

Changes to the Direct Investment option

Here's what's changing

Significant event notice (SEN) - 13 March 2025



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This document outlines the key changes to the Direct Investment option (DIO), as well as important information about a temporary service disruption while the changes are taking place. Please read this document to understand how the changes will affect you.

Introducing our new DIO provider

CareSuper's DIO platform is currently provided through an external platform provider, OneVue Wealth Services Limited¹ (OneVue).

Our agreement with OneVue is coming to an end soon and we've been looking for a new DIO platform provider.

After exploring other suppliers in the market, we've chosen a new DIO platform provider: **FNZ (Australia) Pty Limited**² (FNZ).

FNZ is a wealth management technology provider with proven expertise in administering investment platforms both in Australia and globally. They have a strong reputation in the Australian financial services industry and currently provide investment platform services to several large banks and superannuation funds.

We're confident that by partnering with FNZ to deliver the DIO, we'll be providing members with a high-quality experience and a more sophisticated product.

¹OneVue's Australian Business Number (ABN) is 70 120 380 627 and their Australian Financial Services Licence (AFSL) number is 308868.

²FNZ's ABN is 67 138 819 119.

How does this affect you?

Your DIO investments will be transferred from the OneVue platform onto the FNZ platform effective 26 April 2025. You don't need to do anything, and the transfer will happen automatically.

You'll be able to access the new DIO portal through **Member Online** from 5 May 2025. While the FNZ platform will look different to the current OneVue offering, we're confident you'll enjoy the same DIO functionality and features you're used to, with a more user-friendly and intuitive interface.

The DIO administration fee will increase, and brokerage fees for listed securities will reduce. Go to page 5 for more information about changes to fees and costs.

Find out more at caresuper.com.au/dio-changes.

Upcoming enhancements

1. Dividend reinvestment plans will be available for some listed securities. Find out more on page 7.
2. You'll receive better interest on your DIO Cash account than previously. Find out more on page 6.
3. You'll receive improved notifications about your DIO investments.
4. The new DIO portal will be mobile responsive. This means you'll be able to access your investments and request transactions via the CareSuper app on your phone or other mobile device.

Limited service period

There will be a temporary pause in DIO online services while the changes take place, starting from **2pm AEST 11 April 2025**. We're expecting services to resume by **5 May 2025**.



During this time you **won't** be able to:

- access the DIO portal
- transact on DIO investments (for example buy or sell shares)
- transfer money into the DIO
- transfer money from the DIO into another CareSuper investment option
- close your CareSuper account
- transfer from a CareSuper super account to a Flexible Income account.

You also won't be able to view up to date valuations of your DIO investments in **Member Online**. When you log into **Member Online**, you'll see a snapshot of the value of your DIO investments as at 16 April, for the duration of the limited service period.

During this time, your DIO investments will remain invested and any investment earnings such as dividends and interest will continue to be applied to your account.

You'll still have access to your CareSuper account and you'll be able to change your non-DIO investments, update your account details and transact using your non-DIO investments.

We'll get in touch to let you know when the FNZ platform is up and running, so you can get back online.

What do you need to do before 11 April 2025

Consider if you need to access your funds invested in the DIO	<p>If you want to make a withdrawal or transfer your funds out of CareSuper, you'll need to sell your DIO investments first.</p> <p>Once all your funds are available in your DIO Cash account, you can transfer your entire DIO Cash account balance out of the DIO in Member Online.</p> <p>This may take a little while to process, so it's important to keep this in mind if you're thinking about leaving the DIO or if you need to access your super urgently.</p> <p>If you need to access your funds invested in the DIO, we recommend that you sell down any listed investments by 4 April 2025 to ensure the funds are available to transfer out of the DIO before 11 April.</p> <p>For more details on how to exit the DIO, read <i>Our Direct Investment option guide</i> available at caresuper.com.au/dio-guide.</p> <p>Eligibility criteria apply to withdrawals from super. For more information go to caresuper.com.au/accessing-your-super.</p>
Consider if you need any historical transaction information or reports	<p>You won't be able to access historical transaction information or reports about your DIO investments after we transfer to the new service provider.</p> <p>The reports available in the new DIO portal will change. The new reports cover all of the information you need to understand your investments.</p> <p>You may wish to download and save any transaction information from the DIO portal before 11 April 2025.</p> <p>Please note that all relevant tax information will be reflected in your investment valuations after the transfer is complete.</p>
Consider any research you might need	<p>Research on listed securities will be available in the new DIO portal, however this won't be available initially. We're expecting this to be available around July 2025, and we'll send you an update to confirm when you can access the research feature.</p> <p>You may wish to download and save any research reports you may need from the DIO portal before 11 April 2025.</p>

Transition impacts

There are a number of steps we need to take to ensure a smooth transition to the new service provider.

Your situation	How you're impacted
Your account balances and fees	<p>You won't be able to view up to date valuations of your DIO investments in Member Online during the limited service period.</p> <p>When you log into Member Online, you'll see a snapshot of the value of your DIO investments as at 16 April, until approximately 5 May 2025.</p> <p>We'll use the DIO investment valuation as at 16 April to calculate any fees that apply to your CareSuper account during the limited service period.</p>
Income received during the limited service period	<p>Any income you receive from your DIO investments during the limited service period will be paid into your DIO Cash account after the transfer to FNZ is complete. This includes dividends, distributions and interest payments.</p> <p>While we're transferring your DIO investments from OneVue to FNZ, there will be a short period where interest won't be applied to income payments. We're expecting this will be for a period of seven days or less.</p>
Transactions in progress as at 11 April	<p>If you have any unexecuted trades on your DIO account, they will be cancelled at 4pm AEST on 11 April 2025.</p> <p>You can resubmit transaction requests in the DIO portal after online services resume from 5 May 2025.</p>
Term deposit maturing after 16 April	<p>Any term deposits due to mature after 16 April 2025 will be terminated early. If you're impacted, we'll reimburse you for any penalties applied by the term deposit providers and any lost interest. We'll be in touch with more details if this affects you.</p> <p>You'll be able to invest in new term deposits in the DIO portal after online services resume from 5 May 2025, subject to the terms and conditions of the term deposit providers.</p>
Securities that can't be transferred	<p>Delisted securities will not be transferred to the FNZ platform. We'll write these off and allocate a capital loss to your account.</p> <p>Company options will not be transferred across to the FNZ platform. If you wish to exercise any options you hold, please ensure you do so before 31 March 2025.</p>
Corporate actions	<p>You'll be able to participate in any approved voluntary corporate actions from 5 May 2025 onwards.</p>
Tax adjustments	<p>Tax adjustments will continue to be applied to your DIO account each financial year. Some of the 2024-25 annual tax adjustment and/or franking credit benefit may be brought forward due to the platform change.</p>

Changes to fees and costs

The DIO administration fee will increase, and brokerage fees for listed securities will reduce.

Type of fee or cost	Current amount	Amount from 26 April 2025												
DIO administration fee	\$120 each year, calculated daily and deducted from your account at the end of each month or when your CareSuper account is closed.	\$264 each year, calculated daily and deducted from your account at the end of each month or when your CareSuper account is closed.												
Brokerage fees applicable to listed securities	<p>The following brokerage fees are either added to the cost of purchase, or deducted from the sale proceeds of each transaction, paid at the time of trade.</p> <table border="1"> <thead> <tr> <th>Trade amount</th> <th>Brokerage fee incl GST</th> </tr> </thead> <tbody> <tr> <td>\$0 - \$20,000</td> <td>\$22.00</td> </tr> <tr> <td>\$20,001 - \$10,000,000</td> <td>0.11%</td> </tr> </tbody> </table>	Trade amount	Brokerage fee incl GST	\$0 - \$20,000	\$22.00	\$20,001 - \$10,000,000	0.11%	<p>The following brokerage fees are either added to the cost of purchase, or deducted from the sale proceeds of each transaction, paid at the time of trade.</p> <table border="1"> <thead> <tr> <th>Trade amount</th> <th>Brokerage fee incl GST less RITC³</th> </tr> </thead> <tbody> <tr> <td>\$0 - \$13,000</td> <td>\$11.99</td> </tr> <tr> <td>\$13,001 +</td> <td>0.09225%</td> </tr> </tbody> </table>	Trade amount	Brokerage fee incl GST less RITC ³	\$0 - \$13,000	\$11.99	\$13,001 +	0.09225%
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Fees for breaking a term deposit prior to maturity	<p>If you hold a term deposit and you request to break it before it matures, the term deposit provider may charge a fee or reduce the interest you may receive.</p>	<p>If you hold a term deposit and you request to break it before it matures, your interest will be reduced as follows:</p> <table border="1"> <thead> <tr> <th>How long the term deposit has been invested</th> <th>Reduction in interest</th> </tr> </thead> <tbody> <tr> <td>Less than 50% of the original term</td> <td>50%</td> </tr> <tr> <td>50% or more of the original term</td> <td>20%</td> </tr> </tbody> </table> <p>This penalty may not be applied in certain circumstances. Go to page 7 for more details.</p>	How long the term deposit has been invested	Reduction in interest	Less than 50% of the original term	50%	50% or more of the original term	20%						
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³Reduced Input Tax Credit (RITC) is the amount of the GST that we can claim a credit for.

We're currently unable to claim a RITC on the GST component of any brokerage fees charged. As such, this benefit is not currently passed on to members. However, once we transfer to FNZ we'll be able to claim a RITC of 75% on the GST component of any brokerage fees charged. We'll pass this onto you, and it will be paid into your DIO Cash account at the time of the transaction.



Example

If brokerage was \$100, GST would be \$10 (i.e. the total brokerage cost including GST would be \$110). We can claim \$7.50 RITC.

You'll see \$110 as the brokerage expense on the trade, but the RITC of \$7.50 will be paid into your DIO Cash account. This effectively reduces the total brokerage cost to \$102.50 inclusive of GST and net of RITC.

Please note that DIO fees are applied in addition to ongoing fees and costs that apply to your CareSuper account. For more details about our fees and costs, refer to the relevant PDS at caresuper.com.au/pds.

Tax impacts

If you have DIO investments on 11 April 2025, these will in-specie transfer to the new service provider during the limited service period. 'In-specie' transfer means we won't sell your investments to facilitate the transfer, so you won't need to pay capital gains tax (CGT).

Super members

You may notice a difference in your investment valuations once we move to the new DIO platform. This is because the new DIO platform will reflect the unrealised CGT in your investment valuations.

Here's what you need to know:

- The real value of your investments won't change (aside from any normal market movements).
- This doesn't change how your investment earnings are taxed. It just gives you a clearer picture of what your investments are worth after taking potential tax treatment into account.
- You'll see an estimated amount of unrealised CGT in the DIO portal. This is an estimate of the CGT you'd need to pay on your investments if you were to sell them all at the date of the valuation.



Important

CGT only applies when you sell investments, unless you transfer the investments into a Flexible Income account first (eligibility criteria apply). In this case, the unrealised CGT will be reduced to \$0 once the DIO assets move to the Flexible Income account.

Flexible Income members

If you have a Flexible Income account, you won't be impacted by this change, as investment earnings aren't taxed in Retirement Income accounts.

Transfers into and out of the DIO

The cut-off time to transfer funds into and out of the DIO will be 4pm AEST/AEDT on a business day. This was previously 2pm AEST/AEDT.

Requests received after the cut-off times or submitted online on a national public holiday or weekend will be processed effective the following business day.

Amounts transferred into the DIO will be available in the DIO portal two business days after the transfer occurs (noting the cut-off time above). This has not changed.

Amounts transferred out of the DIO will be invested in CareSuper's other (non-DIO) investment options two business days after the transfer occurs (noting the cut-off time above). This was previously one business day.

DIO Cash account changes

The DIO Cash account will be referred to as the 'Transaction account' in the new portal. This name change won't affect the functionality of your DIO Cash account.

Once the DIO transitions to the FNZ platform, the interest rate applied to your DIO Cash account will change.

We're negotiating a better interest rate, and we'll be updating our website with the details soon.

You can check the latest rate in the DIO portal from 5 May 2025.

All the other features of the DIO Cash account will remain the same.

Term deposit changes

The range of term deposit providers and terms may be different in the new DIO portal. These are subject to change at any time. You can check the available providers and terms in the DIO portal from 5 May 2025.

The maximum you can invest in a term deposit will be the lesser of \$5 million or an amount determined by the term deposit provider. This was previously an amount determined by the term deposit provider.

You'll still be able to apply for a new term deposit any time, however term deposit requests will be processed once a week every Friday. This was previously daily.

Valid term deposit applications received by 11:59pm AEST/AEDT on a Thursday will be invested on Friday, or the next available business day if the Friday is not a business day. Requests received after the cut off will be processed the following Friday (or next business day if the Friday is not a business day).



Example

Amy applies for a new term deposit on Monday. It will be invested that Friday.

While the money is waiting to be invested, it will remain in Amy's DIO Cash account and will continue to earn interest at the prevailing DIO Cash account rate. Amy won't be able to withdraw these funds or use them to make another investment during this time.

The interest rate applicable to Amy's new term deposit will be based on the rate available on the day Amy's application was submitted (Monday). This rate may be higher or lower than the rate available on the Friday when the term deposit was invested.

Rolling over your term deposit

When your term deposit matures, you can choose to reinvest some or all of the money into a new term deposit. You'll have more options available to you when deciding whether to rollover a term deposit than with our current provider.

Term deposit rollover elections must be made or cancelled at least two business days before your existing term deposit matures. This was previously by 1pm AEST/AEDT on a business day, at least two business days before your existing term deposit matures.

Breaking a term deposit early

You can apply to break a term deposit before the agreed maturity date. Previously your eligibility to terminate a term deposit early was at the discretion of the term deposit provider, based on their terms and conditions.

If your request is approved, the interest you receive will be reduced. See *Changes to fees and costs* on page 5 for more details.

The interest may not be reduced if you're terminating your term deposit early for one of the following reasons:

- permanent incapacity
- terminal medical condition
- severe financial hardship
- compassionate grounds
- you're required to make a super payment under Family Law

Conditions will apply. Contact us for more information.

There will be no interest reduction if we need to break a term deposit to make payments to your beneficiaries in the event of your death.

Listed securities

Dividend reinvestment plans

You can choose to participate in a dividend reinvestment plan if one is offered for that security. This means that you can choose to automatically invest any dividends you may be eligible for into additional shares or units, instead of the dividends being paid into your DIO Cash account.

Any dividends you reinvest through a dividend reinvestment plan won't be subject to brokerage fees.

Please note that for tax purposes, we treat the transaction as though you had received the dividend payment in cash and then used it to buy more shares.

When you invest in the DIO, you'll be asked whether you'd like to participate in a dividend reinvestment plan. Your instruction will apply to all securities you hold in the DIO that offer dividend reinvestment plans, including exchange traded funds (ETFs) and listed investment companies (LICs). You can change your instruction at any time within the DIO portal.

Other important information

You won't be able to access the DIO portal after you exit the DIO. You should download your transaction history and any reports you need before you exit the DIO.



Your email is important

You must have a valid email address to invest in the DIO, and you should notify us immediately if your email changes. This is because all communications generated from the DIO portal can only be sent to you via email, regardless of your communication preferences on your CareSuper account.

If your email is invalid, you'll be able to access DIO-related communications within the DIO portal, however you won't receive any direct communications about your DIO investments. CareSuper won't accept any responsibility or liability as a result of any DIO communications you don't receive because you haven't provided a valid email address.

Feedback and complaints

We hope that you'll never have a reason to complain. If you do, refer to our *Complaints handling policy* at caresuper.com.au/complaints for more information.

