



# Important updates to your Defined Benefit account

We're excited to announce that Australian Retirement Trust has been selected as the successor fund for the Australia Post Superannuation Scheme ('APSS').

Australian Retirement Trust is the super fund formed through the merger of Sunsuper and QSuper. We're one of Australia's largest super funds and proud to take care of over \$200 billion in retirement savings for more than two million members.



A fund that works for you, not shareholders



Strong long-term returns<sup>1</sup>



Administration fees among the lowest in the industry<sup>2</sup>

## Transfer guide for Defined Benefit members of APSS.

This booklet applies to you if you're currently a Defined Benefit member of the APSS. If you have additional savings (known as 'Member Savings account' in the APSS), these will be referred to as '*Additional accumulation account/s*' throughout this guide.

<sup>1</sup>For Australian Retirement Trust's investment performance and returns, visit [australianretirementtrust.com.au/performance](https://australianretirementtrust.com.au/performance). <sup>2</sup>Investment fees and costs apply.

## Your Defined Benefit is not changing

### We're excited to announce that Australian Retirement Trust has been selected as the successor fund for the Australia Post Superannuation Scheme (APSS) Trustee.

This means that your account will move from APSS to the new APSS Plan, with Australian Retirement Trust, which is planned to occur on **30 April 2022**.

Your APSS Defined Benefit account with the former Trustee will close once your Defined Benefit has been transferred to Australian Retirement Trust. There are no forms or paperwork required to make this transfer happen.

If you have any accumulation savings in the APSS (previously called 'Member Savings account'), this will be transferred to Australian Retirement Trust. If you also have a pension or separate rollover account in APSS, this will also transfer to Australian Retirement Trust. Please refer to the *Transfer guide* relevant to your other account.

Under superannuation regulations, it's a key requirement that Australian Retirement Trust provide you with equivalent or improved overall benefits to those currently provided to you in APSS. [Find out more](#) about the competitive benefits you'll get as an Australian Retirement Trust member.

### What happens if you already have an Australian Retirement Trust Super Savings account or a QSuper account?

After the transfer, you'll have multiple accounts within Australian Retirement Trust. Please call **1800 652 643** if you'd like to discuss.

### Your Defined Benefits will remain unchanged

Your Defined Benefit entitlements are unaffected by the transfer to Australian Retirement Trust. You'll continue to be provided with the same Defined Benefit and options, including any pension options, as those you currently have in APSS. Australia Post and associated employers will continue to support the Defined Benefit.

Any contribution arrangements you have in place with your employer will be carried across to your Defined Benefit account from 30 April 2022 unless you are informed otherwise.

If you terminate your employment after 1 March 2022 but prior to the transfer to Australian Retirement Trust and you haven't provided any payment instructions, we will crystallise your benefit and transfer it to a *Super Savings Accumulation account*. You will receive Death and Total & Permanent Disability cover equal to the self-insured amount you had as a Defined Benefit member. For more information about insurance in *Super Savings Accumulation accounts* refer to the *Super Savings Insurance guide* available at [australianretirementtrust.com.au/pds](http://australianretirementtrust.com.au/pds)

If you terminate your employment or leave the plan for any reason after the transfer to Australian Retirement Trust, we will crystallise your benefit and transfer it to a *Super Savings Accumulation account* once we receive final payroll information from your employer.

### Your Additional accumulation account

In addition to your Defined Benefit entitlements, you may have an *Additional accumulation account* (previously known as your Member Savings account), which may contain the following:

- any member contributions you have made in connection with your defined benefits,
- any additional voluntary contributions you've made, including contributions made by your spouse or the Government,
- any amounts you have previously rolled into APSS from other superannuation funds, and
- the investment earnings you have accrued on your *Additional accumulation account*.

Your *Additional accumulation account* will also transfer to APSS, with Australian Retirement Trust on **30 April 2022**.



If you haven't received the email or misplaced it, don't worry. Just [email us](#) and we'll re-send it, it's that easy!

## Your Defined Benefit is not changing

### Your Rollover account

If you have a separate employee Rollover account in addition to your Defined Benefit account, the Rollover account balance will be transferred to your Defined Benefit account on transition to Australian Retirement Trust. The current investment strategy for your *Additional accumulation account* will be applied for any future contributions which may be different to the investment strategy applied in your Rollover account currently.

If your Rollover account has insurance attached to it, this amount will be transferred as fixed additional insurance cover. Your Death cover will remain level. Once you reach age 61, any Total & Permanent Disability cover is reduced annually by 10% before ceasing on your 65th birthday. The premiums for this cover will be deducted from your *Additional accumulation account*. If you don't currently have insurance attached to your Rollover account but would like to apply for additional insurance cover, please refer to the *Super Savings - Corporate Insurance guide* available at [portal.australianretirementtrust.com.au/apss](https://portal.australianretirementtrust.com.au/apss)

It's important to note, we will use the available information in your Defined Benefit account (i.e. contact details, investment mapping and beneficiary nomination).

### Your Offset accounts

You may currently have a Surcharge and/or Offset account (i.e. if you have previously had to pay Surcharge Tax; you are subject to a Family Law order or agreement and/or have started a Pension or Transition to retirement Pension), or have had an early release from super for COVID, Financial Hardship or Compassionate Grounds. Offset accounts are liability accounts that reduce your Defined Benefit entitlement.

The balance of your Surcharge offset account will be made up of any assessment received from the Australian Taxation Office (ATO) plus interest. Surcharge Tax accounts have interest charged each year at the 10- year Commonwealth Bond rate.

The balance of any Family Law Offset account will be made up of the amount of super that was allocated to a former Spouse or Partner plus interest at 2.5% above the percentage change in full-time adult Average Weekly Ordinary Time Earnings (AWOTE).

The balance of an Offset account will be deducted from your super when it is ultimately paid to you when you resign or retire or meet a condition of release.

On transfer to Australian Retirement Trust, we will consolidate the different types of APSS Offset Accounts. The Offset account will operate as a unitised account, invested in the APSS Defined Benefit investment option. These amounts will be offset against your Member Savings account if you have one (pro-rata across your different investment options if more than one) at the transfer date unless you elect otherwise. Click [here](#) to notify us if you would like to opt out. We must receive your opt out notification before close of business **29 April 2022** in order for it to be valid.

*Super Savings Transition to retirement (TTR) income accounts* will continue to be available after the transfer, with similar rules as in the current APSS regarding the establishment on new TTR accounts. You should refer to the *Super Savings Product Disclosure Statement (PDS)* for further details on how to establish a new TTR account in Australian Retirement Trust.



Any existing deferred Family Law splits will move to an immediate split in Australian Retirement Trust. Australian Retirement Trust will deduct the required Family Law payment from your *Additional accumulation account* first, and then only if these accounts hold insufficient assets, would an Offset account be created.

### What's in this guide?

In this guide, you'll find out about the main features and benefits that will be available with Australian Retirement Trust and important considerations and actions you may need to take as a result of this change, including what to do if you would like your super managed elsewhere.

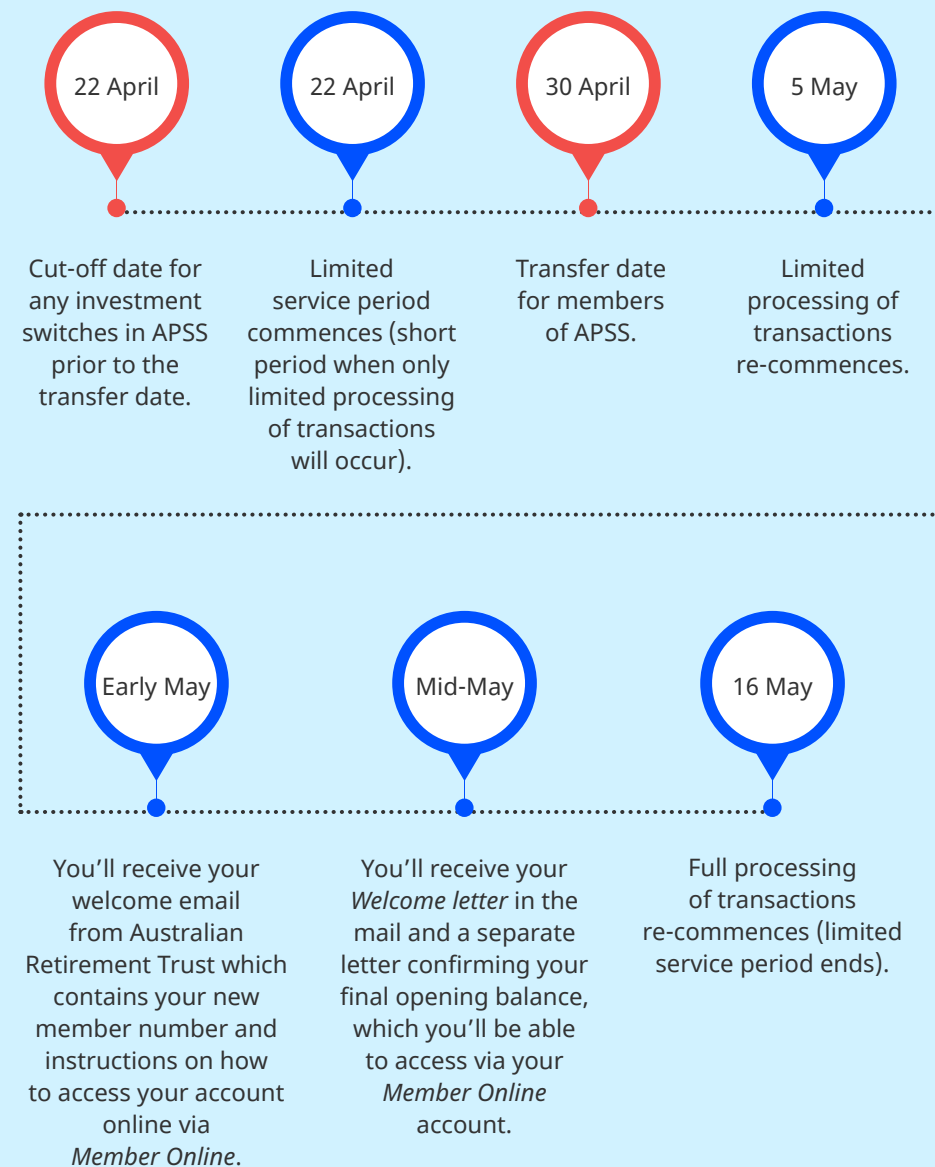
The information contained in this guide is correct as at February 2022 and is subject to change without notice. We make every effort to ensure the information is correct. Australian Retirement Trust reserves the right to make adjustments for any errors, misprints or omissions and cannot accept liability for such errors.

## Your Defined Benefit is not changing

### **i** More information

- ✓ Check and update your details with APSS by close of business on 22 April 2022. Log in to your account at [apss.com.au](https://apss.com.au), email [sr@apss.com.au](mailto:sr@apss.com.au) or call *SuperPhone* on **1300 360 373** 9.00am to 5.30pm (Sydney time) Monday to Friday.
- ✓ Read the *Super Savings - Corporate Defined Benefit Product Disclosure Statement (PDS)*<sup>1</sup> at [portal.australianretirementtrust.com.au/apss](https://portal.australianretirementtrust.com.au/apss)
- ✓ Visit [portal.australianretirementtrust.com.au/apss](https://portal.australianretirementtrust.com.au/apss) for dedicated plan information and resources to help you sort your super.
- ✓ Keep reading this guide to see what actions you may need to take with your investments for your *Additional accumulation account* and beneficiaries.

## Transfer timeline



<sup>1</sup>The *Super Savings - Corporate Defined Benefit Product Disclosure Statement (PDS)*, will be available closer to the plan start date (for information only purposes until the Plan starts on 30 April 2022) at [portal.australianretirementtrust.com.au/apss](https://portal.australianretirementtrust.com.au/apss)

### What happens to your existing APSS *Additional accumulation account (Member Savings Account)*?

Your Defined Benefits will be managed by Australian Retirement Trust from 30 April 2022.

The transition of your *Additional accumulation account* balance will occur in mid-May once APSS have determined the final crediting rates and the current administrator has calculated your final balance, effective the close of business on 29 April 2022.

Australian Retirement Trust will then establish your account based on these final details from the current plan.

In determining the final crediting rates in APSS, the current Trustee will need to make an estimate in respect of the final tax liability for APSS.

When they are able to calculate the final tax liability more accurately (expected to be the final quarter of 2022/first quarter of 2023), a decision will be made by Australian Retirement Trust following consultation with the APSS Trustee on whether an additional allocation will be made to members' *Additional accumulation accounts*. This additional allocation is expected to be positive but could potentially be negative. Either way, the amount is not expected to be significant.

Any additional allocation will be based on the amount in each investment option initially transferred to Australian Retirement Trust. To be entitled to a portion of this additional allocation, if there is one, you need to still be an Australian Retirement Trust member at the time of the additional allocation. If an additional allocation occurs, we'll write to you with details about it.

We'll write to you in mid-May confirming your Defined Benefit and final balance of your *Additional accumulation account*, and the Trustee of APSS will provide an Exit Statement with your closing account balance in due course.

## Your fees with Australian Retirement Trust

Your employer will continue to make sufficient contributions to meet Defined Benefit obligations for all Plan members and to meet the cost of Administration fees and the standard Death and Total & Permanent Disablement benefits.

Any investment fees and costs related to the Defined Benefit investments of the Plan are deducted from the Defined Benefit Plan assets.

### Your *Additional accumulation account*

The following table compares the fees and costs for *Additional accumulation accounts* in APSS with Australian Retirement Trust based on APSS's Balanced option, and Australian Retirement Trust's Balanced option:

Fee	APSS <sup>1</sup>	Australian Retirement Trust
Administration fee	Paid by your employer	Paid by your employer
Investment fees	0.27% p.a.	0.27% p.a. <sup>2</sup>
Indirect Cost Ratio	1.22% p.a.	0.73% p.a. <sup>3</sup>
<b>Total Annual Fees on a \$50,000 Balance</b>	<b>\$745.00 p.a</b>	<b>\$500.00 p.a.</b>

<sup>1</sup>Source: APSS Your Defined Benefit & Member Savings (Employee Members) Product Disclosure Statement (PDS) dated 1 December 2021. <sup>2</sup>Investment fees shown are estimated fees, and include both a base and performance-related fee. Actual investment fees can vary each financial year. <sup>3</sup>The indirect cost ratio is calculated using actual costs and reasonable estimates of actual costs incurred in the previous financial year.

The investment fees and costs that apply to you depend on the option(s) you're invested in and are calculated as a percentage of your investment balance and reduce your investment return. Other fees and costs may apply. Please refer to the *Super Savings - Corporate* Defined Benefit PDS available at [portal.australianretirementtrust.com.au/apss](https://portal.australianretirementtrust.com.au/apss) for full details.

## Australian Retirement Trust investments

### How your Defined Benefit account will be invested

Your employer bears the investment risk on the assets supporting the Defined Benefit portion of your benefit.

For Offset accounts, the returns will be calculated as described below.

APSS use a fortnightly **crediting rate** to calculate investment performance.

We will follow a similar methodology but will express the investment returns as a **daily unit price**. This unit price will be used to calculate the balance of your Defined Benefit accounts at the end of the year or when a benefit is paid. The Offset account will be invested in the same investment option as the Defined Benefit assets.

### How your Additional accumulation account will be invested

Your existing *Additional accumulation account* balance and future contribution allocation in APSS will be transferred to the Australian Retirement Trust investment option/s that most closely match your existing APSS investment option/s as at close of business on **29 April 2022**.

If you have chosen to invest in more than one of APSS's investment options, your *Additional accumulation account* opening balances in the Australian Retirement Trust option/s will be weighted in the same proportion to your APSS balance. It's important to note that while they may be similar, the APSS and equivalent Australian Retirement Trust options are not the same.

The following table shows APSS's investment options, mapped to the equivalent options with the Australian Retirement Trust:

APSS	Australian Retirement Trust
Balanced	Balanced
Balanced (MySuper)	Lifecycle Investment Strategy <sup>1</sup>
High Growth	Growth
Conservative	Conservative
Cash	Cash

<sup>1</sup>Members in Australian Retirement Trust's Lifecycle Investment Strategy are invested 100% in the Balanced Pool, which has identical investments to the Balanced Option, up until age 55, when they gradually transition to investments with a lower risk and lower expected returns. This means that there may be a significant difference between how your APSS account is invested and how your account will be invested in Australian Retirement Trust. If you're under age 55, you should be aware of how your investments will transition in the future.

## Australian Retirement Trust investments

### How have investments performed?

The following table compares the performance of APSS's Balanced option with the Balanced option in Australian Retirement Trust and the SuperRatings SR50 Balanced Index<sup>1</sup> - after investment fees, costs and taxes, over 1 year, 3 years, 5 years and 10 years to 31 December 2021.

Investment option	Investment returns to 31 December 2021 (net of investment fees, costs and taxes)			
	1 year % p.a.	3 year % p.a.	5 year % p.a.	10 year % p.a.
Australian Retirement Trust Balanced <sup>2</sup>	16.47%	11.54%	9.63%	10.17%
APSS Balanced <sup>3</sup>	13.55%	9.53%	7.81%	7.74%
SuperRatings SR50 Balanced Index <sup>4</sup>	13.41%	10.37%	8.46%	9.18%

**Warning: Past performance is not a reliable indication of future performance.** <sup>1</sup>The SuperRatings Fund Crediting Rate Survey provides comprehensive coverage of superannuation investment performance for Australia's major Master Trusts and Not for Profit funds. The SR50 Balanced Index represents diversified investment options with a growth assets ratio between 60% and 76%. <sup>2</sup>Source: SuperRatings Fund Crediting Rate Survey Median over 1, 3, 5 and 10 years up to 31 December 2021. The Australian Retirement Trust Super Savings Balanced option adopted the pre-merger investment strategy of the Sunsuper Balanced option. Returns for periods prior to 28 February 2022 are based on the Sunsuper Balanced option's Super-Savings account returns. Comparison is based on SuperRatings Fund Crediting Rate Survey - SR50 Balanced (60-76) Index, December 2021. <sup>3</sup>Source: APSS Quarterly Investment Update dated 31 December 2021. <sup>4</sup>Source: SuperRatings Fund Crediting Rate Survey Median over 1, 3, 5 and 10 years up to 31 December 2021.

### **i** More information

- ✓ Read the *Super Savings Investment guide*, available at [portal.australianretirementtrust.com.au/apss](https://portal.australianretirementtrust.com.au/apss) for full details of Australian Retirement Trust's investment options.
- ✓ Review the investment performance of all of Australian Retirement Trust's investment options and pools at [australianretirementtrust.com.au/performance](https://australianretirementtrust.com.au/performance)
- ✓ When you receive your welcome email, register for *Member Online* to review and update your investment choice.
- ✓ If you need help with choosing an appropriate investment strategy for your *Additional accumulation account* once you become an Australian Retirement Trust member, call **1800 652 643**.

## What actions you need to take

There are a few important considerations and actions you may need to take as a result of this change.

1

### Before the transfer

#### ✓ Consider if you intend to split contributions with your spouse

If you intend to 'split' any of your super contributions from the current or 2020-21 financial years into your spouse's account, you'll need to do this by close of business on 22 April 2022. If you don't take action by this date, your opportunity will be lost for this period.

#### ✓ Want to opt out of using your member savings balance to reduce your consolidated offset account?

Click [here](#) to notify us. We must receive your opt out notification by close of business **29 April 2022** in order for it to be valid.

#### ✓ Want to opt out of the transfer of your *Additional accumulation account*?

Following the completion of the transition to Australian Retirement Trust, APSS will close. All Defined Benefit members of the APSS will transition to the APSS Plan, with Australian Retirement Trust. To retain your ongoing defined benefits you must remain in the APSS Plan with Australian Retirement Trust.

If you don't wish to transition your *Additional accumulation account* to Australian Retirement Trust, you can choose another fund and roll the balance of your account over.

The decision to join another fund is up to you. However, we encourage you to review the information contained in this guide, so you can make an informed comparison before making a decision.

# What actions you need to take

## 1

### Before the transfer

If you don't wish to transition your *Additional accumulation account* to Australian Retirement Trust, you'll need to contact APSS on **1300 360 373** to determine the action you need to take by close of business on 22 April 2022.

## 2

### After the transfer

#### ✓ Redirect your additional contributions

If you're currently making additional contributions to your APSS account (other than through payroll deductions, which will continue automatically with the exception of contributions made to your Spouse's APSS account), you'll need to redirect these to Australian Retirement Trust after 30 April 2022 (unless you choose a different fund). If you would like to split your contributions with your spouse, this can be done via BPAY® or direct debit once you have received your member number. You'll need to complete a *Contribution splitting advice* form available at [australianretirementtrust.com.au/forms](https://australianretirementtrust.com.au/forms)

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#### ✓ Review your beneficiaries

Your beneficiaries will be carried across as follows:

APSS	Australian Retirement Trust <sup>2</sup>
Non-lapsing Binding <sup>1</sup>	Preferred
Lapsing Binding	Preferred
Non-Binding	Preferred

<sup>1</sup>Australian Retirement Trust doesn't offer non-lapsing nominations. <sup>2</sup>Will only be used as a guide and ultimately the Trustee of Australian Retirement Trust will decide how to pay your death benefits.

After the plan start date, if you would like to change your nomination, you can via *Member Online* or by using the *Change of details* form, or make a Binding beneficiary nomination by completing the *Binding death benefit nomination* form available at [australianretirementtrust.com.au/forms](https://australianretirementtrust.com.au/forms)



## What actions you need to take

2

### After the transfer

#### ✓ Renew your third-party authority

If you have previously authorised another person (e.g. your spouse, financial planner or solicitor) to act on your behalf in relation to your benefits in APSS, that authority will lapse from the transfer date.

To continue this arrangement, you'll need to complete the *Authority to Access Information* form in *Member Online* after 30 April 2022.

#### ✓ Keep your email address up to date

We recommend that you use your personal email (not a work email address), so we can still get in touch with you if you change jobs.

At Australian Retirement Trust, we provide most of your important documents digitally, unless you let us know otherwise. You can change your Preferences (to print) and contact details in *Member Online*, and request hardcopies at no additional cost by contacting us.

## We're here to help

Once you're a member, if you need to contact us, there are a number of ways that we can help:



Call us on **13 11 84** 8.00am – 6.30pm (AEST) Monday to Friday.

Live chat with a dedicated agent 8.00am – 6.30pm (AEST) Monday to Friday at [australianretirementtrust.com.au/contact-us](https://australianretirementtrust.com.au/contact-us)

National relay service for members who are deaf or have a hearing or speech impairment. Call **1300 555 727** or text **0423 677 767** and then ask for **13 11 84**.

### Questions about the transition?

If you have any questions, please email [APSSTransition@australianretirementtrust.com.au](mailto:APSSTransition@australianretirementtrust.com.au) or give us a call on **1800 652 643**.



# Australian Retirement Trust

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[australianretirementtrust.com.au](https://australianretirementtrust.com.au)

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