## Privacy

The Trustee is subject to a Privacy Statement to protect your personal information.

### Your right to privacy

When you provide instructions to us, we will be collecting personal information about you. This information is needed to admit you as a member of the Fund, administer your benefits and identify when you may become entitled to your benefits and to comply with Australian taxation laws and other applicable laws and regulations. If the information requested is not provided, we may be unable to process your application or administer your benefits, or your benefits may be restricted.

### Privacy policies

The Privacy Statement applicable to the Trustee can be found at **www.eqt.com.au/global/privacystatement**.

If you have any queries or complaints about your privacy, please contact:

Privacy Officer, Equity Trustees
c/o Child Care Super
Call: 1800 060 215
Email: **info@childcaresuper.com.au**

### Use and disclosure

The information that you provide may be disclosed to certain organisations to which we have outsourced functions, or which provide advice to us and/or to Government bodies, including but not limited to:

- Organisations involved in providing administration and custody services for the Fund, the Fund's insurers, accountants, auditors, legal advisers, and/or those that provide mailing and/or printing services.
- In the event that you make a claim for a disablement benefit, the insurer may be required to disclose information about you to doctors and other experts for the purpose of assessing your claim.
- Relevant service providers to verify your identity by electronic verification.
- The ATO, APRA, ASIC, AUSTRAC, Centrelink and/or other government or regulatory bodies.
- Those where you have consented to the disclosure and/or as required by law.

In some cases, these organisations may be situated in Australia or offshore.

### Collection of Tax File Number ('TFN')

The ***Superannuation Industry (Supervision) Act 1993*** authorises us to collect, use and disclose your TFN for lawful purposes including to establish and administer your account with the Fund and to provide information relating to your super to the ATO.

These purposes may change in the future as a result of legislative change. We may disclose your TFN to another super provider when your benefits are being transferred, unless you request in writing that your TFN not be disclosed to any other super provider.

It is not an offence not to quote your TFN. However, giving your TFN to us will have the following advantages (which may not otherwise apply):

- We will be able to accept all permitted types of contributions for you;
- Other than the tax that may ordinarily apply, you will not pay more tax than you need to – this affects both contributions to your super and when you start drawing down your super benefits; and
- It will make it much easier to trace different super accounts in your name so that you receive all your super benefits when you retire.

### Additional information

We may from time to time provide you with direct marketing and/or educational material about products and services we believe may be of interest to you. Should you not wish to receive this information (including by email or electronic communication), you have the right to 'opt out' by contacting us:

Privacy Officer, Equity Trustees Superannuation Limited
c/o Child Care Super
Call: 1800 060 215
Email: **info@childcaresuper.com.au**

The Fund's service providers have their own privacy policies. The Promoter's Privacy Policy can be found at **https://childcaresuper.com.au/privacy-and-security**

Note: The Promoter may from time to time provide you with direct marketing and/or educational material about products and services they believe may be of interest to you. Should you not wish to receive this information (including by email or electronic communication), you have the right to 'opt out' by contacting the Promoter:

Call: 1800 060 215
Email: **info@childcaresuper.com.au**

## Enquiries and complaints

The Fund has an established procedure for dealing with your enquiries and complaints, which you can find in our **Complaints policy**.

### Enquiries

Enquiries can be made by telephone to 1800 060 215 or in writing to **info@childcaresuper.com.au**

If the enquiry has not been dealt with to your satisfaction, then you can make a complaint about this.

### Complaints

Superannuation legislation requires us to have arrangements in place for you to make complaints.

A complaint can be made verbally or in writing:

| | |
|---|---|
| By telephone: | 1800 060 215 |
| By mail: | The Complaints Officer, Child Care Super<br>GPO Box 1088, Melbourne VIC 3001 |
| By email: | **info@childcaresuper.com.au** |

If you need additional assistance to lodge a complaint, we can support you. Please contact us to discuss how we may be able to assist you.

An acknowledgement will be issued to you at the time of receipt of your complaint, either by phone, email or post. Our team will investigate and respond on all aspects of the matters raised in your complaint.

We will provide you with a response no later than 45 calendar days after receiving your complaint, unless another timeframe is allowed or required under the relevant legislation.

If you make a complaint and we resolve it within 5 business days from receipt to your satisfaction we are not required to send you a formal complaint response, unless you request one; or your complaint relates to hardship, a declined insurance claim, the value of an insurance claim or for any decision of the Trustee (or failure by the Trustee to make a decision) relating to a complaint.

For death benefit objections, the Trustee must provide a complaint response no later than 90 calendar days after the expiry of the 28-calendar day period for objecting.

We will do our best to resolve your complaint as soon as possible. However, if we are unable to provide you with a response within the required timeframe, we will provide you with progress updates including reasons for the delay.

You may also lodge a complaint with the Australian Financial Complaints Authority (AFCA), although AFCA will not normally deal with a complaint until it has been through our internal complaints handling process.

AFCA provides fair and independent financial services complaint resolution that is free to consumers. Time limits may apply to complaints to AFCA and so you should act promptly or otherwise consult the AFCA website to find out if or when the time limit relevant to your circumstances expire. Other limits may also apply.

AFCA's contact details are:

| | |
|---|---|
| By telephone: | 1800 931 678 |
| By mail: | Australian Financial Complaints Authority,<br>GPO Box 3, Melbourne, VIC 3001 |
| By email: | **info@afca.org.au** |
| Website: | **www.afca.org.au** |

# Contact us for more information...

If you would like more information about how Child Care Super works and the options you have, then please contact Child Care Super.

**1800 060 215**

**GPO Box 1088, Melbourne**
**VIC 3001**

**www.childcaresuper.com.au**

**info@childcaresuper.com.au**