Cbus Self Managed

In specie transfers

You can now maintain your Cbus Self Managed investments when you move from Cbus Super to a Cbus Super Income Stream.

If you're a Cbus member invested in the Self Managed option you can transfer your shares, Exchange Traded Funds (ETFs) and managed investments from your existing super account to your Cbus Super Income Stream account without having to sell down all of your Cbus Self Managed investments. This is completed through an in specie transfer within your Cbus Self Managed (CSM) account.

What is an in specie transfer?

Most of the time when you transfer from your Cbus Super to a Cbus Super Income Stream account, you need to sell your current investments, so the transaction itself can occur as 'cash'.

If you're a Cbus member with direct holdings in your CSM account this meant you would have to pay costs for selling and repurchasing investments and pay any taxes due before you transfer.

However, an in specie transfer allows you to transfer your shares, ETFs and managed investments from your Cbus superannuation account into a Cbus super income stream account **without** the need to sell down and repurchase them.

What are the benefits of an in specie transfer?

An in specie transfer means you won't be exposed to the out of the market risks associated with selling and repurchasing assets – for example, if a share you sold increased significantly in price between the time you sold them in your super account and repurchased the assets in a super income stream account, meaning you missed out on the increase in value.

Other benefits of an in specie transfer include:

- no transaction costs like brokerage fees or buy sell spreads (other fees for CSM continue to apply)
- deferral of Capital Gains Tax.

What you should know

There are a few things you should know about in specie transfers.

- You can't transfer any term deposit investments.
- You can't transfer CSM assets with pending corporate actions or other asset specific events, such as pending receipt of dividends, between Cbus Super and Cbus Income Stream accounts.
- The tax benefit of any realised and unrealised capital losses will be forgone (calculated at 10% of the losses) if not used to offset realised capital gains prior to the transfer.
- You'll still have to ensure you have online access to your Cbus Super Income Stream account in order to access CSM, though we'll advise you with a letter once your account has successfully transferred. Your transaction account will be transferred across along with your assets.
- You can't initiate an in specie transfer while there's pending transactions – like cash transfers, partial withdrawals, or unfulfilled/unsettled trades.
- You can't merge two CSM accounts that you may hold.
- If you are consolidating your Cbus Super Income Stream accounts you are able to transfer your CSM in specie investment to your new account.
- Your standard (i.e. Pre-mixed and DIY) investment options will not be transferred on an in specie basis. You'll also need to nominate your investment selection for standard options or the balance of funds will be allocated to the default option – Growth (MySuper) for super accounts and Conservative Growth for income stream accounts.

General advice warning

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. For details about how Cbus collects, manages and discloses personal information, please refer to the *Cbus Privacy Policy* and *Personal Information Collection Statement*. For copies of these documents, call Cbus on **1300 361 784** or visit **cbussuper.com.au**. Also read the relevant Target Market Determination at **cbussuper.com.au/tmd**.

Cbus' Trustee: United Super Pty Ltd
ABN 46 006 261 623 AFSL 233792
Cbus ABN 75 493 363 262

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How it works

While Cbus will manage everything for you, there are a few eligibility requirements you need to meet before you can complete an in specie transfer.

- Your transaction account needs to have at least $500 in it.
- You must retain the greater of either $10,000 or your minimum annual pension amount in standard Cbus options. Refer to the CSM Investment Guide for more information on eligibility and investment limits.



Worked example

Peter is 58

- He has decided to commence a Cbus Super Income Stream.
- He currently has part of his Cbus super account invested in the CSM option.
- He wants to transfer the entire CSM account across to the CSM income stream.

Pre Transfer	
Cbus Super Account – Peter	
Standard Cbus options:	
Conservative	$80,000
Cash	$10,000
Cbus Self Managed:	
Transaction account	$1,500
ASX 300 - ABC Pty Ltd	$10,000
Less (ABC P/L) unrealised Capital Gain's Tax	- $500
ABC Pty Ltd net value	$9,500
Total	**$101,000**

In specie Transfer	
Remove (if any) unrealised Capital Gain's Tax liability and the tax benefit of any realised and unrealised capital losses	
(ABC P/L) Unrealised Capital Gain's Tax	- $500

Post Transfer	
Cbus Super Income Stream Account – Peter	
Standard Cbus options:	
Conservative	$80,000
Cash	$10,000
Cbus Self Managed:	
Transaction account	$1,500
ASX 300 - ABC Pty Ltd	$10,000
ABC Pty Ltd net value	$10,000
Total	**$101,500**

Please note this example is for illustration purposes only.

$500 gain through in specie transfer

Questions?

If you have any questions about in specie transfers or Cbus Self Managed call us on **1300 361 784** or email **csm@cbussuper.com.au**.

You can also visit our website – **cbussuper.com.au/cbusselfmanaged**