

# We're making some important changes.

To improve our services to you, we're changing our administrator and making some system changes (including the fees we charge and the timing of deductions) during **March and April 2019**. For a period of time, this will mean you won't be able to access MemberOnline, and the processing of certain transactions (such as contributions, withdrawals and investment switches) will be delayed.

There will be a number of changes, including:

- Our unit pricing and switching policy
- The return objectives for our Capital Guaranteed and Fixed Interest investment options
- Our Direct Investment option
- Fees, including the removal of some existing fees.

We have also recently changed how insurance proceeds are treated when received from the insurer.

This notice explains the changes and how they may affect you. Please read it carefully.



## QUESTIONS?

If you have any questions or concerns:

**Visit** [caresuper.com.au/changes2019](https://caresuper.com.au/changes2019)

**Call** 1300 360 149 from 8am–8pm Monday to Friday (AET)

**Email** [admin@caresuper.com.au](mailto:admin@caresuper.com.au)

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# 1. Change of administrator

To continually improve the services we provide to our members, we have decided to change the administration arrangements of our fund and have appointed Mercer Outsourcing (Australia) Pty Ltd ABN 83 068 908 912, AFSL 411980 (Mercer) from 30 March 2019. Because of this change, there will be some operational changes as well as limited online access and services during March and April 2019 (referred to as the 'limited services period') and delays in processing some transactions.

**This change is relevant to all CareSuper members.**

Here's how the change may affect you:

## LIMITED ACCESS TO MEMBERONLINE

From 5pm on Friday 22 March 2019, if you have a MemberOnline account you will have read-only access. This means you will not be able to change your investment options, change your insurance or add or change your beneficiaries online.

Access to MemberOnline will be closed altogether from 4pm on Friday 29 March 2019 until around Wednesday 24 April 2019. If you need help, you will still be able to contact us on **1300 360 149** or email [admin@caresuper.com.au](mailto:admin@caresuper.com.au) for account information or any other queries.

If we have an up-to-date email address for you, we will notify you when MemberOnline becomes available again and provide instructions on how you can access your new online account. Otherwise, registration for MemberOnline will become available on or around 24 April 2019. Check [caresuper.com.au/changes2019](http://caresuper.com.au/changes2019) for information about how to access your online account.

## TRANSACTION PROCESSING DELAYS

As we move administration services across to Mercer and launch the new systems, there will be some scheduled disruption to processing, mostly taking place between 22 March and 30 April 2019. If sending us forms by post, please allow enough time for your paperwork to get to us and consider any additional time it will take if you are outside an Australian capital city or using international post.

To avoid any potential processing delays, we recommend you submit requests where possible before **5pm on Friday 8 March 2019**.

We anticipate requests received **before** the cut-off dates below will be processed as normal, however they may be affected by the delays if we don't have all the information we need to process your request.

Transaction type	Cut-off dates to avoid delays
<b>Online transaction requests</b> Including investment switches, rollovers, changes to your insurance or account details, making and changing non-binding beneficiary nominations.	Transactions via your online account must be made before <b>5pm on Friday 22 March 2019</b> .
<b>Paper-based requests</b> Including investment switches, withdrawals, rollovers, changes to your insurance or account details, making or changing beneficiary nominations (binding or non-binding).	Complete paperwork must be received by us before <b>5pm on Friday 22 March 2019</b> .
<b>Contributions</b> Including BPAY®, cheque and direct debit amounts.	Funds must be received by <b>5pm on Friday 22 March 2019</b> .

Requests received **after** the cut-off dates above may be held and processed from around mid-April 2019. Once we recommence processing transactions, we will endeavour to catch up as quickly as possible with all requests that we have previously received (but not processed) and will prioritise transactions by date of receipt. It may take 3-4 weeks before all transactions are processed within normal timeframes.

Please note, super contributions made by your employer will continue to be accepted and will be processed by the end of April 2019.

## APPLICATION OF UNIT PRICES TO TRANSACTIONS

The unit prices that apply to transactions processed until Friday 29 March 2019 will be effective in line with current rules, except for switch requests received between 23 and 29 March 2019, which will be processed effective 1 April 2019.

For transactions processed after **1 April 2019**, the introduction of daily unit prices means they will be applied as follows:

Transaction type	Unit price applied
<b>'Money in'</b> Including employer and personal contributions and money you roll in from another fund.	During the limited services period, the unit price applied will be for the business day <b>after</b> the day we receive the money (for example, if we receive money on 15 April 2019, the unit price effective 16 April will apply).  From the conclusion of the limited services period 'money in' transactions will use the unit price effective for the date of processing (for example, if we process a contribution on 28 May, the unit price effective 28 May will apply).
<b>'Money out'</b> Including rollovers, withdrawals and lump sum payments for claims.	The unit price applied will be the one effective for the date of processing (for example, if we process a withdrawal on 15 April, the unit price effective 15 April will apply).  Any 'money out' transactions (for example, a rollover) will remain invested in your chosen investment option(s) until the payment is processed.
<b>Switch requests</b> Including our Managed and Asset Class investment options.	The unit price applied will be for the business day <b>after</b> we receive your switch request (for example, if we receive a switch request on 15 April the unit price effective 16 April will apply).  Switch requests received on weekends or national public holidays will be regarded as being received on the next business day and receive the unit price for the business day following (for example, if we receive a switch request on Saturday 4 May 2019, the unit price effective Tuesday 7 May 2019 will apply).

For more information on daily unit pricing and switching, please see **section 3 – Investment changes**.

## CHANGES TO DIRECT DEBIT FACILITIES FOR MAKING ADDITIONAL CONTRIBUTIONS

As part of the system changes we are making, the direct debit facility we use is changing from Pacific Custodians Pty Limited to National Nominees Limited from April 2019. If you have provided a direct debit authority, you will notice a change in the details appearing on your bank statement after this date. The direct debit facility will also cease to be available for new arrangements from 20 March 2019. Members who are eligible to make contributions can continue to use BPAY. If you have an existing direct debit arrangement, you will still be able to make changes to your direct debit authority.

## NEW POSTAL AND STREET ADDRESS

Our new address details from Friday 29 March 2019 will be:

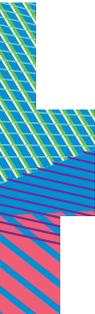


CareSuper  
Locked Bag 20019  
Melbourne VIC 3001



CareSuper  
Tower 2/727 Collins Street  
Melbourne VIC 3008

Correspondence sent to our current postal address after Thursday 28 March will be forwarded on to our new postal address and may encounter additional postage delays before we receive it. The telephone number for CareSuper will remain as **1300 360 149**.



## 2. Changes to fees and other deductions

At the same time as changing our administrator, we're making some system and operational changes, including removing some fees, changing the timing of certain deductions from member accounts and changing the Direct Investment option fees.

**The removal of some fees and changes to the timing of certain deductions is relevant to all CareSuper members. Changes to the Direct Investment option fees are only relevant to members registered for the Direct Investment option.**

Other operational changes include changing the Direct Investment option platform and provider, moving from weekly to daily unit pricing for our Managed and Asset Class investment options and introducing mid-prices, as explained under **section 3 – Investment changes**.

### FEE REMOVAL

We're pleased to advise the following fees will no longer apply to transactions processed after 1 April 2019:

- \$40 exit fee (which currently applies to most full and partial withdrawals)
- \$50 contribution splitting fee
- \$40 family law splitting fee.

### CHANGES TO TIMING OF DEDUCTIONS FROM, AND REBATES TO, ACCOUNTS

The dollar-based portion of the **administration fee** is currently calculated *weekly* and the percentage-based portion of the **administration fee** is currently calculated *monthly*. Both are deducted from your super account on the last Friday of each month or on full withdrawal. From 30 March 2019, the **administration fee** will be calculated daily and deducted on the last calendar day of the month or on full withdrawal.

There will be an **out-of-cycle fee and premium deduction** in mid-April (effective 1 April) for 30 and 31 March 2019 to cover the changeover period between the last Friday of the month and the end of the month.

**Contribution tax** (where applicable) is currently deducted from your super account at the end of each month for concessional (taxable) contributions. From 1 April 2019, any contribution tax will be deducted at the time a concessional contribution is processed.

**Insurance premiums** (where applicable) are currently calculated using weekly premium rates for unit-based cover and calculated using annual premium rates for fixed cover. Premiums are deducted on the last Friday of each month or on full withdrawal, based on the number of Fridays within the month.

From 30 March 2019, fixed cover insurance premiums will continue to be calculated using annual premium rates. For unit-based cover we will calculate an annual premium using the weekly premium rates. Premiums will be deducted monthly on a pro rata basis, reflecting the amount of cover provided for the number of days in the month. This deduction will occur on the last calendar day of the month or on full withdrawal. Premium calculations are subject to any adjustments that are necessary, for example, for changes in cover or your age.

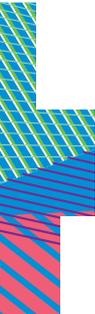
**Reinstatement of insurance cover** rules are available (excluding Personal Plan members) when cover is cancelled after a member's account balance reaches \$0. As the deduction process is changing, the current rules relating to the reinstatement of insurance cover will also change.

From 30 March 2019, cover will cease at the end of the month that your account balance has reached \$0. Prior to 30 March 2019 cover ceased on the last Friday of the month. All other reinstatement rules will continue to apply.

Some fees and insurance premiums give rise to **contribution tax rebates**. Currently the rebate is calculated on the last Friday of the month before contribution tax (if applicable) is deducted. If you are eligible for a contribution tax rebate, from 1 April 2019 it will be applied to your account on the last calendar day of the month, at the same time any deductions for the administration fee and insurance premiums are processed.

### CHANGES TO DIRECT INVESTMENT OPTION FEES

There will also be changes to the Direct Investment option fees from 30 March 2019. See pages 6-7 for more information.



# 3. Investment changes

Other operational changes being made to coincide with the change to our administrator include changes to our unit pricing cycle and operational processes relating to investments. **These changes are relevant to all CareSuper members.**

There will be changes to our Direct Investment option, **relevant only to members who invest in the Direct Investment option.**

The return objectives for two of our investment options are also changing. **These changes are relevant if you are currently invested, or wish to invest, in the Capital Guaranteed or Fixed Interest options.**

## **MOVE FROM WEEKLY TO DAILY UNIT PRICING FOR ALL MANAGED AND ASSET CLASS INVESTMENT OPTIONS**

Unit prices apply to CareSuper's Managed investment options, including CareSuper's Balanced (MySuper) investment option, and Asset Class investment options. Currently, our standard process is to calculate buy and sell prices for each of these options on a weekly basis. We're moving to daily unit pricing and the first daily unit price will be calculated for 1 April 2019. This means you'll have access to more up-to-date information on how market movements affect your super account and switches will be processed daily instead of weekly.

The last weekly unit prices for each of our Managed and Asset Class options will be calculated on 26 March 2019 and published on our website at [caresuper.com.au/unitpricing](https://caresuper.com.au/unitpricing) on 27 March 2019.

From 1 April 2019 unit prices will be calculated daily at the end of each business day and published on our website at [caresuper.com.au/unitpricing](https://caresuper.com.au/unitpricing) within two business days. A 'business day' is generally considered to be Monday through to Friday and excludes weekends and national public holidays.

### **IMPORTANT NOTE**

As is currently the case, there may be exceptional circumstances (e.g. extreme market volatility) when unit prices are not able to be calculated (or published) on a particular day. If unit prices are not calculated on a particular day, we may calculate (and publish) unit prices less frequently or temporarily suspend transactions to which unit prices are applied.

## **DAILY MID-PRICES FOR CERTAIN TRANSACTIONS FROM 1 APRIL 2019**

In addition to calculating and publishing buy and sell unit prices, from 1 April 2019 we will also introduce the calculation and publication of a daily mid-price for each of CareSuper's Managed and Asset Class options. We will use this mid-price to process two types of transactions for which we currently don't charge a buy-sell spread. It will apply to:

- Deductions for the dollar-based portion of the administration fee, and
- When you move your funds between super, transition to retirement and pension accounts within CareSuper and do not change your investment options.

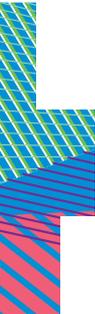
The first mid-price for our Managed and Asset Class options will be calculated as at 1 April 2019 and published online within two business days at [caresuper.com.au/unitpricing](https://caresuper.com.au/unitpricing) unless exceptional circumstances arise (as noted above).

## **MORE FREQUENT INVESTMENT SWITCHING AVAILABLE FROM 1 APRIL 2019**

Under the current arrangements, you can request to make an investment switch between any of the Managed and Asset Class investment options at any time. These requests are processed and effective weekly.

Under the new arrangements, switch requests for our Managed and Asset Class options can be made at any time and will be processed daily, effective the following business day. This means that if you successfully submit a switch request on any business day, your account will be invested in your new investment choice(s) using the unit price calculated at the close of business the next business day. Your investment switch will generally be visible in your account three business days after your request is received.

Switch requests received on weekends or national public holidays will be regarded as being received on the next business day. The change will be processed using the unit price calculated at the close of business the following business day.



## PAPER-BASED INVESTMENT SWITCHING UNAVAILABLE FROM 24 APRIL 2019

From 24 April 2019, when MemberOnline becomes fully operational again, submitting an investment switch via a paper-based form will no longer be available. You will be able to submit an investment switch either by logging into MemberOnline or by calling us on **1300 360 149** from 8am–8pm Monday to Friday (AET).

## CHANGE TO TREATMENT OF INSURANCE PROCEEDS

Insurance claim proceeds received from CareSuper's insurer are invested in our Capital Secure investment option, pending payment at your direction, an investment switch or as determined by the Trustee. This change in process has been in place since 1 May 2018. Prior to this, the proceeds of any insurance claim were held in a holding account until payment and did not generate investment earnings. For information about the Capital Secure investment option, visit [caresuper.com.au/investmentoptions](https://caresuper.com.au/investmentoptions).

## CHANGES TO THE DIRECT INVESTMENT OPTION PROVIDER

The Direct Investment option (DIO) lets you tailor your CareSuper investment portfolio by combining your choice of a range of Australian shares (from S&P/ASX 300 Index), exchange-traded funds (ETFs), listed investment companies and term deposits, with other CareSuper investment options.

Macquarie Investment Management Limited (ABN 66 002 003, AFSL 237492), the current DIO provider used by CareSuper, has announced the withdrawal of its services from the market in mid-2019. To continue to offer personalised investment selection, CareSuper has chosen OneVue Wealth Services Limited (ABN 70 120 380 627, AFSL 308868) as the new provider for CareSuper's DIO from 30 March 2019.

Most of the key features of the DIO will not change. For example, limits and minimums will remain the same, and the range of Australian shares, exchange-traded funds (ETFs), listed investment companies and term deposits will also remain the same. Information about the DIO, and other investment options will be available in the relevant PDS.

The change in the DIO provider will, however, mean you will notice a change in the 'look and feel' of the DIO online portal when it becomes available on 24 April 2019, and further changes as outlined in more detail below.

**DIO service outage and suspension of transactions:** CareSuper members wishing to open a new DIO account will be unable to do so between 8 March and 24 April 2019. There will be a pause in the DIO online service from 22 March to 24 April 2019. Members already registered for the DIO at the start of this period won't be able to access their DIO account or transact within the DIO (for example, place share trades or switch monies in their DIO cash account to another CareSuper investment option) until MemberOnline access becomes available on or around 24 April 2019. Due to this interruption the monthly DIO administration fee will not be charged for the months of March and April 2019. Your last trade can be placed by 22 March 2019 and the last cash account switch can be made by 16 March 2019.

**Term deposits will be broken:** Term deposits due to mature after 26 March 2019 will be broken on 25 March 2019 and the principal and interest will be credited to your DIO cash account on 28 March 2019. CareSuper will reimburse any break fees for affected term deposits. In addition, to acknowledge that you will not be able to purchase a new term deposit until 24 April 2019, an adjustment payment will be made calculated as the difference between the DIO cash account interest rate and the annual interest rate for your term deposit, pro-rated for the month of April.

You will be able to view details through MemberOnline on or around 24 April 2019. You will not be charged any break fees, or incur an interest adjustment, if you have a term deposit that was due to mature before 26 March 2019. Due to regulatory requirements one-month term deposits cannot be broken. We will contact you directly about your investment if this applies to you.

**Changes to DIO fees:** As a result of the change in the DIO platform provider, we are pleased to advise that the **DIO administration fee** will be reduced from \$25 to \$10 per month effective from 1 May 2019.

The DIO administration fee is currently deducted from your super account on the last Friday of each month or on full withdrawal. From 30 March 2019, the DIO administration fee will be deducted on the **last calendar day** of the month or on full withdrawal from the fund.

Further, the **interim tax calculation fee** of \$150 will no longer be charged from 30 March 2019. The tax calculation frequency will change from annual to monthly, removing the need for interim calculations.

**Brokerage fees** applicable to trades on listed securities are also changing. Brokerage fees currently range from 0.11% to 0.33% depending on the trade amount (for trade amounts above \$4168). A fee of \$13.75 currently applies for trade amounts up to \$4167. From 30 March 2019, the brokerage fee will be changed to 0.11% of the trade amount, subject to a minimum fee of \$22.00 per trade. The change in brokerage fees is outlined in more detail below:

#### Brokerage fee to 22 March 2019

Trade amount	Brokerage fee
\$0 – \$4167	\$13.37
\$4168 – \$10,000	0.33%
\$10,001 – \$30,000	0.22%
\$30,001 – \$50,000	0.20%
\$50,001 – \$100,000	0.17%
\$100,001 – \$10,000,000	0.11%

#### Brokerage fee from 30 March 2019

Trade amount	Brokerage fee
\$0 – \$20,000	\$22.00
\$20,001 – \$10,000,000	0.11%

**Dividend Reinvestment Plan facility closed:** On 18 January 2019 Macquarie switched off the Dividend Reinvestment Plan facility for listed securities in the DIO. Dividends will instead be deposited directly into your cash account.

**Corporate actions and suspended trades:** If you hold any investments subject to corporate actions or suspended trades, CareSuper will contact you in March 2019 to advise how these individual investments will be managed. Treatment will differ depending on the status of the investment.

**At-limit orders:** Any at-limit orders to buy or sell listed securities that are still open at 5pm on 22 March 2019 will be cancelled. This facility will be reinstated to allow new at-limit orders from 24 April 2019.

**Terms and conditions** imposed by OneVue may vary from those of the previous provider. Further information will be available in the relevant PDS and via the new DIO online portal.

#### CHANGES TO RETURN OBJECTIVES OF THE CAPITAL GUARANTEED AND FIXED INTEREST OPTIONS

We've changed the return objectives for the Capital Guaranteed and Fixed Interest investment options.

Change from:	To:
To achieve returns after tax and fees that exceed the inflation rate (as measured by the CPI*) by at least 0.5% p.a. over rolling 10-year periods.	To achieve returns after tax and fees at least in line with the inflation rate (as measured by the CPI*) over rolling 10-year periods.

\*CPI = Consumer Price Index

These changes will be reflected in the next update of the **CareSuper Product Disclosure Statement**, expected to be issued by 30 March 2019.

Our approach to investing has not changed. The asset allocation and risk levels of the Capital Guaranteed and Fixed Interest options remain the same. Investment returns for both these options will continue to depend on the value of the underlying investments of each option, as reflected in unit prices. Return objectives are not a forecast and don't predict what your returns may be. They're simply a broad indication of the long-term return potential to help you make informed decisions about your investment choice. (Past performance is not an indication of future performance.)

No changes have been made to the return objectives for our other investment options. For more information about our investment options, visit [caresuper.com.au/investmentoptions](http://caresuper.com.au/investmentoptions).

# 4. Enquiries and complaints

From 1 November 2018, the Australian Financial Complaints Authority (AFCA) replaced the Superannuation Complaints Tribunal (SCT) for external dispute resolution of complaints.

We encourage you to contact us so that we can resolve your complaint. You can also contact AFCA, a fair and independent dispute resolution body established by the Government. AFCA is a free service.

Visit [afca.org.au](http://afca.org.au)

Call: 1800 931 678

Email: [info@afca.org.au](mailto:info@afca.org.au)

Write to: Australian Financial Complaints Authority Limited  
GPO Box 3  
Melbourne VIC 3001

If you have an enquiry or complaint about CareSuper, you can get in touch with us by calling **1300 360 149** or emailing [admin@caresuper.com.au](mailto:admin@caresuper.com.au).



## NEED HELP?

For more information on these changes go to [caresuper.com.au/changes2019](http://caresuper.com.au/changes2019) or call **1300 360 149** from 8am–8pm Monday to Friday (AET).

You can also email [admin@caresuper.com.au](mailto:admin@caresuper.com.au).

**Disclaimer:** The information provided in this document is general advice only and has been prepared without taking into account your particular financial needs, circumstances and objectives. You should consider your own objectives, financial situation or needs and read the Product Disclosure Statement together with this Significant Event Notice prior to making a decision about your account. You may also wish to consult a financial adviser.

CARE Super Pty Ltd (Trustee) ABN 91 006 670 060. AFSL 235226.  
CARE Super (Fund) ABN 98 172 275 725.



**1300 360 149**



**[caresuper.com.au](http://caresuper.com.au)**



**[admin@caresuper.com.au](mailto:admin@caresuper.com.au)**