

2020 Investment Management Fee Reductions – Commonwealth Financial Services Products

1. Fee reduction

In October 2019, the Treasury Laws Amendment (Ending Grandfathered Conflicted Remuneration) Bill 2019 was passed into law and requires product providers to cease paying grandfathered conflicted remuneration (commissions) by 1 January 2021. Commission payments to Advisers are paid from the costs to operate the product overall and are not individualised or an additional cost to members.

We have reduced the investment management fees for all members to reflect the overall savings from ceasing commission payments. The cost savings from ceasing to pay commissions to Advisers have been calculated and this benefit passed on in full to all members who hold the product.

From 1 March 2020, CMLA will reduce the investment management fees for the products listed below. This reduction will be reflected in the indirect cost ratios (ICR)[^] used in the calculation of your fees and costs shown on annual statements and published in the investment **performance reports**.

Only fees that are changing are shown in each table. Any existing fees not shown remain unchanged.

Commonwealth Personal Superannuation & Rollover Plan		Investment Management Fees*	
Investment Option Name	Investment Option Code	Pre 1 March 2020 (% p.a.)	From 1 March 2020 (% p.a.)
Commonwealth Capital Secure	C3	1.50	1.35
Commonwealth Managed	M3	1.90	1.71
Commonwealth Balanced	PB	1.80	1.62
Commonwealth Growth	PG	1.95	1.75
Commonwealth Australian Shares	PS	1.95	1.76
Commonwealth Savings	R3	1.20	1.08

Commonwealth SuperSelect		Investment Management Fees*	
Investment Option Name	Investment Option Code	Pre 1 March 2020 (% p.a.)	From 1 March 2020 (% p.a.)
Commonwealth Australian Shares	FS	1.95	1.75
Commonwealth Shares	FP	1.95	1.75
FirstChoice Wholesale High Growth	AF	2.16	1.94
Commonwealth Growth	FG	1.95	1.75
Colonial First State Diversified	AV	1.95	1.76
FirstChoice Multi-Index Balanced	AA	2.03	1.83
Perpetual Wholesale Balanced Growth	AR	2.09	1.90
Commonwealth Managed	FM	1.90	1.71
Colonial First State Balanced	AW	1.86	1.67
Pendal Active Balanced	AK	2.08	1.87
Commonwealth Balanced	FB	1.80	1.62
Colonial First State Conservative	AU	1.78	1.60
Commonwealth Capital Defensive	FE	1.50	1.35
Commonwealth Savings	FR	1.20	1.08

Commonwealth PensionSelect		Investment Management Fees*	
Investment Option Name	Investment Option Code	Pre 1 March 2020 (% p.a.)	From 1 March 2020 (% p.a.)
Commonwealth Australian Shares	AS	1.60	1.44
Commonwealth Shares	JP	1.60	1.44
FirstChoice Wholesale High Growth	BF	2.16	1.95
Commonwealth Growth	AG	1.60	1.44
Colonial First State Diversified	BV	1.94	1.73

Commonwealth PensionSelect		Investment Management Fees*	
FirstChoice Multi-Index Balanced	BA	1.96	1.77
Perpetual Wholesale Balanced Growth	BR	2.08	1.89
Commonwealth Managed	Q3	1.60	1.44
Colonial First State Balanced	BW	1.84	1.65
Pendal Active Balanced	BK	2.09	1.87
Commonwealth Balanced	AB	1.60	1.44
Colonial First State Conservative	BU	1.75	1.57
Commonwealth Capital Defensive	JE	1.29	1.16
Commonwealth Savings	U3	1.10	0.99
Commonwealth Capital Secure	F3	1.10	0.99

2. Additional benefits

Commonwealth Financial Planning has returned all commission payments made to them by CMLA since 1 January 2019. CMLA has passed on in full the benefit of this amount to all existing members. The benefit pass back will be added to each of the investment options as an additional cash asset. It is included in the valuation of the investment options used to determine the unit price on the effective date of implementation. The additional amount is added to any investment gains, and, or, losses for the particular day.

Commonwealth Personal Superannuation & Rollover Plan				
Investment Option Name	Investment Option Code	Additional benefit added	Unit prices as at 1 April 2020	
			Deposit price	Withdrawal price
Commonwealth Capital Secure	C3	✓	3.376597	3.373224
Commonwealth Managed	M3	✓	6.449312	6.433229
Commonwealth Balanced	PB	✓	3.315243	3.308626
Commonwealth Growth	PG	✓	4.945845	4.933511
Commonwealth Australian Shares	PS	✓	3.546833	3.532702
Commonwealth Savings	R3	✓	2.374732	2.374732

Commonwealth SuperSelect				
Investment Option Name	Investment Option Code	Additional benefit added	Unit prices as at 1 April 2020	
			Deposit price	Withdrawal price
Commonwealth Australian Shares	FS	✓	3.553042	3.538886
Commonwealth Shares	FP	✓	2.561867	2.55166
FirstChoice Wholesale High Growth	AF	✓	1.817688	1.808645
Commonwealth Growth	FG	✓	4.953926	4.941572
Colonial First State Diversified	AV	✓	2.053385	2.045204
FirstChoice Multi-Index Balanced	AA	✓	2.193781	2.187219
Perpetual Whoelsale Balanced Growth	AR	✓	2.050954	2.042783
Commonwealth Managed	FM	✓	6.459792	6.443683
Colonial First State Balanced	AW	✓	1.875645	1.870035
Pendal Active Balanced	AK	✓	2.207521	2.198726
Commonwealth Balanced	FB	✓	3.320297	3.31367
Colonial First State Conservative	AU	✓	1.865401	1.861678
Commonwealth Capital Defensive	FE	✓	2.156088	2.152859
Commonwealth Savings	FR	✓	2.377742	2.377742

Commonwealth PensionSelect				
Investment Option Name	Investment Option Code	Additional benefit added	Unit prices as at 1 April 2020	
			Deposit price	Withdrawal price
Commonwealth Australian Shares	AS	✓	4.425848	4.410412
Commonwealth Shares	JP	✓	2.515112	2.505092
FirstChoice Wholesale High Growth	BF	✓	1.722434	1.713865
Commonwealth Growth	AG	✓	5.926538	5.911759
Colonial First State Diversified	BV	✓	2.325815	2.316549
FirstChoice Multi-Index Balanced	BA	✓	2.225656	2.218999
Perpetual Wholesale Balanced Growth	BR	✓	2.356578	2.347189
Commonwealth Managed	Q3	✓	6.241336	6.225772
Colonial First State Balanced	BW	✓	2.167141	2.160659
Pendal Active Balanced	BK	✓	2.302787	2.293613
Commonwealth Balanced	AB	✓	4.247885	4.239406
Colonial First State Conservative	BU	✓	2.152571	2.148274
Commonwealth Capital Defensive	JE	✓	2.461967	2.45828
Commonwealth Savings	U3	✓	2.960828	2.960828
Commonwealth Capital Secure	F3	✓	3.155684	3.152531

Issued by The Colonial Mutual Life Assurance Society Limited ABN 12 004 021 809 AFSL 235035 (CMLA) on behalf of Equity Trustees Superannuation Limited ABN 50 055 641 757 AFSL 229757 Trustee of Colonial Super Retirement Fund ABN 40 328 908 469 (CSRF).

^ Indirect Cost Ratio (ICR) is the approximate amount deducted from your investment and covers amounts that have reduced the return of your investment but are not charged as a fee.

*Additional investment fees or costs may be charged to the investment option. These costs will be disclosed in the Annual Statement under the 'Fees and costs' section in the labelled 'Indirect costs of your investment'.