1 July 2019

This information is about Cbus. It doesn’t take into account your specific needs, so you should look at your own financial position, objectives and requirements before making any financial decisions. Read the relevant Cbus Product Disclosure Statement to decide whether Cbus is right for you. Call Cbus on 1300 361 784 or visit cbussuper.com.au for a copy.

Cbus’ Trustee: United Super Pty Ltd
ABN 46 006 261 623 AFSL 233792
Cbus ABN 75 493 363 262
MySuper authorisation 75 493 363 262 473.

The information in this document forms part of the following Product Disclosure Statements:

- **Cbus Industry Super Product Disclosure Statement issued 1 July 2019**
- **Cbus Sole Trader Super Product Disclosure Statement issued 1 July 2019**
- **Cbus Personal Super Product Disclosure Statement issued 1 July 2019**
Super can be a tax-effective way to save for your retirement

To help you save for tomorrow, the Government usually takes less tax from super than from other types of investment or savings.

Super is taxed at three different stages

1. When super goes into your account
2. From investment earnings before they are added to your account
3. When you withdraw money from your account

1. When super goes into your account

The money you put into super can be paid in two main ways—before you pay tax on it and after tax is deducted from it.

Before tax (also called concessional contributions)

These include:

- employer contributions (including compulsory super payments)
- salary sacrifice contributions
- personal contributions you have claimed a tax deduction for.

After tax (also called non-concessional contributions)

These are personal contributions you make (e.g. from your after-tax salary) that you have not claimed a tax deduction for.

2. From investment earnings before they are added to your account

3. When you withdraw money from your account

Tax rates on before and after-tax contributions

<table>
<thead>
<tr>
<th>Type of contribution</th>
<th>Tax and contribution caps</th>
</tr>
</thead>
<tbody>
<tr>
<td>Before-tax (concessional)</td>
<td>15%* tax on amounts up to $25,000* a year.</td>
</tr>
<tr>
<td>After-tax (non-concessional)</td>
<td>0% tax on amounts up to $100,000* a year. If you’re under age 65, you may be able to contribute $300,000 in any three-year period*.</td>
</tr>
</tbody>
</table>

* An additional 15% tax is charged on some or all of these contributions if your annual income (including before-tax contributions) is over $250,000 or we don’t hold your TFN.

# Limits for the 2019/20 financial year. Your total super balance also affects these limits (see opposite).

Amounts above the caps trigger additional tax. In some circumstances this can be taken out of your account in the fund or you can obtain a refund on the excess contributions (go to ato.gov.au for more information on tax). Before-tax contributions above the cap that are not withdrawn will count towards your after-tax contributions cap.

If you have more than one fund, contributions made to all your funds in a financial year are added together and count towards the contribution caps.

3. When you withdraw money from your account

Keep track of your total super balance

Your total super balance (across all super accounts you hold including total Transfer Balance†) can impact your eligibility to:

- carry forward unused amounts in your before-tax (concessional) contributions cap
- bring forward future after-tax (non-concessional) contribution caps
- receive the Government co-contribution
- receive the tax offset for spouse contributions.

Once your total super balance reaches $1.6 million* restrictions will apply, such as that you will no longer be eligible for the government co-contribution.

† This is the amount(s) transferred to commence an income stream.

* Limit for the 2019/20 financial year. Some amounts are excluded from the calculation of the balance (e.g. personal injury compensation amounts that qualify as structured settlements). Contact us for more information, or visit the Australian Taxation Office website at ato.gov.au.

Why you should give Cbus your Tax File Number (TFN).

We are authorised to collect, use and disclose your TFN under the Superannuation Industry (Supervision) Act 1993. If you transfer your super to another superannuation provider, we will disclose your TFN unless you tell us not to in writing.

It is not an offence to withhold giving us your TFN. However, if you give us the TFN you will have the following advantages:

- we will be able to accept all permitted types of contributions to your account;
- other than the tax that may ordinarily apply, you will not pay more tax than you need to; and
- it will make it much easier to find different super accounts in your name so that you receive all your super benefits when you retire.

You should read the important information at cbussuper.com.au/tfn before you provide your TFN.
FactSheet

How super is taxed

Tax on super contributions depends on your age, income and the amount and type of contribution. Tax is deducted from your account after the contribution is received and paid to the Australian Taxation Office (ATO).

2. When investment earnings are added to your account
Investment earnings on your Cbus account are taxed at up to 15%. This tax is deducted from the crediting rate that applies to your super, before the earnings are added to your account. Because many other investments (such as property) are taxed at a higher rate, super compares well as a long-term savings option.

3. When you withdraw money from your account
The amount of tax on payments from super can depend on your age, the amount of your payment and the reason for your payment (see table opposite). Contact us on 1300 361 784 if you’re unsure.

If you’re under age 60, tax is deducted from super benefit withdrawals before you receive them. If you’re aged 60 or over, withdrawals are tax free. Your super benefit is divided into two components.

The following table assumes your tax file number has been provided.

<table>
<thead>
<tr>
<th>Component</th>
<th>Tax if you’re under 60</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax free</td>
<td>No tax payable.</td>
</tr>
</tbody>
</table>
| Taxable   | If you’re under your preservation age, taxed at 20%.^  
            | If you’ve reached your preservation age, the first $210,000\# is tax-free and the balance is taxed at 15%^.

^ Plus the Medicare Levy and any other applicable Government Levy.

\# The $210,000 low rate cap amount is the total of all the taxable payments you receive or are paid before you reach age 60 (even if they’re received in different financial years).

Super withdrawals and tax at a glance

<table>
<thead>
<tr>
<th>Superannuation lump-sum payments</th>
<th>Maximum rate of tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retirement payments</td>
<td></td>
</tr>
<tr>
<td>Aged 60 and above</td>
<td>0%</td>
</tr>
<tr>
<td>Preservation age to age 59</td>
<td>0% up to (indexed) low rate cap of $210,000. Amount above low rate cap is subject to 15% tax.</td>
</tr>
<tr>
<td>Cash</td>
<td></td>
</tr>
<tr>
<td>Below preservation age</td>
<td>20% of the taxable component</td>
</tr>
<tr>
<td>Super lump sum benefits less than $200</td>
<td>0%</td>
</tr>
<tr>
<td>Departing Australia Superannuation Payments – Working Holiday visas</td>
<td>65%</td>
</tr>
<tr>
<td>Departing Australia Superannuation Payments – Other visas</td>
<td>35% on the taxed component and 45% on the untaxed component. No additional amount is required to be withheld for the Medicare levy.</td>
</tr>
<tr>
<td>Terminal illness payments</td>
<td>0%</td>
</tr>
<tr>
<td>Death benefit payments</td>
<td></td>
</tr>
<tr>
<td>Paid to a dependant</td>
<td>0%</td>
</tr>
<tr>
<td>Taxed element paid to a non-dependant</td>
<td>15%</td>
</tr>
<tr>
<td>Untaxed element paid to a non-dependant</td>
<td>30%</td>
</tr>
<tr>
<td>Rollover between super funds</td>
<td></td>
</tr>
<tr>
<td>Generally there is no tax payable if you transfer money from one super fund to another if both funds are based in Australia. The only exception is where the amount transferred contains an untaxed element, which may occur when transferring benefits from certain public sector super funds.</td>
<td></td>
</tr>
<tr>
<td>Taxed element</td>
<td>0%</td>
</tr>
<tr>
<td>Untaxed element</td>
<td>15% (up to $1.515m) 45% (over $1.515m)</td>
</tr>
</tbody>
</table>

Please note: The $210,000 low rate cap is indexed annually in line with Average Weekly Ordinary Time Earnings ‘AWOTE’ in increments of $5,000.

All rates shown in this table exclude the Medicare Levy and other Government Levy.
Claiming a tax deduction on personal contributions

Who can claim?
To be eligible for a tax deduction for personal contributions to Cbus you need to meet a number of conditions. This includes whether you:

- have made a personal contribution during the financial year
- meet the age requirements (see Age requirements below)
- complete the ATO’s Deduction for personal super contributions (NAT 71121) form available from ato.gov.au and send it to Cbus
- have received confirmation from Cbus that we’ve accepted your form.

The personal contributions which you claim as a tax deduction are treated as concessional contributions. When deciding whether to claim a deduction for super contributions, you should consider the superannuation impacts which may arise from this.

Age requirements

- you must be aged between 18 and 75 years
- if you turn 75 during the financial year, your personal contribution can only be accepted up to 28 days after the month of your 75th birthday
- if you are under age 18 at the end of the financial year, you may still be eligible for a tax deduction if you have earned income as an employee or business operator during the period in which you claim the deduction.

Notify Cbus of your deduction
You must send your completed NAT 71121 form before the earlier of:

- withdrawing or transferring money from your Cbus account or lodging a contribution splitting application, and
- the day you lodge your tax return with the ATO for the financial year in which the contribution was made, and
- the end of the financial year, after the financial year the contributions were made.

You can also complete the form if you have already lodged a notice with Cbus and want to reduce the amount you’ve applied for, including reducing this to zero. If you want to increase the claim amount you need to lodge a separate notice to claim the additional amount.

Once we’ve received and accepted your notice, we’ll send you written confirmation that we’ve accepted your tax deduction. You must have received this confirmation from Cbus before you can claim a tax deduction. We recommend you give a copy of the confirmation letter to your tax adviser or accountant.

We can refuse to accept a notice in certain circumstances (e.g. if your account balance does not have enough money to meet any tax payable or you have left the fund).

When you claim a tax deduction for your personal contributions, they are no longer eligible for a government co-contribution.

For more information about eligibility and claiming a tax deduction visit ato.gov.au.

Tax on income streams
If you’re transferring into an income stream, read about the tax that applies in the Cbus Super Income Stream Product Disclosure Statement at cbussuper.com.au/sis.

This information has been provided as a guide only, and is not a substitute for professional taxation advice. As the tax rules in relation to super can be complex, we suggest that you seek professional advice before making any decisions. For questions about tax on super, we strongly advise you to contact the Australian Taxation Office (ATO) on 13 10 20.