

# Statement of Advice Wording

A guide for financial advisers to help inform your Statement of Advice

## FOR FINANCIAL ADVISER USE ONLY

This document was prepared as at **29 September 2023**.

All information, rates and fees are current at the time of production and are subject to change. References to past performance in this guide are not a reliable indicator of future performance.

It is the responsibility of the individual adviser to ensure any information contained within this document and relied upon, remains current at the date of use. The information contained within this document is intended as a guide only and is based on general advice. We have not taken into account an individual's financial needs, circumstances or objectives, nor the requirements or conditions of your own Australian Financial Services Licence in preparing this guide. Use or reliance on this information is entirely at your own discretion and CareSuper accepts no responsibility for any errors or omissions. Advisers should refer to the appropriate Product Disclosure Statement and Target Market Determination before making any recommendations.

## THE PURPOSE OF THIS DOCUMENT

CareSuper values relationships with financial advisers. The information contained in this document aims to support your investment recommendations and assist you in explaining the benefits of investing with CareSuper.

This document is designed to help inform your Statement of Advice when recommending CareSuper as a super fund of choice for your client(s).

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## ABOUT CARESUPER

CareSuper is the leading fund for life for people who value high performance and a smoother ride over the longer term. Established in 1986, CareSuper is a profit-for-member fund which manages over \$20bn in assets for over 220,000 members throughout Australia.

## MULTI-AWARD WINNING

CareSuper strives to deliver excellence in all areas of superannuation, from investment returns to competitive insurance and hands-on service. Independent industry experts have rated CareSuper as a top performing fund year after year.\* You can view all their awards at [caresuper.com.au/awards](https://caresuper.com.au/awards).



\* Product ratings are only one factor to be considered when making a decision. SuperRatings does not issue, sell, guarantee or underwrite this product. Go to [www.superratings.com.au](https://www.superratings.com.au) for details of its ratings criteria.

## OUR INVESTMENT ADVANTAGE

### OUTPERFORM AND OUTPROTECT

At CareSuper, we don't just track indexes, we select every investment we hold. Our investment managers search for the best opportunities in Australia and overseas and add extra value by choosing specialised investments that we believe have the potential to outperform the market. We also employ a 'downside protection' strategy to minimise the impact of negative returns when the markets fall. Protecting against downside risk means we're better prepared for market downturns and can recover any lost ground more quickly. This dual aim to grow and protect our members' savings is a unique part of our approach and has allowed us to deliver great long-term returns for members while taking less risk than other funds.

### LONG-TERM FOCUS

We don't get distracted by short term market events. We're here to provide real growth over the long term and through the ups and downs of investment cycles, so our members can enjoy years of income from their super.

### OUR SIZE ENABLES AGILITY

Our size means we're big enough to access prime, and sometimes niche, investment opportunities, but small enough to move fast to secure them.

## **DIVERSIFY SUPER INVESTMENT**

Diversification is the best defence against unpredictable investment markets. We spread investments in the Managed options across a mix of asset classes, so members' returns don't rely on a single asset class performing well all the time. You can learn more about CareSuper's investment approach at [caresuper.com.au/howweinvest](https://caresuper.com.au/howweinvest)

## **RESPONSIBLE INVESTING**

Responsible investing is a core part of our investment program and our active investment approach enables us to review the environmental, social and governance (ESG) credentials of every investment to maintain the highest standards. We ask our investment managers to do the same. This ensures we'll always remain a strong and sustainable super fund.

To learn more about CareSuper's approach to responsible investing visit [caresuper.com.au/responsibleinvesting](https://caresuper.com.au/responsibleinvesting).

## CARESUPER'S INVESTMENT OPTIONS

### Balanced option

This option invests in a diversified mix of assets with an emphasis on Australian and overseas shares, property and alternatives. It's designed to achieve relatively high returns in the medium to long term but is subject to short-term fluctuations in returns. The minimum investment timeframe is 5+ years.

This option aims to achieve returns after tax and fees that exceed the inflation rate (as measured by the CPI) by at least 3% per year (over rolling 10-year periods).

For super members, this is the option their money goes into if they don't make an investment choice (our MySuper option).

### Growth option

This option mainly invests in growth assets with an emphasis on Australian and overseas shares. It's designed to achieve long-term capital growth. Returns for this option may display a significant level of volatility with a relatively high risk of capital loss over the short or medium term. The minimum investment timeframe is 7-10 years.

This option aims to achieve returns after tax and fees that exceed the inflation rate (as measured by the CPI) by at least 4% per year (over rolling 10-year periods).

### Alternative Growth option

This option invests in a diversified mix of assets with an emphasis on alternatives as well as Australian and overseas shares. It's designed to achieve long-term capital growth. The minimum investment timeframe is 7-10 years.

This option aims to achieve returns after tax and fees that exceed the inflation rate (as measured by the CPI) by at least 3.5% per year (over rolling 10-year periods).

### Sustainable Balanced option

This option seeks to select investment managers for the Australian and overseas shares asset classes based on a higher degree of focus on environmental, social and governance (ESG) standards, as well as investing in a wide range of other asset classes. It's designed to achieve relatively high returns in the medium to long term. The minimum investment timeframe is 5+ years.

This option aims to achieve returns after tax and fees that exceed the inflation rate (as measured by the CPI) by at least 3% per year (over rolling 10-year periods).

For details of the Sustainable Balanced option's investment selection process, see [CareSuper's Investment Guide](#).

### Conservative Balanced option

This option is designed to achieve a balance of risk and return by investing in a blend of assets, with an emphasis on fixed interest, cash and shares (Australian and overseas). The minimum investment timeframe is 3-5 years.

This option aims to achieve returns after tax and fees that exceed the inflation rate (as measured by the CPI) by at least 2% per year (over rolling 10-year periods).

### Capital Stable option

This option invests in a diversified mix of assets, with an emphasis on fixed interest and cash. It's designed to provide stability of capital over the medium term combined with the potential for limited capital growth. The minimum investment timeframe is 3+ years.

This option aims to achieve returns after tax and fees that exceed the inflation rate (as measured by the CPI) by at least 1% per year (over rolling 10-year periods).

### Overseas Shares option

This option invests in shares listed on the stock exchanges around the world, including both developed and emerging markets. The minimum investment timeframe is 7–10 years.

This option aims to:

- outperform the return of the overseas share market (as measured by the MSCI All Country World ex-Australia Index in \$AUD).\*

\*The benchmark used is a composite of the hedged and unhedged MSCI All Country World ex-Australia indices adjusted for implied superannuation tax.

### Australian Shares option

The Australian Shares option invests mainly in shares of Australian companies listed on the Australian Securities Exchange (ASX). To provide diversification, a number of different investment managers with varying approaches are appointed. The minimum investment timeframe is 7–10 years.

This option aims to:

- outperform the return of the Australian share market (as measured by the S&P/ASX 300 Accumulation Index).†

† Adjusted for implied superannuation tax.

### Direct Property option

This option holds units in portfolios focused on core, high-quality properties – mainly CBD office buildings and large shopping centres. Returns may come from both rental income and capital growth. The minimum investment timeframe is 5+ years.

This option aims to:

- outperform the MSCI Mercer Index.†
- year (over rolling 10-year periods).

† Adjusted for implied superannuation tax.

### Fixed Interest option

This option invests in a diversified portfolio of debt securities, mainly fixed-rate bonds issued by Australian and overseas governments and companies, mortgage-backed securities and cash. The investment managers include specialist credit managers and other managers focused on managing sector and interest rate exposures. Fixed interest investments can be actively traded and have the potential for both positive and negative returns. The minimum investment timeframe is 3+ years.

This option aims to:

- outperform returns from a mix of the Australian and overseas bond markets (as measured by a benchmark consisting of the Bloomberg AusBond Composite Bond Index and the Barclays Capital Global Aggregate Index [hedged]) and cash.†

† Adjusted for implied superannuation tax.

### Cash option

This is generally investments in the short-term money market directly or indirectly through an interposed vehicle and can include cash, term deposits, discounted securities (such as short-term bank bills, commercial paper and short-term fixed interest investments). The cash asset class may include an allocation to short-dated annuities. The minimum investment timeframe is 1 year or less.

This option aims to outperform the return of the Australian cash market (as measured by the Bloomberg Ausbond Bank Bill Index).†

† Adjusted for implied superannuation tax.

### Capital Guaranteed option

This option invests in capital guaranteed products issued by life insurance companies. This means that the issuing life insurance company guarantees the capital invested as well as the investment returns and not CareSuper. A capital guarantee does not however guarantee the level of future investment performance, other than that it won't be negative.

The asset allocation for this option is mainly made up of capital guaranteed investments. From time to time, this option may also invest in the term deposits of Authorised Deposit Taking Institutions and hold a modest amount of cash for liquidity purposes. These securities are not covered by the guarantee. The minimum investment timeframe is 1–2 years.

This option aims to:

- Provide a full guarantee on capital and credited accrued interest.
- Provide 'smooth' returns which iron out market fluctuations and are never negative.

† Adjusted for implied superannuation tax.

### Direct Investment option

The Direct Investment option (DIO) provides members with the choice and flexibility to manage part of their super.

This option allows members to invest part of their super in:

- The securities that form part of the S&P/ASX 300 index
- A range of exchange-traded funds (ETFs)
- A range of listed investment companies (LICs)
- A range of term deposits.

For more about CareSuper's Direct Investment option visit [caresuper.com.au/dioption](https://caresuper.com.au/dioption).

† Adjusted for implied superannuation tax.

## INVESTMENT PERFORMANCE AS AT 30 JUNE 2023

For CareSuper's latest investment returns visit [caresuper.com.au/investmentreturns](https://caresuper.com.au/investmentreturns)

### SUPER (ACCUMULATION)

Managed options	10 years	7 years	5 years (p.a.)	3 year
Balanced	8.04%	7.50%	6.17%	8.00%
Growth	8.95%	8.54%	6.95%	9.47%
Alternative Growth	7.77%	7.14%	5.80%	7.66%
Sustainable Balanced	7.99%	7.66%	7.15%	8.16%
Conservative Balanced	5.85%	5.36%	4.31%	5.33%
Capital Stable	4.74%	4.17%	3.34%	3.76%
Capital Guaranteed	1.61%	1.32%	1.19%	0.82%

Asset class options	10 years (p.a.)	7 years (p.a.)	5 years (p.a.)	3 year
Overseas Shares	10.70%	9.99%	7.95%	9.71%
Australian Shares	9.16%	9.66%	7.48%	12.49%
Direct Property	8.50%	7.66%	5.65%	6.10%
Fixed Interest	2.14%	1.10%	0.75%	-1.33%
Cash	1.81%	1.44%	1.22%	0.99%

The returns shown above are net of investment fees, indirect costs and tax. They may differ from your actual returns. Your actual net returns will appear in your annual statement. Past performance is not a reliable indicator of future performance.

## TRANSITION TO RETIREMENT PENSION

Managed options	10 years (p.a.)	7 years (p.a.)	5 years (p.a.)	3 year
Balanced	8.38%	7.64%	6.17%	8.00%
Growth	9.37%	8.67%	6.95%	9.47%
Alternative Growth	8.04%	7.32%	5.80%	7.66%
Sustainable Balanced	8.33%	7.78%	7.15%	8.16%
Conservative Balanced	6.15%	5.45%	4.31%	5.33%
Capital Stable	5.03%	4.26%	3.34%	3.76%
Capital Guaranteed	1.74%	1.37%	1.19%	0.82%

Asset class options	10 years (p.a.)	7 years (p.a.)	5 years (p.a.)	3 year
Overseas Shares	11.19%	10.30%	7.95%	9.71%
Australian Shares	9.73%	9.88%	7.48%	12.49%
Direct Property	9.07%	7.93%	5.65%	6.10%
Fixed Interest	2.39%	1.16%	0.75%	-1.33%
Cash	1.95%	1.49%	1.22%	0.99%

The returns shown above are net of investment fees, indirect costs and tax. They may differ from your actual returns. Your actual net returns will appear in your annual statement. Past performance is not a reliable indicator of future performance.

## PENSION

Managed options	10 years (p.a.)	7 years (p.a.)	5 years (p.a.)	3 year
Balanced	8.68%	8.07%	6.58%	8.88%
Growth	9.76%	9.21%	7.50%	10.55%
Alternative Growth	8.35%	7.76%	6.16%	8.48%
Sustainable Balanced	8.81%	8.47%	7.90%	9.38%
Conservative Balanced	6.48%	5.92%	4.74%	6.09%
Capital Stable	5.27%	4.60%	3.68%	4.24%
Capital Guaranteed	1.92%	1.62%	1.46%	1.04%

Asset class options	10 years (p.a.)	7 years (p.a.)	5 years (p.a.)	3 year
Overseas Shares	11.47%	11.08%	8.65%	10.51%
Australian Shares	10.39%	10.83%	8.42%	14.25%
Direct Property	9.32%	8.29%	5.94%	6.44%
Fixed Interest	2.46%	1.27%	0.83%	-1.60%
Cash	2.10%	1.70%	1.44%	1.18%

The returns shown above are net of investment fees, indirect costs and tax. They may differ from your actual returns. Your actual net returns will appear in your annual statement. Past performance is not a reliable indicator of future performance.

## RETIREMENT PRODUCTS

CareSuper's flexible pension accounts allow you to invest your super, manage your income and minimise tax.

### CARESUPER PENSION

The CareSuper Pension lets you turn your super into a regular income account while making the most of investment returns. You can control your income and investments without the stress of managing your money on your own.

Advantages of the CareSuper Pension:

- Investment earnings are tax free
- No tax on your income payments once you reach age 60
- Choose how much and how often you receive income payments (within government-set limits)

### TRANSITION TO RETIREMENT PENSION

CareSuper's transition to retirement pension lets you open a CareSuper Pension account and start drawing on some of your super while you're still working and building your savings.

Advantages of the CareSuper Transition to Retirement Pension:

- Can be used to top up take-home pay with super while you continue to work
- Potential to build wealth because of the different ways income, super and pension are taxed
- Pay no tax on your pension income payments once you reach age 60
- You can keep your CareSuper super account running alongside your pension account.

### GUARANTEED INCOME PRODUCT

CareSuper's Guaranteed Income product offers the security of a fixed income, regardless of market performance or inflation. You can choose guaranteed payments for a fixed period, for your lifetime, or for both you and your partner's lifetime. You can use CareSuper's Guaranteed Income product by itself or combine it with other CareSuper products.

For information about CareSuper's Guaranteed Income product visit [caresuper.com.au/guaranteedincome](https://caresuper.com.au/guaranteedincome).

## FEES AND COSTS

Below are fees and costs that you may be charged. These fees and costs may be deducted from your account, from the returns on your investment or from the assets of the superannuation entity as a whole.

Understanding the fees and costs on your investment is important, that's why it's recommended you read all the information provided in the [Fees and other costs brochure](#) as well as the [Investment Guide](#) or [Pension Guide PDS](#).

### SUPER ACCOUNT FEES

#### Ongoing annual fees and costs<sup>1</sup>

##### Administration fees and costs

Administration fees cover CareSuper's operating costs and the general cost of managing your super account. Fees are calculated and deducted directly from your super account.

**\$78 per year + 0.19% of your account balance per year (up to an annual limit of \$750).\*  
+ 0.07% per year.\*\***

\*You pay these fees monthly or on withdrawal

\*\*Additional administration costs paid from fund assets. These fees are not deducted from your super account.

#### Investment fees and costs<sup>2</sup> (estimated\*)

Investment options	Investment fee and costs %	Transaction costs	Total
Capital Guaranteed	0.26%	0.02%	0.28%
Capital Stable	0.36%	0.04%	0.40%
Conservative Balanced	0.40%	0.04%	0.44%
Balanced	0.62%	0.07%	0.69%
Sustainable Balanced	0.62%	0.05%	0.67%
Alternative Growth	0.57%	0.07%	0.64%
Growth	0.61%	0.08%	0.69%
Cash	0.05%	0.00%	0.05%
Direct Property	0.56%	0.06%	0.62%
Fixed Interest	0.17%	0.01%	0.18%
Australian Shares	0.38%	0.07%	0.45%
Overseas Shares	0.35%	0.07%	0.42%

<sup>1</sup>If your account balance is less than \$6,000 at the end of the financial year (30 June), certain fees and costs charged to you in relation to administration and investment are capped at 3% of your account balance. Any amount charged in excess of that cap must be refunded to your account.

<sup>2</sup> Investment fees and costs include an amount of between 0.00% and 0.16% (accumulation and TTR accounts) for performance fees, depending on the investment option you are invested in. The calculation basis for this amount is set out in the 'Additional explanation of fees and costs' in the [Fees and other costs brochure](#).

Other fees and costs, such as activity fees, advice fees for personal advice, or insurance fees, may apply. Refer to the 'Additional explanation of fees and costs' in the [Fees and other costs brochure](#).

### Example of annual fees and costs

This table gives an example of how the fees and costs for CareSuper's Balanced (MySuper) product can affect your superannuation investment over a 1-year period.

CareSuper Balanced (MySuper)		Balance of \$50,000
Administration fees and costs	\$78 Plus, 0.19% Plus, 0.07%	For every \$50,000 you have in the superannuation product, you will be charged or have deducted from your investment \$130 in administration fees and costs, plus \$78 regardless of your balance.
PLUS Investment fees and costs*	0.62% p.a. of the option's assets.	And, you will be charged or have deducted from your investment \$310 in investment fees and costs.
PLUS Transaction costs*	0.07% p.a. of the option's assets.	And, you will be charged or have deducted from your investment \$35 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 \$553 for the superannuation product.

\* These fees are Indicative only based on the Information at 1 July 2023 These fees are indicative only, based on the latest information available. The fees and costs for subsequent years will vary depending on the actual fees and costs incurred by the Trustee in managing the investment option.

### PENSION ACCOUNT FEES

#### Ongoing annual fees and costs<sup>1</sup>

##### Administration fees and costs

The administration fees cover CareSuper's operating costs and the general cost of managing your pension account.

**\$78 per year + 0.19% of your account balance per year (up to an annual limit of \$750).\***  
**+ 0.07% per year.\*\***

\*You pay these fees monthly or on withdrawal. Fees are calculated and deducted directly from your pension account.

\*\*Additional administration costs paid from fund assets. Fees are not deducted from your pension account.

#### Investment fees and costs<sup>2</sup> (estimated\*)

Investment options	Investment fee and costs	Transaction cost	Total
Capital Guaranteed (Pension)	0.26%	0.04%	0.30%
Capital Stable (Pension)	0.37%	0.04%	0.41%
Conservative Balanced (Pension)	0.41%	0.05%	0.46%
Balanced (Pension)	0.64%	0.06%	0.70%
Sustainable Balanced (Pension)	0.60%	0.04%	0.64%
Alternative Growth (Pension)	0.58%	0.00%	0.58%
Growth (Pension)	0.63%	0.06%	0.69%
Cash (Pension)	0.05%	0.00%	0.05%
Direct Property (Pension)	0.56%	0.00%	0.56%
Fixed Interest (Pension)	0.17%	0.01%	0.18%
Australian Shares (Pension)	0.38%	0.05%	0.43%
Overseas Shares (Pension)	0.35%	0.05%	0.40%

<sup>1</sup>If your account balance is less than \$6,000 at the end of the financial year (30 June), certain fees and costs charged to you in relation to administration and investment are capped at 3% of your account balance. Any amount charged in excess of that cap must be refunded to your account.

<sup>2</sup>Investment fees and costs include an amount of between 0.00% and 0.20% (for the pension category) for performance fees, depending on the investment option you are invested in. The calculation basis for this amount is set out in the 'Additional explanation of fees and costs' in the [Fees and other costs brochure](#).

Other fees and costs, such as activity fees, advice fees for personal advice, or insurance fees, may apply. Refer to the 'Additional explanation of fees and costs' in the [Fees and other costs brochure](#).

### BUY-SELL SPREAD (SUPER AND PENSION)

Applies when you contribute to, or withdraw from, the investment option and is reflected in the daily unit prices. Buy-sell spreads are subject to change.

Investment options	Buy	Sell
Capital Stable	0.03%	0.03%
Conservative Balanced	0.04%	0.04%
Balanced	0.05%	0.05%
Sustainable Balanced	0.05%	0.05%
Alternative growth	0.08%	0.08%
Growth	0.06%	0.06%
Capital Guaranteed	Nil	Nil
Cash	Nil	Nil
Fixed Interest	Nil	Nil
Direct Property	0.45%	0.45%
Australian Shares	0.06%	0.06%
Overseas Shares	0.07%	0.07%

### DIRECT INVESTMENT OPTION (DIO) FEES AND COSTS

#### Admin fee

\$10 per month.

#### Activity fee

Activity fees may apply if you're invested in the DIO. These could include the following:

#### Brokerage fee

Brokerage will either be added to the cost of your trade when you buy, or deducted from the sale proceeds when you sell, based on the trade amount.

#### Brokerage fee (including GST)

Trade amount	Brokerage fee (including GST)
\$0 - \$20,000	\$22.00
\$20,001 - \$10,000,000	0.11%

#### Other potential DIO fees

Other fees may apply to your account, for example if you break a term deposit before maturity, specific fees may also apply if you choose to invest in exchange-traded funds (ETFs) or listed investment companies (LICs). Learn more in the [Fees and other costs](#) brochure or view the [Product Disclosure Statement](#).

## INSURANCE WITH CARESUPER

CareSuper members have access to group rates for insurance with fees deducted from their super accounts. CareSuper's age and gender-based pricing model also helps to deliver value.

Through their insurance provider MetLife, offer three types of insurance cover.

- Death cover (also known as life insurance) which provides a lump sum payment to your beneficiary(ies) in case of death or terminal illness.
- Total and permanent disablement (TPD) cover provides a lump sum payment if you're unable to work again due to illness or injury.
- Income protection insurance can provide a temporary income if a member needs to take extended time off work due to illness or injury.

CareSuper's standard cover includes tailorable death and TPD cover for eligible members and the option to add income protection insurance. You can find out more about Insurance with CareSuper in their Insurance Guide available at [caresuper.com.au/insuranceguide](https://caresuper.com.au/insuranceguide).

### ADDITIONAL FEATURES

Life events cover is simply a new way members can apply to increase their existing insurance cover at certain stages of their life when their circumstances have changed. Members now have access to a special offer to increase their existing death, total and permanent disablement and income protection cover if they meet certain criteria and experience one of these life events:

- Get married or register a de facto relationship
- Get divorced or a separation
- Your spouse or de facto dies
- Birth or adoption of a child
- Your child commences secondary school
- You take out an initial mortgage or increase an existing mortgage on your home
- You have a milestone birthday of 30, 40 or 50
- You receive an increase in your income (for income protection cover only).

For further information on what criteria and conditions apply and how it works, please refer to the **Insurance Guide** available at [caresuper.com.au/insuranceguide](https://caresuper.com.au/insuranceguide).



All CareSuper members (including partner and their children) can access MetLife's award-winning virtual health services - **360Health**, as part of their CareSuper membership, at no additional cost.