apss
AUSTRALIA POST SUPER SCHEME

Guide

Read this with *Your Member Savings* PDS

Spouse and Rollover Members

Guide to your Member Savings

Date of Preparation 9 December 2020

Australia Post Superannuation Scheme
(ABN 42 045 077 895)

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The information in this document forms part of the *Your Member Savings Product Disclosure Statement* dated 9 December 2020.

You can download the PDS at **apss.com.au** on the *Product disclosure* page under the *Publications & Forms* tab or you can request a copy by calling **1300 360 373**.

About this Guide

This *Guide to your Member Savings* (Guide) provides extra information about the APSS Spouse Account and the APSS Rollover Account.

The information in this *Guide* forms part of the *Your Member Savings Product Disclosure Statement* (PDS) for Spouse and Rollover Members of the APSS, dated 9 December 2020.

Before making any decisions on the basis of the information contained in this *Guide*, you should obtain independent advice that takes into account your particular circumstances. The Trustee of the APSS (PostSuper Pty Ltd) is not required to and does not hold an Australian Financial Services Licence. Therefore, it is not licensed to provide you with financial product advice regarding your investment in the APSS.

You can download the accompanying PDS for Rollover and Spouse Members at **apss.com.au** (under the *Publications & Forms* tab) or you can request a copy by calling **1300 360 373**. Note that words and expressions capitalised in this *Guide* are defined on **apss.com.au** in the *Glossary* under the *Publications & Forms* tab. Australia Post has consented to being named in this *Guide* and, where applicable, to the inclusion in this *Guide* of statements, in the form and context in which they are included, that are made by them or said to be based on statements made by them.

How you can contact us

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Your privacy

The APSS respects your privacy, and has policies in place to ensure that your personal information continues to be kept private and confidential.

To access the *Privacy Policy* go online at **apss.com.au** or call **1300 360 373**.

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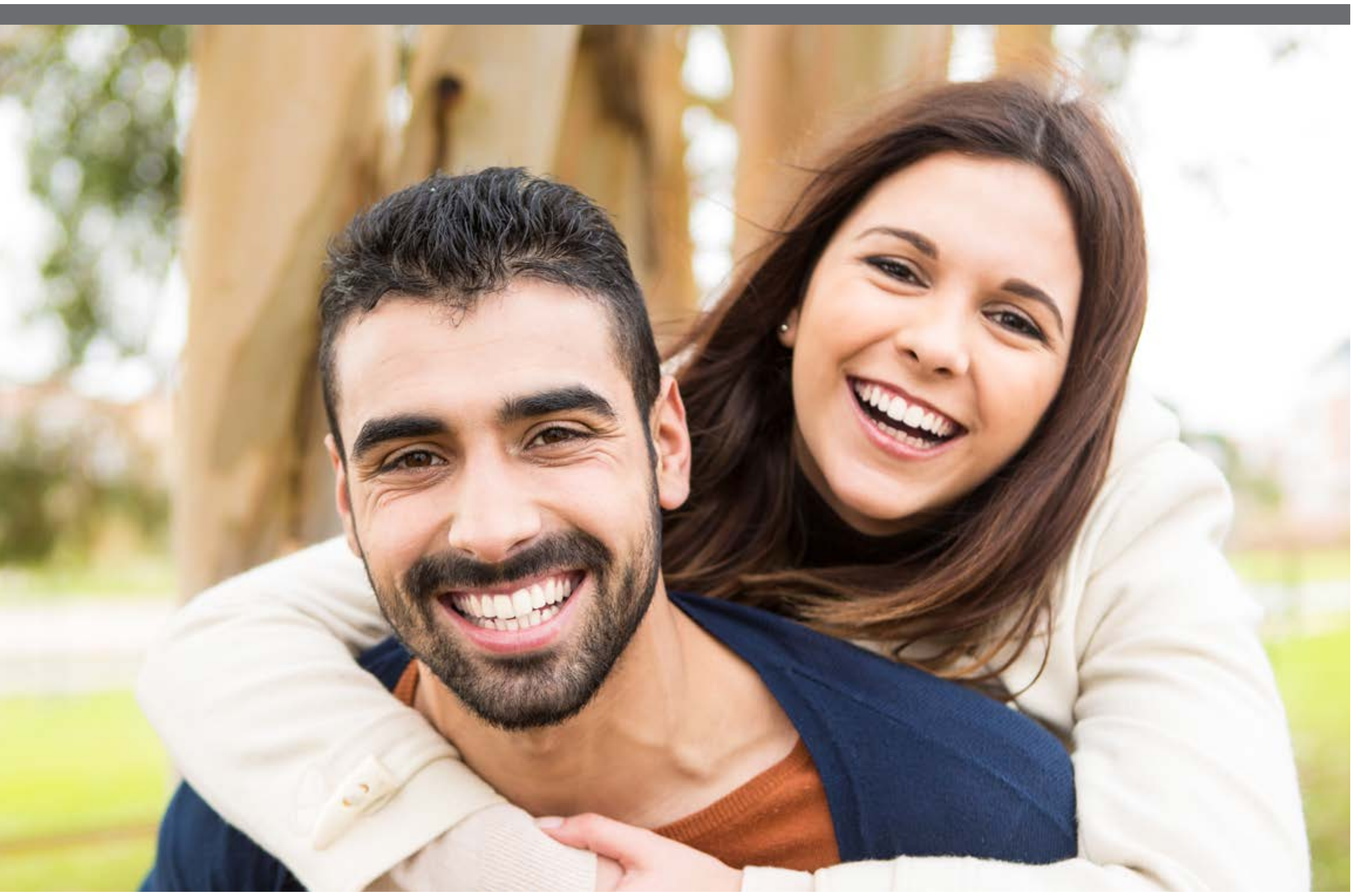


You can open an APSS Member Savings account for Rollover and Spouse Members if you are:

- **an existing APSS Member looking for somewhere to keep your super after leaving employment with Australia Post or an Associated Employer.**
- **the Spouse of an existing APSS Employee Member.**

Eligibility for Spouse Members

Spouse Members must meet the APSS Trust Deed definition of a 'Spouse', which means:

- a person who is legally married to a Member
- a person who, although not legally married to a Member, is living with the Member on a genuine domestic basis in a relationship as a couple, or
- a person (whether of the same or a different sex) with whom a Member is in a registered relationship under laws in Victoria, Tasmania, New South Wales, Queensland, South Australia or the Australian Capital Territory.

If the relationship changes and the Spouse no longer fits this definition, the balance of the Spouse Account may be transferred to an APSS Rollover Account (or Pension account, if eligible) to continue APSS membership. This choice also applies once the Employee Member ceases employment with Australia Post or an Associated Employer, and the APSS is notified of their departure. Spouse Members can also elect to transfer their savings to another fund or withdraw it (if eligible).

Spouse Members who do not provide the APSS with any instructions after ceasing to meet the Trust Deed definition of a Spouse will have their account balance automatically transferred to an APSS Rollover Account after a period of time (generally 60 days). For more details about this, see the section of this *Guide* titled 'When you can access your super'; in particular, under the sub-heading 'Leaving the APSS.'

Your investment options

A range of four investment options for your Member Savings account:

Cash

Conservative

Balanced

High Growth

Because we have different retirement goals and time frames, we've designed each option to cater for different types of investors – so it's easy to pick one that suits you.

Pick one or a combination of investment options

You can invest in one or a combination of these investment options. You can even choose a different strategy for your existing balance and future contributions.

How to make or change your choice

You can make a new investment choice at any time by visiting the APSS website and logging into your personal account, or mailing in a form, as explained on page 8.

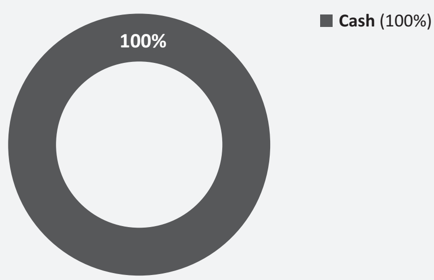
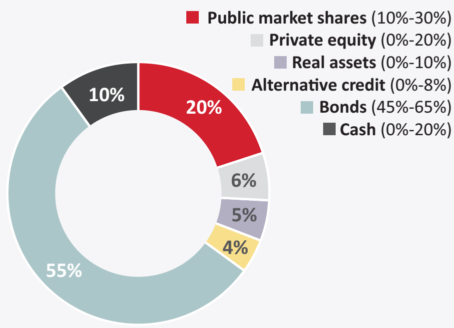
You will receive confirmation of your choice

You will receive written confirmation that your election has been made and processed.

There are no fees to change investment options

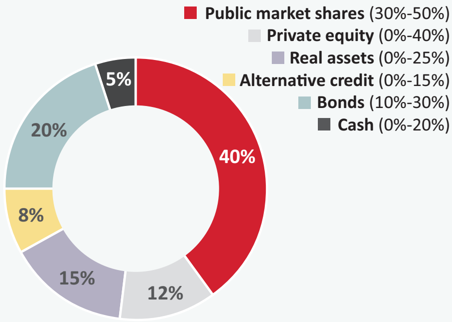
You can change your investment option at any time, and no fee is charged (the change will be effective from the next available fortnight). The Trustee may however, introduce a fee in the future. You will be notified in advance if this occurs.

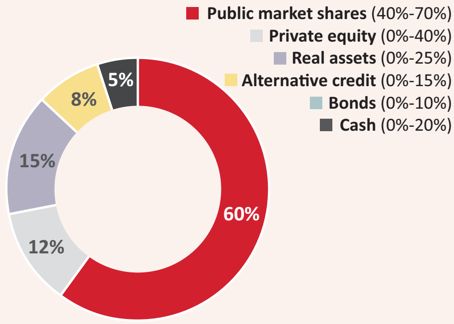
Your investment options (continued)

	Cash	Conservative
Suitability	Designed for Members seeking to avoid any capital loss and yield a rate of interest that over time is similar to Australia's official cash interest rate, adjusted for tax as applicable.	Designed for Members seeking to grow the value of savings marginally in excess of Inflation in the medium-term, with a relatively low tolerance for volatile or negative short-term Investment returns.
Return objective The return that we aim to achieve for an option over a given time frame.	Bloomberg AusBond Bank Bill Index, net of tax	CPI* + 1.5% pa
Minimum suggested investment time frame The minimum number of years you should invest in the option before expecting it to meet its objective.	0 - 3 years	3 - 5 years
Strategic Asset Allocation The pie chart shows the assets each option is invested in. These may be adjusted within ranges (figures in brackets).	 	
Risk Level The number of times a negative annual return may occur within a 20-year period. See Standard Risk Measure on page 8 for more details.	**Very low (Risk Band 1)** Protected by a Capital Guarantee, which means that the Crediting Rates for Cash cannot be negative.	**Medium (Risk Band 4)** The estimated number of negative annual returns is expected to be more than 2 but less than 3 in every 20 years.

*See footnote on the next page.

	Balanced	High Growth
Suitability	Designed for Members seeking to grow the value of savings significantly in excess of Inflation in the medium to long-term, with a moderate tolerance for volatile or negative short-term Investment returns.	Designed for Members seeking to grow the value of savings very significantly in excess of Inflation in the long-term, with a high tolerance for volatile and frequently negative short-term Investment returns.
Return objective The return that we aim to achieve for an option over a given time frame.	CPI* + 3% pa	CPI* + 4% pa
Minimum suggested investment time frame The minimum number of years you should invest in the option before expecting it to meet its objective.	5 - 10 years	10+ years
Strategic Asset Allocation The pie chart shows the assets each option is invested in. These may be adjusted within ranges (figures in brackets).	See Balanced chart below	See High Growth chart below
Risk Level The number of times a negative annual return may occur within a 20-year period. See Standard Risk Measure on page 8 for more details.	**High (Risk Band 6)** The estimated number of negative annual returns is expected to be 4 to less than 6 in every 20 years.	**High (Risk Band 6)** The estimated number of negative annual returns is expected to be 4 to less than 6 in every 20 years.





*CPI stands for Consumer Price Index. CPI measures changes in prices over time of a standard basket of goods and services. It shows the impact of Inflation.

Your investment options (continued)

The Standard Risk Measure

Based on industry information, the Standard Risk Measure (SRM) helps you compare investment options within and across superannuation funds.

For each investment option, the SRM forecasts the expected number of negative annual returns over any 20-year period. But keep in mind that it doesn't represent all forms of investment risk. For example, it doesn't show the potential size of a negative return, or when a positive return may be less than you need for your investment objectives. It also doesn't take into account the impact of any administration fees or tax (if any).

The SRM for each of the investment options is reviewed annually, or more often if there's been a material change to the underlying risk and return characteristics of a specific investment.

It's important to make sure that you are comfortable with the risks and potential losses associated with the investment options you choose.

Risk Band	Risk Label	Estimated number of negative annual returns over any 20 year period
1	**Very low**	**Less than 0.5**
2	Low	0.5 to less than 1
3	Low to medium	1 to less than 2
4	**Medium**	**2 to less than 3**
5	Medium to high	3 to less than 4
6	**High**	**4 to less than 6**
7	Very high	6 or greater

Risk Bands 1, 4 and 6 above apply to the four APSS investment options, as noted in the Risk Level row on pages 6-7.

Changing your investment option

It's easy to change how your super is invested. Just log into your account or complete a *Change your investment choice* form which can be downloaded from **apss.com.au**, on the *Print a form* page under the *Publications & Forms* tab.

When choosing an investment option, you should consider the likely Investment return, risk and your investment time frame.

You can change your investment options at any time. The change will be effective from the next available fortnight. The table below explains when your instructions must be provided.

Instruction method	Cut off times
Paper form	Your completed form must be received on the Thursday before the start of the fortnight (if there are public holidays prior to the start of the fortnight, the APSS will need to receive the form earlier).
Online	You need to submit your instructions by the Friday before the start of the fortnight.

If you change your investment option more than once in the same fortnight, only your last choice will apply.

If the APSS is notified of your death, any Member Savings you have that is not already invested in the Cash investment option will be automatically switched to the Cash investment option at the end of the fortnight in accordance with the normal APSS switching time frame. This will usually be the next fortnight, based on Australia Post's payroll dates, but in some instances may be the following fortnight.

Crediting Rates

Crediting Rates are used to allocate Investment returns to your account, and there are different rates for each investment option. Rates can be positive or negative depending on investment performance, although the Crediting Rates for the Cash option can't be negative because it is currently protected by a Capital Guarantee. Should Australia Post remove this Capital Guarantee in the future, you will be notified beforehand.

Crediting Rates are declared fortnightly. The Crediting Rate fortnights are generally the same as Australia Post's payroll dates.

Crediting Rates are also used to work out your account balance when you move money between investment options.

Interim Crediting Rates

Interim Crediting Rates are worked out for each business day. They are generally applied when payments are made to Members from the APSS. If a partial payment is made, Interim Crediting Rates are used from the beginning of the previous fortnight for the portion of the account paid out.

Past Crediting Rates

You can view past Crediting Rates at **apss.com.au** on the *Crediting Rates* page under the *Investments* tab.

Investment returns are not guaranteed. Past Crediting Rates are not an indicator of future Crediting Rates.

Warning

Investment returns are not guaranteed.
Past Crediting Rates are not an indicator of future Crediting Rates.

Your investment options (continued)

How are labour standards and environmental, social or ethical considerations taken into account?

The Trustee invests the assets of the APSS with the aim of achieving the best financial outcomes for Members, whilst keeping risks within acceptable levels and adhering to the laws and regulations across all jurisdictions in which investments are held.

The Trustee believes that labour standards and environmental, social or ethical considerations (commonly referred to as 'environmental, social and governance', or 'ESG' factors), have the potential to affect the long-term financial value of the APSS's investments. These factors include, but are not limited to the financial risks created by climate change, the use of natural resources, cyber security, human rights, responsible labour practices, workplace health and safety and employee relations. Inadequate management of ESG risks may result in regulatory penalties, brand and reputational damage, asset damage or loss of revenue, any of which can undercut investment outcomes.

A proper regard for the environmental or social practices and proper governance of the entities in which the APSS invests is therefore part of the responsible management of the financial interests of our Members.

The Trustee invests the assets of the APSS by appointing investment managers or investing in managed funds. Therefore, to give effect to the management of ESG risks and ensure appropriate monitoring and review of ESG factors, the Trustee's Investment Committee will, on an ongoing basis, assess and monitor its appointed investment and fund managers on the extent to which they integrate ESG considerations into their investment decisions.

The Trustee does not prescribe how its investment managers or managed funds should apply ESG considerations but it has a preference for managers that maintain and apply policies and frameworks that consider ESG factors as part of investment decisions. Specific ESG methods – and the type of actions taken if an investment no longer meets a manager's ESG policy – are applied according to the managers' discretion, as appropriate for each investment. Managers that do not apply ESG considerations may still be appointed or retained by the APSS provided that the risk to the APSS is not material and is proportionate to the expected financial outcome.

Excluded Investments

The Trustee has elected to restrict its Public market shares investment managers from investing in the Shares of companies that produce tobacco products. Where the APSS invests in pooled funds managed by third parties, the exclusion on Shares of tobacco-producing companies does not apply, as the investment rules of those funds are determined by their management companies.

Investment option changes

The Trustee may change the existing investment options at any time, including the investment strategy, objectives or Asset allocation. It may also add new investment options or close existing options at any time.

As required by law, we will notify you of any significant changes that may affect you.

Suspension of switches

Subject to superannuation law, in certain circumstances the Trustee may temporarily suspend switches between the APSS' investment options. For example, this may happen if it is believed that to continue to make switches would materially disadvantage some Members relative to other Members.

In certain circumstances the Trustee may temporarily suspend payments or withdrawals – for example, if it believed that to continue to make benefit payments or withdrawals would materially disadvantage some Members relative to other Members.

The basics of investing

Before you make your choice, consider some of the basics of investing.

Different types of assets

An asset is something you invest in. This may include Property, Shares, Bonds or putting cash in the bank. There are two main types of assets:

1) **Income assets** are typically lower risk and more stable over the short term, but tend to produce lower returns over the long term. Cash and Bonds are examples of Income assets.

2) **Growth assets** typically are higher-risk investments and more volatile in the short term, but tend to produce higher returns over the long term. Shares and Property are examples of Growth assets.

The four investment options you can choose from have different combinations of Growth and Income assets.

The table below describes the types of assets that make up our investment options.

Asset type	Investment description
Public market shares	Public market shares are investments in Shares traded on public exchanges like the Australian Securities Exchange. They can be bought and sold readily and are therefore referred to as liquid. This also means that their value can change very quickly if investor demand rises or falls, a characteristic referred to as Volatility. Shares are also known as 'equity' or 'equities'. Shares assign ownership of companies to investors; effectively assigning them their proportional 'share' of the company's profits. The company's profits may be distributed to those investors in the form of dividends, or invested back into the company to increase its future profits.
Private equity	Private equity assets are investments in companies not listed on a stock exchange. Private equity offers the potential to earn higher returns in the long-term but there is also more risk in the short term than with defensive assets. The value of Private equity investments normally does not fluctuate as much as the value of Public market shares over the short term, but Private equity assets can't be bought or sold at short notice. So, investors have to be patient to gain the full value of these investments.
Real assets	Real assets are investments in Property and infrastructure (e.g. office buildings, shopping centres, roads, ports). Real assets have the potential to earn higher returns in the long term but there is also more risk in the short term than there is with assets like Bonds and Cash. We won't be actually going out and buying an office building or shopping centre. Rather, the APSS will have a share of Real assets investments via publicly-listed securities and pooled funds. Real assets are considered to be Growth assets.
Alternative credit	Alternative credit includes a range of income-generating debt investments that fall outside of traditional Bonds and Cash. Alternative credit investments can include high yield bonds, bank loans, structured credit bonds, emerging market debt, direct lending and specialty financing. Returns are potentially higher than for Bonds, but there is also more risk in the short term.
Bonds	Bonds (also known as debt securities) are essentially an 'I owe you' issued to investors from governments, corporations and other large institutions seeking to raise money. Investing in Bonds basically involves acquiring the right to receive interest and a repayment of the original amount of the money raised by the borrower. In the underlying portfolios of the APSS Conservative, Balanced and High Growth investment options, the Bonds Asset class includes fixed, floating or Inflation-linked interest securities and Cash. Returns can fluctuate over the short term but are usually more stable than Shares.
Cash	Cash in the APSS portfolio can include bank deposits, bills or securities with very high credit quality, held either directly or via a managed investment trust. Cash investments provide capital security (meaning the value of the original investment is less likely to drop) and stable returns.

The basics of investing (continued)

Investment returns

The return on an investment is the amount of value an investment earns or loses over time.

Some of the returns can be from investment income (interest for example). The value of some assets can also increase over time – this is called a capital gain. For instance, the price of a Share may increase providing a capital gain.

A return can also be negative. If an investment loses value over time, this is called a capital loss. For example, the value of Property may fall, providing a capital loss. The total return you receive on an investment depends on both investment income and any capital gains or losses.

Investment returns are normally shown as a percentage of the total amount invested.

Investment risk

Investment risk means different things to different people. To most though, it is the chance that Investment returns may go up or down over time. But risk can also mean not having enough money in retirement – and how you view risk depends on whether you are looking at your investment over a short or long time frame.

How much risk are you comfortable with?

When you're investing, risk and return go hand in hand.

You cannot consider investment risk without Investment return. Generally, the higher the risk, the higher the potential return over the long term, and vice versa.

The level of risk you can cope with can change through your working life. For instance if you are closer to retirement, you may decide to choose a lower-risk investment option and not be too concerned about returns, if the most important thing to you is protecting your money.

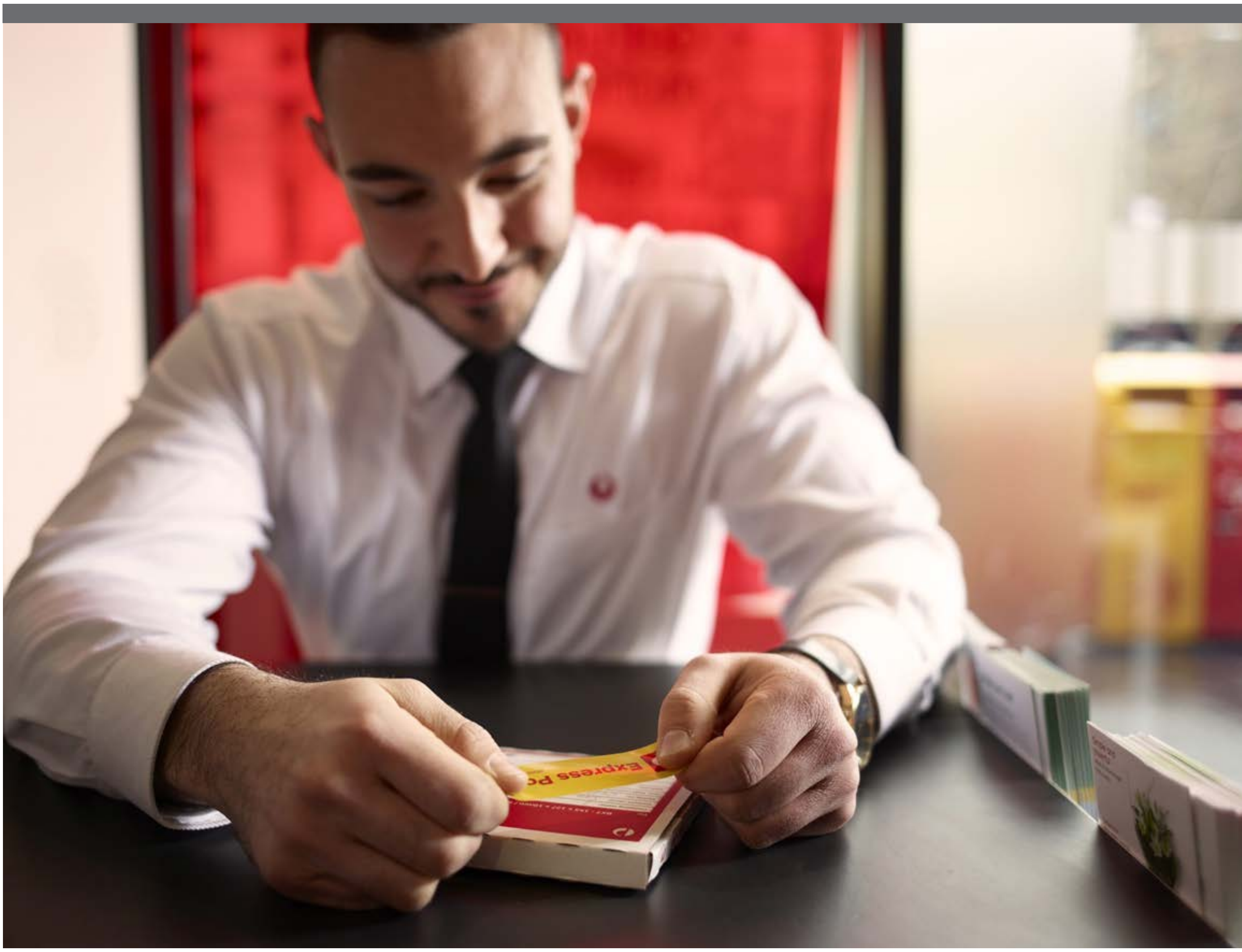
However, if you have many years to go before you need to access your super, you may decide to choose a higher risk option and seek higher, long term returns.

Spread your risk

By investing in a mix of Growth and Income assets, you spread your investment risk. The APSS Conservative and Balanced options each invest in a range of assets. The High Growth option has some spread of assets, but mainly invests in Growth assets. The Cash option is only invested in one type of asset, but is expected to provide a low and steady level of risk and return.

You could also create your own unique investment portfolio by blending the investment options; for example, a 75%/25% split between two options (i.e. 75% in High Growth and 25% in Cash) if you want more growth with some capital protection. Or you could flip that to 25%/75% if you wanted some growth potential but wanted to protect more of your capital.

Short term investment risk	Long term investment risk
Short term investment risk is the potential for your savings to fluctuate (go up and down) in value over time. If the returns from an investment are likely to change a lot over the short term, it is called a 'high risk' investment. If the returns are quite stable and don't change much over the short term, it's called a 'low risk' or 'stable' investment. Over the short term, Growth assets can change in value a lot when compared to Income assets, which tend to be more stable. But over the long term, Growth assets have generally earned more than Income assets.	Long term investment risk is the risk of not having enough money in retirement. Putting money into investments like the Cash option seems safer, and it is in the short term because you don't have the risk of capital losses, and your money can still grow. But over the long term, investing in this option might mean that your savings do not provide you with enough money in retirement or keep up with Inflation. That's a risk too. The Conservative option is expected to produce returns marginally above the rate of Inflation in the medium term. The Balanced and High Growth options are more likely to produce returns that significantly beat Inflation over the long term.



How long should you invest for?

You need to think about how long your super will be invested before you retire, as well as how long you want your savings to last once you do retire. You may live another 30 or more years after you retire. Take a look at the table below to see how long you might need to keep your savings invested in super based on how old you are now and your current life expectancy. These time frames are averages so you may well live beyond these ages!

Current age	Male life expectancy	Female life expectancy
25	81	85
35	81	85
45	82	86
55	83	86
65	85	87

Source: Australian Bureau of Statistics, Table 1: Life Tables, States, Territories and Australia – 2017-19 (4 November 2020 release). See *https://www.abs.gov.au/statistics/people/population/life-tables/2017-2019/3302055001DO001_20172019.xls*

Note that life expectancies above have been rounded down to the final expected birthday.

The basics of investing (continued)

Risks of investing

Your savings will be affected by the Investment returns of your chosen investment options.

Investing for the future involves different sorts of risks that may be more or less important depending on your circumstances. When considering your choice of options it is necessary to decide which risks are more or less important. Following are some important risks to be aware of:

Inflation

Inflation increases the cost of living, so it reduces what your savings can purchase in the future.

Investment losses

There is a risk that your savings may experience investment losses.

- **Individual investment risk** – individual assets can fall in value either temporarily or sometimes permanently for many reasons, such as changes in the internal operations or management of a fund or company, or in its business environment. That is why the APSS invests in a diverse range of assets in Australia and overseas.
- **Market risk** – economic, technological, political or legal conditions, or even market sentiment, can change, affecting the value of investment markets and the value of APSS investments. Changes can be positive or negative.
- **Interest rate risk** – changes in interest rates can have a positive or negative impact on investment value or returns (either directly or indirectly) – for example, the cost of a company's borrowing can decrease or increase or the income return on a fixed interest investment can become more or less favourable.
- **Currency risk** – we invest overseas and if the currencies of those countries rise or fall against the Australian dollar, the value of the investment measured in Australian dollars will change. The Trustee has appointed a currency risk manager to manage the effect of exchange rate movements.
- **Derivatives risk** – the Trustee uses derivatives to reduce risk or gain exposure to particular types of investments. Risks associated with these derivatives include losses from market movements and failure of counterparties to meet their payments to the APSS. The Trustee does not allow its investment managers or delegates to use derivatives for speculation and requires them to deal only with creditworthy counterparties.
- **Liquidity risk** – some types of investments can't be sold quickly at their fair market value. This includes some of the investments in Public market shares and Alternative credit, and most of the investments in Private equity and Real assets. The Trustee has liquidity management procedures designed to ensure there is enough money available to pay Member withdrawals.

Cyber risk

Cyber risk is essentially the risk of a cyber attack, for example, by way of a data breach compromising personal or benefit data stored on those systems, hacking, malware or the denial of service.

More information about fees and costs

DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from $100,000 to $80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You or your employer, as applicable, may be able to negotiate to pay lower fees. Ask the fund or your financial adviser.

TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website (www.moneysmart.gov.au) has a superannuation fee calculator to help you check out different fee options. ASIC's super calculator can be used to calculate the effect of fees and costs on your account balance.

More information about fees and costs (continued)

Fees and other costs

This document shows fees and other costs that you may be charged. These fees and other costs may be deducted from your money, from the returns on your investment or from the assets of the superannuation entity as a whole.

Other fees, such as activity fees and insurance fees, may also be charged, but these will depend on the nature of the activity or insurance chosen by you. Entry fees and exit fees cannot be charged.

Taxes, insurance fees and other costs relating to insurance are set out in another part of this document.

You should read all the information about fees and other costs because it is important to understand their impact on your investment.

APSS Member Savings

Type of fee	Amount	How and when paid
Investment fee[1]*	Depends on your chosen investment option, and is based on a percentage of your account balance invested in the relevant investment option: **Cash:** 0.03%, **Conservative:** 0.18%, **Balanced:** 0.29%, **High Growth:** 0.35%	Deducted from Investment returns before Crediting Rates are worked out
Administration fee[1]**	$1.50 per week per account, plus 0.12% of your account balance each year, (subject to a fee cap)***	Deducted from your account monthly or on a pro-rata basis for part months when you leave the APSS
Buy-sell spread	Nil	Not applicable
Switching fee	Nil	Not applicable
Advice fees relating to all members investing in a particular product or investment option	Nil	Not applicable
Other fees and costs	Other fees, such as Activity fees, may also be charged. More information about such fees and costs is provided in the *Additional Explanation of Fees and Costs* in this *Guide*	
Indirect cost ratio[1]^	Depends on your chosen investment option, and is based on a percentage of your account balance invested in the relevant investment option: **Cash:** 0.00%, **Conservative:** 0.35%, **Balanced:** 0.64%, **High Growth:** 0.64%	Deducted from Investment returns before Crediting Rates are worked out

[1] If your account balance for a product offered by the superannuation entity is less than $6,000 at the end of the entity's income year, the total combined amount of administration fees, investment fees and indirect costs charged to you is capped at 3% of the account balance. Any amount charged in excess of that cap must be refunded.

*The investment fees for the High Growth, Balanced, Conservative and Cash investment options reflect the actual investment fee amounts incurred in the 2019-20 financial year for the relevant option.

**Not applicable if you have an APSS Rollover Account and your employer (i.e. Australia Post or an Associated Employer) is currently meeting its contribution obligations for you in the APSS.

*** The percentage-based administration fee is not charged on any amount of your account balance in excess of $750,000.

^The indirect cost ratios for the High Growth, Balanced, Conservative and Cash investment options reflect the actual indirect costs incurred in the 2019-20 financial year for the relevant option.

Additional Explanation of Fees and Costs

Fee rebate will reduce the administration fee

The Trustee can currently claim a tax deduction for administration and this will be passed on to Members. This means that the administration fee will be reduced by 15%. Using the example provided in the *Your Member Savings* PDS of a $50,000 account balance, this means a refund to your account of $20.70, making the overall actual net fee a little over $117 rather than $138. However, this refund will cease if the Trustee can no longer claim a tax deduction for administration costs.

Insurance fees and costs

Refer to Section 8 of the PDS and pages 26-27 of this *Guide* for information in relation to insurance fees and related costs. As noted in that section, a rebate of up to 15% per week may apply to insurance premiums if the Trustee can claim a tax deduction for the cost of the insurance cover, which will be credited back to your account.

Activity fees – Family Law

If an eligible person (including another APSS Member) asks for account information about another person's APSS benefits under the Family Law Act, the person who requests the information will be charged $220 (inclusive of GST).

No fee is charged to split an account as a result of a Family Law Settlement or court order.

Property operating costs

Property operating costs are costs relating to holding real property assets, or interests in real property assets, by the Trustee. These costs include, but are not limited to, council and water rates, utilities, property staff costs and other property management costs. They do not include borrowing costs or costs relating to buying or selling real property. Property operating costs are an additional cost to Members, but are not deducted directly from Members' account balances and are instead deducted from the assets of the relevant APSS investment option before Crediting Rates are set.

Listed here are the estimated property operating costs of each investment option (based on the actual costs incurred in the 2019-20 financial year for the relevant option):

Cash: 0.00%

Conservative: 0.01%

Balanced: 0.01%

High Growth: 0.01%.

These costs are not included in indirect costs, investment fees, administration fees or transactional and operational costs.

Indirect costs

These are costs (such as certain investment management and investment-related fees and expenses) that, directly or indirectly, reduce the return on investments of the relevant APSS investment portfolio and are not charged to Members as fees. These costs include certain transactional and operational costs incurred (refer to the following section on *Transaction and operational costs*). These costs are not deducted directly from Members' account balances but are instead deducted from the assets of the relevant APSS investment option before Crediting Rates are set.

The indirect cost ratios shown in the Fees and Costs tables in Section 6 of the PDS and on the previous page of this *Guide* represent the ratio of the total estimated indirect costs for each investment option to the total average net assets attributed to that investment option. The indirect cost ratios for the High Growth, Balanced, Conservative and Cash investment options, reflect the actual indirect costs incurred in the 2019-20 financial year for the relevant option.

The actual indirect costs for each investment option are likely to vary from year to year.

Additional Explanation of Fees and Costs (continued)

Transaction and operational costs

The APSS may incur transactional and operational costs, such as brokerage, settlement costs, clearing costs and stamp duty, including when the investments of the APSS are bought or sold (including where Members enter and exit the APSS). The APSS does not charge a separate buy-sell spread to entering and exiting Members to recover these amounts.

Transactional and operational costs are an additional cost to Members but are not deducted directly from Members' account balances and are instead deducted from the assets of the relevant APSS investment option before Crediting Rates are set. Listed here are the estimated transactional and operational costs of each investment option (rounded to two decimal places and based on the actual costs incurred in the 2019-20 financial year for the relevant option):

- **Cash**: 0.00%.
- **Conservative**: 0.05%.
- **Balanced**: 0.07%.
- **High Growth**: 0.09%.

The indirect cost ratio of each investment option includes parts of these costs.

Operational Risk Reserve

By law, all super funds have to set aside a pool of money, known as the Operational Risk Reserve (ORR) separate to Members' accounts to cover operational risks.

To comply with these requirements, the Trustee has established and will maintain a separate reserve within the APSS. The ORR was funded over a three-year period to 30 June 2016 (in line with APRA's Prudential Standard) partially by amounts deducted from the Investment returns of the APSS before Crediting Rates were determined. Given that funding was completed by 30 June 2016, there was no ORR cost for Members in the 2019-20 financial year. The actual ORR cost may vary from year to year.

Fee changes

The Trustee can change fees without your consent, but you'll be given at least 30 days' notice of any increase to fees.

Please note that if you have a Rollover Account, and Australia Post or an Associated Employer is currently meeting its contribution obligations for you in the APSS, you will not be charged an administration fee. However, if you cease to be an Employee Member, or your employer ceases to make contributions on your behalf into your Rollover Account, you will be charged an administration fee for your Rollover Account.

Tax

Please refer to Section 7 of the PDS and pages 23-24 of this *Guide* for information in relation to tax.

More information about fees and costs (continued)

Defined fees

The fee definitions below relate to terms used in this section. These definitions are prescribed by superannuation law and do not necessarily apply to your Member Savings account in the APSS.

Activity fees	A fee is an activity fee if: (a) the fee relates to costs incurred by the trustee of the superannuation entity that are directly related to an activity of the trustee: (i) that is engaged in at the request, or with the consent, of a member; or (ii) that relates to a member and is required by law; and (b) those costs are not otherwise charged as an administration fee, an investment fee, a buy-sell spread, a switching fee, an advice fee or an insurance fee.
Administration fees	An administration fee is a fee that relates to the administration or operation of the superannuation entity and includes costs that relate to that administration or operation, other than: (a) borrowing costs; and (b) indirect costs that are not paid out of the superannuation entity that the trustee has elected in writing will be treated as indirect costs and not fees, incurred by the trustee of the entity or in an interposed vehicle or derivative financial product; and (c) costs that are otherwise charged as an investment fee, a buy-sell spread, a switching fee, an activity fee, an advice fee or an insurance fee.
Advice fees	A fee is an advice fee if: (a) the fee relates directly to costs incurred by the trustee of the superannuation entity because of the provision of financial product advice to a member by: (i) a trustee of the entity; or (ii) another person acting as an employee of, or under an arrangement with, the trustee of the entity; and (b) those costs are not otherwise charged as an administration fee, an investment fee, a switching fee, an activity fee or an insurance fee.
Buy-sell spreads	A buy-sell spread is a fee to recover transaction costs incurred by the trustee of the superannuation entity in relation to the sale and purchase of assets of the entity.
Exit fees	An exit fee is a fee, other than a buy-sell spread, that relates to the disposal of all or part of a member's interests in the superannuation entity.
Indirect cost ratio	The indirect cost ratio (ICR), for a MySuper product or an investment option offered by a superannuation entity, is the ratio of the total of the indirect costs for the MySuper product or investment option, to the total average net assets of the superannuation entity attributed to the MySuper product or investment option. Note: A fee deducted from a member's account or paid out of the superannuation entity is not an indirect cost.

More information about fees and costs (continued)

Defined fees (continued)

Investment fees	An investment fee is a fee that relates to the investment of the assets of a superannuation entity and includes: (a) fees in payment for the exercise of care and expertise in the investment of those assets (including performance fees); and (b) costs that relate to the investment of assets of the entity, other than: (i) borrowing costs; and (ii) indirect costs that are not paid out of the superannuation entity that the trustee has elected in writing will be treated as indirect costs and not fees, incurred by the trustee of the entity or in an interposed vehicle or derivative financial product; and (iii) costs that are otherwise charged as an administration fee, a buy-sell spread, a switching fee, an activity fee, an advice fee or an insurance fee.
Switching fees	A switching fee for a MySuper product is a fee to recover the costs of switching all or part of a member's interest in a superannuation entity from one class of beneficial interest in the entity to another. A switching fee for a superannuation product other than a MySuper product, is a fee to recover the costs of switching all or part of a member's interest in the superannuation entity from one investment option or product in the entity to another.
Insurance fee	A fee is an insurance fee if: (a) the fee relates directly to either or both of the following: (i) insurance premiums paid by the trustee, or the trustees, of a superannuation entity in relation to a member or members of the entity; (ii) costs incurred by the trustee, or the trustees, of a superannuation entity in relation to the provision of insurance for a member or members of the entity; and (b) the fee does not relate to any part of a premium paid or cost incurred in relation to a life policy or a contract of insurance that relates to a benefit to the member that is based on the performance of an investment rather than the realisation of a risk; and (c) the premiums and costs to which the fee relates are not otherwise charged as an administration fee, an investment fee, a switching fee, an exit fee, an activity fee or an advice fee.

Contributions and tax

Tax rules can and often do change. For up-to-date information on superannuation taxes, visit the Australian Taxation Office (ATO) website at ato.gov.au or speak to your taxation or financial advisor.

This information does not address specific measures dealing with COVID-19 which may be available to you. Please see our website or page 38 of this *Guide* for further details about these measures.

What if you go over your contribution limit?

You may make after-tax contributions (or Before-tax contributions if you claim a tax deduction for your after-tax contributions^) to your APSS Member Savings account, but be aware there are strict annual contribution limits and if you exceed those limits, additional tax may apply. For example, if you contribute more than the Before-tax contribution limit of $25,000** in the 2020-21 financial year, you can have up to 85% of the excess contributions released from your account, as long as you have enough money in the account. Tax will be payable at your marginal tax rate* less a tax offset for the 15% contributions tax already paid on your excess Before-tax contributions (plus an interest charge) regardless of whether you have the excess released.

Any excess Before-tax contributions also count towards your after-tax contributions limit, unless you ask to have them released. This may affect your ability to make after-tax contributions to this account.

Amounts contributed over the after-tax contribution limits are taxed at 47% in the 2020-21 financial year. Or, you can choose to release the excess plus 85% of the earnings on that excess amount. Tax will then be payable at your marginal tax rate* on the associated earnings, subject to a 15% tax offset for tax already paid on those earnings.

^ If eligible, you can claim a tax deduction for a personal after-tax contribution, using the *Notice of intent to claim or vary a deduction for personal super contributions* form, which you can download at **apss.com.au** in the *Print a form* section under *Publications & Forms*. This then classifies the contribution as a before-tax contribution and it will be included in the $25,000 annual contribution limit.

* Plus the Medicare levy.

** It may now be possible to 'carry forward' any Before-tax contributions that you did not make in the previous financial year, provided that your total superannuation balance was less than $500,000 at 30 June in the financial year before the financial year in which you want to make the additional Before-tax contributions. If you have multiple super accounts, the total of all accounts combined must be less than $500,000.

This carry forward rule, if you're eligible to use it, allows you to contribute more than the annual Before-tax limit in a certain financial year (or years). See the *How super is taxed in 2020-21* fact sheet available in the *Publications & Forms* section of **apss.com.au** for more details.

Low Income Superannuation Tax Offset

If your adjusted taxable income is $37,000 or less in 2020-21, and your employer contributes to your super, the Government may make an extra contribution to your super. The contribution is calculated as 15% of your Before-tax contributions, up to a maximum of $500.

To be eligible, at least 10% of your income must come from employment or business. Temporary residents are generally not eligible. Go to the ATO website for all the details.

If you are eligible for this contribution, it will be paid into your account by the Australian Taxation Office once you complete your annual tax return.

Tax for high income earners

If your total adjusted income (including low-tax contributions) is over $250,000 in 2020-21, an extra 15% tax is charged on low-tax contributions which result in income above $250,000. You may be able to have money released from your account to pay this tax.

Your low-tax contributions are equal to your Before-tax contributions such as employer contributions and salary sacrifice amounts you make from your salary (less any excess Before-tax contributions).

Why you should provide your TFN

Super funds are authorised to ask for your Tax File Number (TFN). You don't have to provide your TFN to the APSS, but if you don't:

- We can't accept after-tax contributions from you.

- We can't accept contributions made by your Spouse.
- You may pay more tax on your Before-tax contributions (extra tax of 32%* on top of the 15% contributions tax, bringing the tax rate to 47%*). If you provide your TFN within four years, we may be able to claim back the additional tax and refund this to your Member Savings account, however this may not always be possible.
- We may have to deduct more tax when you withdraw your super (at the top marginal rate plus the Medicare levy). You will be able to obtain a refund of this tax when you lodge your tax return.

Providing your TFN also makes it easier to track down different super accounts you may have but don't know about, so you get all your super when you retire.

* Includes a Medicare levy of 2%.

Home Downsizer Scheme

If you're 65 years old or over and own your main residence, you might be ready to sell your home and 'downsize' to a smaller property. If you have already done so on or after 1 July 2018, you may be able to contribute some or all of the proceeds of the sale to your superannuation, which may be a more tax-effective way of investing those proceeds.

You might be able to contribute up to $300,000 as an individual, or $600,000 as a couple (i.e. $300,000 in each individuals' superannuation account). Such 'downsizer contributions' won't count towards the contributions limits explained in Section 7 of the PDS, including the ability to make such contributions even if you already have $1.6 million saved in super. However, downsizer contributions will still be counted towards the $1.6 million lifetime cap on pensions, and also the Age Pension assets test.

Aside from being at least 65 years of age, there are other eligibility criteria, which you can find on the ATO website. For instance, you or your Spouse will need to have owned the main residence you're downsizing for at least 10 years, and it cannot be overseas, or be a mobile home such as a caravan or house boat. While you or your Spouse do not need to have lived in the home for all of the last 10 years, it must still be able to meet the test for a 'main residence' under the relevant legislation. Also, any downsizer contribution must generally be made within 90 days of receiving the proceeds of sale, although you might be able to get an extension from the ATO.

If you're eligible and wish to make a downsizer contribution, you will need to use an approved, official ATO form that is available on **https://www.ato.gov.au/Forms/Downsizer-contribution-into-super-form/** to download. You should seek your own professional tax advice about whether your property will meet the relevant eligibility criteria.

Your insurance cover and choices

Death and disablement are confronting subjects but we all need to think about the financial impact on us and others if these unpleasant events occur. If you die or suffer Terminal Illness or Total and Permanent Disablement (TPD), how would you or your loved ones cope financially? Would there be enough money to pay the bills?

Eligible Spouse and Rollover Members in the APSS automatically receive an amount of insurance cover for death, Total and Permanent Disablement (TPD) or terminal illness, with the flexibility to either apply for more cover, or cancel their cover by opting out.

The Insurer

PostSuper Pty Ltd, the Trustee, provides insurance cover to eligible Spouse and Rollover Members under a life insurance policy issued to the Trustee by MetLife Insurance Limited (ABN 75 004 274 882), (the Insurer).

Types of insurance cover provided

Three types of cover are provided to eligible Spouse and Rollover Members. It's important to understand that only one type of insurance benefit is payable. For example, if a terminally ill Member successfully claimed a Terminal Illness benefit, and later died, there would be no second insurance benefit payable upon death. The three types of cover are:

1. Death cover

This pays a benefit if you die equal to the amount of cover on the date of your death.

2. TPD cover

This pays a benefit if you meet the definition of TPD under the policy. A summary of the definition is set out on pages 32-33 of this *Guide*. The amount of the benefit is equal to the amount of cover on the date a doctor certifies that you have suffered the illness or incurred the injury for which you are making the claim, or if you are working on that date, the date you cease all work.

3. Terminal Illness cover

This pays a benefit if you suffer a Terminal Illness as defined under the policy. A summary of the definition is set out on page 33 of this *Guide*. The amount of the benefit is equal to the amount of cover on the date two medical practitioners have given a certification that you are suffering from a Terminal Illness or, if that certification is given separately on different dates, it will be the later of the two dates.

Automatic minimum level of cover and additional cover

If you are an eligible Spouse Member or Rollover Member, you automatically get one unit of cover under the policy.

As shown in the tables on the next two pages, this level of cover:

- **Insures you for between $7,420 and $53,000** depending on your age, and
- **Costs you (for one unit) from $0.936 to $4.412** per week depending on your age, with premiums payable from your Member Savings account on the last Friday of each month in arrears. However, the cost might be less if the Trustee can claim a tax deduction for the cost of the cover, in which case your share of that deduction will be credited back to your account.

Warning

Please be aware that the insurance cover premiums for the automatic level of cover will be deducted from your account each month unless you elect to opt out of the cover and instruct the Trustee that you wish to do so.

You can apply for additional units of cover, up to a total of 10 units when combined with your automatic cover. The weekly cost of the cover and the level of insurance cover provided depend on the total units of cover and your age, as set out in the tables on the next two pages. If you are not eligible to receive automatic insurance, you may be able to 'opt-in' to insurance cover. More information on this is provided on pages 27-28.

Your insurance cover and choices (continued)

Age Last Birthday	Weekly Premium[1]										Sum insured[2] per unit
	1 unit	2 units	3 units	4 units	5 units	6 units	7 units	8 units	9 units	10 units	
20	$1.105	$2.431	$3.757	$5.083	$6.409	$7.735	$9.061	$10.387	$11.713	$13.039	$53,000
21	$1.070	$2.354	$3.638	$4.922	$6.206	$7.490	$8.774	$10.058	$11.342	$12.626	$53,000
22	$1.031	$2.269	$3.507	$4.745	$5.983	$7.221	$8.459	$9.697	$10.935	$12.173	$53,000
23	$0.988	$2.173	$3.358	$4.543	$5.728	$6.913	$8.098	$9.283	$10.468	$11.653	$53,000
24	$0.961	$2.114	$3.267	$4.420	$5.573	$6.726	$7.879	$9.032	$10.185	$11.338	$53,000
25	$0.942	$2.072	$3.202	$4.332	$5.462	$6.592	$7.722	$8.852	$9.982	$11.112	$53,000
26	$0.936	$2.059	$3.182	$4.305	$5.428	$6.551	$7.674	$8.797	$9.920	$11.043	$53,000
27	$0.940	$2.068	$3.196	$4.324	$5.452	$6.580	$7.708	$8.836	$9.964	$11.092	$53,000
28	$0.960	$2.112	$3.264	$4.416	$5.568	$6.720	$7.872	$9.024	$10.176	$11.328	$53,000
29	$0.990	$2.178	$3.366	$4.554	$5.742	$6.930	$8.118	$9.306	$10.494	$11.682	$53,000
30	$1.039	$2.286	$3.533	$4.780	$6.027	$7.274	$8.521	$9.768	$11.015	$12.262	$53,000
31	$1.104	$2.429	$3.754	$5.079	$6.404	$7.729	$9.054	$10.379	$11.704	$13.029	$53,000
32	$1.189	$2.615	$4.041	$5.467	$6.893	$8.319	$9.745	$11.171	$12.597	$14.023	$53,000
33	$1.290	$2.838	$4.386	$5.934	$7.482	$9.030	$10.578	$12.126	$13.674	$15.222	$53,000
34	$1.409	$3.099	$4.789	$6.479	$8.169	$9.859	$11.549	$13.239	$14.929	$16.619	$53,000
35	$1.082	$2.381	$3.680	$4.979	$6.278	$7.577	$8.876	$10.175	$11.474	$12.773	$37,100
36	$1.190	$2.618	$4.046	$5.474	$6.902	$8.330	$9.758	$11.186	$12.614	$14.042	$37,100
37	$1.314	$2.891	$4.468	$6.045	$7.622	$9.199	$10.776	$12.353	$13.930	$15.507	$37,100
38	$1.452	$3.194	$4.936	$6.678	$8.420	$10.162	$11.904	$13.646	$15.388	$17.130	$37,100
39	$1.608	$3.537	$5.466	$7.395	$9.324	$11.253	$13.182	$15.111	$17.040	$18.969	$37,100
40	$1.016	$2.235	$3.454	$4.673	$5.892	$7.111	$8.330	$9.549	$10.768	$11.987	$21,200
41	$1.125	$2.475	$3.825	$5.175	$6.525	$7.875	$9.225	$10.575	$11.925	$13.275	$21,200
42	$1.243	$2.734	$4.225	$5.716	$7.207	$8.698	$10.189	$11.680	$13.171	$14.662	$21,200
43	$1.374	$3.023	$4.672	$6.321	$7.970	$9.619	$11.268	$12.917	$14.566	$16.215	$21,200
44	$1.522	$3.348	$5.174	$7.000	$8.826	$10.652	$12.478	$14.304	$16.130	$17.956	$21,200

1. The weekly premium includes any stamp duty. The actual weekly premium may, in fact, be cheaper than this because a rebate of up to 15% per week may apply if the Trustee can claim a tax deduction for the cost of the insurance cover, which will be credited back to your account. For example, if you are age 34 and have one unit of cover, your weekly premium may be only $1.198 instead of $1.409; if you had two units, it may be $2.634 instead of $3.099, and so on.
2. The sum insured is the amount that gets paid depending on your age at your last birthday.
3. All cover will cease on your 65th birthday. See pages 30-31 for other things that might cause your insurance cover to cease.

Age Last Birthday	Weekly Premium[1]										Sum insured[2] per unit
	1 unit	2 units	3 units	4 units	5 units	6 units	7 units	8 units	9 units	10 units	
45	$1.179	$2.592	$4.005	$5.418	$6.831	$8.244	$9.657	$11.070	$12.483	$13.896	$14,840
46	$1.303	$2.867	$4.431	$5.995	$7.559	$9.123	$10.687	$12.251	$13.815	$15.379	$14,840
47	$1.443	$3.175	$4.907	$6.639	$8.371	$10.103	$11.835	$13.567	$15.299	$17.031	$14,840
48	$1.599	$3.517	$5.435	$7.353	$9.271	$11.189	$13.107	$15.025	$16.943	$18.861	$14,840
49	$1.771	$3.896	$6.021	$8.146	$10.271	$12.396	$14.521	$16.646	$18.771	$20.896	$14,840
50	$0.982	$2.161	$3.340	$4.519	$5.698	$6.877	$8.056	$9.235	$10.414	$11.593	$7,420
51	$1.091	$2.400	$3.709	$5.018	$6.327	$7.636	$8.945	$10.254	$11.563	$12.872	$7,420
52	$1.211	$2.664	$4.117	$5.570	$7.023	$8.476	$9.929	$11.382	$12.835	$14.288	$7,420
53	$1.346	$2.962	$4.578	$6.194	$7.810	$9.426	$11.042	$12.658	$14.274	$15.890	$7,420
54	$1.497	$3.294	$5.091	$6.888	$8.685	$10.482	$12.279	$14.076	$15.873	$17.670	$7,420
55	$1.667	$3.667	$5.667	$7.667	$9.667	$11.667	$13.667	$15.667	$17.667	$19.667	$7,420
56	$1.856	$4.083	$6.310	$8.537	$10.764	$12.991	$15.218	$17.445	$19.672	$21.899	$7,420
57	$2.067	$4.548	$7.029	$9.510	$11.991	$14.472	$16.953	$19.434	$21.915	$24.396	$7,420
58	$2.304	$5.069	$7.834	$10.599	$13.364	$16.129	$18.894	$21.659	$24.424	$27.189	$7,420
59	$2.568	$5.649	$8.730	$11.811	$14.892	$17.973	$21.054	$24.135	$27.216	$30.297	$7,420
60	$2.863	$6.299	$9.735	$13.171	$16.607	$20.043	$23.479	$26.915	$30.351	$33.787	$7,420
61	$3.191	$7.020	$10.849	$14.678	$18.507	$22.336	$26.165	$29.994	$33.823	$37.652	$7,420
62	$3.557	$7.825	$12.093	$16.361	$20.629	$24.897	$29.165	$33.433	$37.701	$41.969	$7,420
63	$3.962	$8.716	$13.470	$18.224	$22.978	$27.732	$32.486	$37.240	$41.994	$46.748	$7,420
64[3]	$4.412	$9.706	$15.000	$20.294	$25.588	$30.882	$36.176	$41.470	$46.764	$52.058	$7,420
65[3]	0	0	0	0	0	0	0	0	0	0	0

1. The weekly premium includes any stamp duty. The actual weekly premium may, in fact, be cheaper than this because a rebate of up to 15% per week may apply if the Trustee can claim a tax deduction for the cost of the insurance cover, which will be credited back to your account. For example, if you are age 55 and have one unit of cover, your weekly premium may be only $1.417 instead of $1.667; if you had two units, it may be $3.117 instead of $3.667, and so on.
2. The sum insured is the amount that gets paid depending on your age at your last birthday.
3. All cover will cease on your 65th birthday. See pages 30-31 for other things that might cause your insurance cover to cease.

Am I eligible for this insurance?

To be eligible for automatic cover, the following conditions must be met:

- You must have an APSS Spouse Account or APSS Rollover Account with an account balance of at least $6,000 at any time since 1 November 2019;
- You must be aged at least 25 (or had an APSS Spouse or APSS Rollover Account before 1 April 2020);
- You must be under 65 years of age;
- An amount (eg. contribution or rollover including to open the account) has been received in your account in the last 16 months.

So that your insurance cover does not then lapse, you will need to put an amount into your account at least once every 16 months (e.g. a contribution or rollover, including a rollover to open your account).

If your account balance is less than $6,000 and/or you're 20 to 24 years old and/or your account has not received an amount for 16 months, you are still eligible

Your insurance cover and choices (continued)

to have cover but only if you 'opt in' to the insurance. To opt in, you need to complete and return a *Confirm my insurance arrangements* form (available to download at **apss.com.au** on the *Print a form* page under the *Publications & Forms* tab), ensuring that you have ticked, as appropriate, 'Keep or commence insurance cover, even if my account balance is under $6,000 or I'm under age 25' and/or ticked 'Keep my current insurance cover, even if my account is inactive for 16 continuous months'. If you're aged 65 or older, you are not eligible to have insurance cover provided through your account.

Eligibility for cover also depends on your Australian residency status. You must be residing in Australia, as an Australian citizen or permanent residency visa holder. However, you are also eligible if you hold a visa as specified in the Insurer's policy (e.g. a 457 temporary work visa issued by the Australian Department of Immigration and Border Protection, or its replacement); or if you're a New Zealand citizen and holder of a special category visa referred to in section 32 of the *Migration Act 1958* (Cth).

When will my cover start?

Automatic cover starts on the date that you satisfy the eligibility criteria. Eligible Members may receive 'new events cover', which means you're only covered for an illness that first becomes apparent, or an injury that first occurs, on or after the date that cover commenced. New events cover will apply if you are a Rollover Member not in active employment when cover starts, and will apply until you are in active employment for 30 consecutive days. 'Active employment' means being employed and, in the Insurer's opinion, capable of performing your identifiable duties without restriction by any illness or injury for at least 35 hours per week (whether or not you are actually working those hours). If you are a Spouse Member, new events cover will apply for the first 120 consecutive days.

How much insurance do I need?

Insurance cover is provided to help you and your loved ones manage the financial impact of death or TPD. You can apply to increase or reduce your level of cover, depending on your financial needs. When thinking about how much insurance you may need within your Spouse Account or Rollover Account, a good place to start may be to consider your debts and household expenses, and to identify how much money might be needed to meet ongoing financial commitments if you die, suffer TPD or become terminally ill. You may also want to think about other potential expenses, such as the costs of care, home help services, medication and so on that you might need in the event of TPD, or funeral costs in the event of death.

You may then want to consider how these commitments and expenses could be met from your superannuation savings, other assets you have and any other insurance cover you already have, and what additional insurance may be required.

You should also consider the effect that the insurance premiums will have on your superannuation account balance because premiums are deducted from your account and therefore will potentially reduce how much you will have in your retirement.

You may want to speak to a qualified financial adviser who can help you work out how much insurance you need before making any decision about your insurance.

Opting out – Cancelling this insurance

You may cancel any insurance cover you have at any time by opting out. If you decide to opt out, you should know that:

- You will not be able to make a claim for insurance benefits for events or conditions that arise after your cover has been cancelled.
- If your APSS cover is being replaced by other cover provided elsewhere, you should not opt out of your APSS cover before getting confirmation that the replacement cover is in place.
- You may wish to seek financial advice to help validate your decision to opt out and cancel your cover.

If you wish to opt out, you can do this by completing the *Confirm my insurance arrangements* form available to download at **apss.com.au** on the *Print a form* page under the *Publications & Forms* tab.

If you decide to opt out and return your completed and signed *Confirm my insurance arrangements* form with your application, you won't receive any automatic insurance cover and the cover will be deemed not to have ever commenced, so no insurance premiums will be deducted from your account.

If we receive your request to cancel or reduce your cover after your account has already been opened, the reduction or cancellation of cover will depend on the date the APSS receives your request. If your request is received within 60 days of your cover first commencing, any premium payments already deducted will be refunded and the cover will be deemed not to have ever commenced. If your request is received more than 60 days after the cover commences, the request will be effective from the date the APSS receives your request and there will be no refund of premiums that have been paid up to that time. Of course, deduction of premiums will cease from that time, so no further premiums will be deducted.

If you do reduce or cancel your cover, you can always reapply to be insured or to increase your cover, provided you are still eligible, by completing the Insurer's *Application for insurance* form, which is available to download at **apss.com.au** on the *Print a form* page under the *Publications & Forms* tab. This will require you to provide details of your insurance history, your current health status, your family's health history and your lifestyle. You might also have to complete a Medical Statement for the Insurer. So keep in mind that opting out will mean more paperwork for you if you want to apply in future, and there's no guarantee your application will be accepted by the Insurer.

Increasing cover – Buying more insurance

You can apply for additional insurance cover by completing the Insurer's *Application for insurance* form, which is available to download at **apss.com.au** on the *Print a form* page under the *Publications & Forms* tab.

Additional cover is subject to the Insurer's acceptance of your application and to a maximum of 10 units of cover in total when combined with your automatic cover. The Insurer may require you to provide information about your health and lifestyle and may apply special terms and conditions to the additional cover. You may reduce your level of increased cover at any time by completing the *Confirm my insurance arrangements* form also available to download at **apss.com.au** on the *Print a form* page under the *Publications & Forms* tab.

'Life event' automatic acceptance of additional cover

However, you may be accepted for an additional unit of cover when a 'life event' occurs without having to provide evidence about your health and lifestyle. Life events are specified in the insurance policy, and include: marriage, divorce, birth or adoption of a Child, and taking out a new mortgage on your primary place of residence. An application for additional cover must be made within 60 days after the life event.
The application may only be made after one life event and must be accompanied by evidence satisfactory to the Insurer.

If you are not in active employment at the time of the application for an additional unit of cover after a life event, the additional cover will only apply to an illness that first becomes apparent or an injury that first occurs on or after the cover commences, until you have been in active employment for 30 consecutive days.

Interim Accident Cover

If you apply for additional cover, you will be provided with 'Interim Accident Cover' from the date that the Insurer receives a completed application. Interim Accident Cover pays a benefit if you die or suffer TPD as a result of an injury. The benefit is equal to the amount nominated as the insured cover for death or TPD in your application.

The conditions on this cover are that death or TPD must occur within 365 days of the injury, and the injury must have occurred during the period while the Insurer was considering the application for cover or additional cover.

Interim Accident Cover ceases on the earliest of the date the Insurer accepts or rejects your application for additional cover, the date you withdraw the application for cover, 90 days from the date the Insurer receives your completed application, and the date cover would otherwise cease under the policy.

No other insured benefit is payable if an Interim Accident Benefit is paid. The benefit is capped at the lesser of 10 units of insured cover, or the amount on the application form for additional cover.

Your insurance cover and choices (continued)

If you are replacing insurance cover held elsewhere

You should not cancel any other insurance cover you may currently hold until your APSS cover is confirmed. There are risks in replacing your existing cover, including:

- Only being eligible for new events cover (see page 28) if you do not satisfy the conditions for full cover.
- Only having interim accident cover while you apply for additional cover.
- Having your application for additional cover declined, or being denied a claim because you did not disclose relevant information in your application for additional cover (even if non-disclosure was unintentional).
- Not being able to claim on both policies, which will depend on the policy wording of your cover held elsewhere. The APSS will not reduce your insurance because you have cover elsewhere.

When your insurance cover will cease

Your insurance cover will cease at the earliest of:

- You electing to opt out or cancel your cover, or to reduce your cover (in respect of the reduced portion).
- You reaching your 65th birthday.
- You being paid an insurance benefit under the cover provided. If any benefit is paid, then all cover will cease.
- Your account being 'inactive' (from 1 July 2019) because it has not received an amount, such as a contribution or rollover, for a period of 16 consecutive months (see the following section headed 'Inactive accounts' for important details).
- Your account balance being less than $50 in your Rollover Account or Spouse Account on the last Friday of a month.
- The insurance policy being terminated by the Trustee or the Insurer.
- You ceasing to meet the residency, citizenship or visa condition to be eligible for cover.
- You commencing duty with the military services of any country (other than duty with the Australian Army Reserve in Australia, but not on active duty overseas).
- The premium due for your cover not being paid within 30 days of the last Friday of the month on which it is due.
- You ceasing to hold an APSS Spouse Account or APSS Rollover Account.
- If, on 1 April 2020, your APSS Rollover Account or APSS Spouse Account had not had an account balance of at least $6,000 at any time between 1 November 2019 and 31 March 2020 (inclusive).

However, if the insurance policy is terminated by either the Trustee or the Insurer and you are not 'At Work' (as that term is defined in the policy) on the date the policy is terminated, you will continue to have TPD cover for the illness or injury that caused you to be not 'At Work' until the earliest to occur of the following:

- You are 'At Work' after the policy terminates;
- You reach your 65th birthday;
- You no longer meet the requirements to be covered under the insurance policy; or
- The Insurer makes a decision on any claim by you for a TPD benefit.

You are 'At Work' under the policy if:

- you are employed or self-employed and are actively performing all the duties of your occupation and working your usual hours free from any limitation due to illness or injury, and you are not receiving and are not entitled to claim income support benefits of any kind as a result of any illness or injury; or
- you are neither employed nor self-employed and you are able to perform without assistance all of the activities of everyday living set out in paragraph (ii) of the definition of TPD on pages 32-33.

If you are accessing part of your super, consider the impact on your insurance cover. For example, accessing your super may leave your account short of funds to pay the required insurance premiums and as a result your insurance cover may cease.

The premium can be varied in the event of any invasion or an outbreak of war which involves Australia. If the Trustee fails to pay the increased premium then no benefit is payable if the illness or injury giving rise to the claim is directly or indirectly caused by war (which includes undeclared war, revolution, invasion, rebellion or civil unrest). No benefit is payable if the illness or injury giving rise to the claim is directly or indirectly caused by any war outside Australia.

Inactive accounts

Laws aiming to protect inactive super balances from being reduced by insurance premiums mean that, from 1 July 2019, the APSS must cease your insurance cover once your account becomes 'inactive'.* Your account is treated as inactive following 16 continuous months during which no amount, such as a contribution or rollover, has been received into your account.

To keep your insurance cover, you can do either of the following:

1. Make a contribution or rollover into your account at least every 16 months to reset the period of 'inactivity' and therefore keep your account active (as little as $1 will do). Simply log in to your account via **apss.com.au** and select *Contribution options* under the *Member* tab in your secure site main menu.

OR

2. Complete, sign and return the original of the *Confirm my insurance arrangements* form available to download at **apss.com.au** on the *Print a form* page under the *Publications & Forms* tab.

*Your account won't be classified as 'inactive' if you have elected to maintain your cover even if your account becomes inactive, or you elected to be provided with insurance cover after 8 May 2018 and before 1 April 2019.

Reinstatement of insurance that has ceased

Where your insurance cover ceases, it may be possible for it to be reinstated in certain circumstances provided you are still eligible.

Automatic reinstatement: Where your insurance cover ceased due to your account becoming inactive, your account not having had an account balance of at least $6,000 at any time between 1 November 2019 and 31 March 2020, or your account balance being less than $50, your insurance cover will be reinstated (potentially with renewed periods of new events cover**) from the date it ceased if, within 60 days of the cover ceasing:

- you have at least $500 in your account;
- all outstanding premiums are paid; and
- you have completed, signed and returned the original of the *Confirm my insurance arrangements* form. (Where your cover ceased due to inactivity, or because of your account balance not having had an account balance of at least $6,000, you will need to elect on the form to maintain insurance cover even if your account is inactive or your account balance is under $6000 (as applicable), and the election needs to be accepted by the Trustee).

**New events cover (as defined on page 28) will apply for 120 days following automatic reinstatement of insurance for a member with an APSS Spouse Account. Members with a Rollover Account who are not engaged in active employment (as defined on page 28) on the date the above conditions for reinstatement are satisfied, will have new events cover apply until they have been in active employment for 30 consecutive days.

Applying for reinstatement: You may apply to reinstate your cover by completing the Insurer's *Application for insurance* form, which is available to download at **apss.com.au** on the *Print a form* page under the *Publications & Forms* tab. This is subject to the same conditions as apply to an application to increase cover as set out on page 29 under the heading *Increasing cover – Buying more insurance*. There's also another step you will need to take if you're reinstating insurance cover that ceased due to inactivity or because of your account balance not having had an account balance of at least $6,000 at any time between 1 November 2019 and 31 March 2020. In addition to completing the Insurer's *Application for insurance* form, you will also need to complete the *Confirm my insurance arrangements* form to confirm that you wish to keep your current insurance cover, even if your account is inactive for 16 continuous months or your account balance is under $6000 (as applicable). Alternatively, if your cover ceased due to inactivity, you can make a contribution or rollover into your account before sending off your *Application for insurance* form. This will reactivate your account so it will no longer be inactive (as defined on the previous page).

Your insurance cover and choices (continued)

If your cover is reinstated, please note that any individual conditions, exclusions, restrictions, premium loadings or special conditions that applied immediately before your cover ceased will continue to apply until such time as they expire or are otherwise varied. Additional conditions, exclusions, restrictions, premium loadings or special conditions may also be applied.

What TPD and Terminal Illness mean

The terms 'TPD' and 'Terminal Illness' have very specific meanings under the insurance policy. To apply these definitions in practice we will need your assistance in gathering information from appropriate doctors. **If you are in permanent employment, we will also need information about your occupation, training and experience.** The Insurer will make the final decision on whether to accept your claim, but the Trustee will review the Insurer's decision and will request it to reconsider if the Trustee disagrees with the rejection of a claim.

TPD

The definition of TPD has two parts. The part that applies to you will depend on whether you are in 'Permanent Employment' and how many hours you work. 'Permanent Employment' means employment under a single and ongoing contract that:

(i) is of indefinite duration or is for a fixed term of no less than 12 months; and

(ii) requires the Employee to perform identifiable duties; and

(iii) requires the Employee to work a regular number of hours each week; and

(iv) provides for paid annual leave and sick leave.

The definition also refers to 'Date of Disablement', which means either the date on which a doctor certifies that you suffer an illness or have incurred an injury which is a cause of your disablement for which you are making a claim, or, if you are working on that date, the date you cease all work.

Part A: If you are employed in 'Permanent Employment' for at least an average of 15 hours per week for three consecutive months (referred to as 'Minimum Hours') prior to the Date of Disablement, TPD means:

Unlikely to do a suited occupation ever again: You have been absent from your occupation with an employer through injury or illness for three consecutive months and have provided proof to the Insurer's satisfaction that you have become incapacitated to such an extent as to be unlikely ever to engage in or work for reward in any occupation or work for which you are reasonably qualified by reason of education, training or experience.

Part B: If you are not employed by an employer, or are employed in 'Permanent Employment' for less than the Minimum Hours prior to the Date of Disablement, or are employed other than in 'Permanent Employment', TPD means you satisfy one the following paragraphs (i) to (iii) and also satisfy paragraph (iv):

(i) **Loss of limb and/or sight:** You suffer the permanent loss of use of two limbs or the sight of both eyes or the permanent loss of use of one limb and the sight of one eye (where limb is defined as the whole hand or the whole foot).

(ii) **Unable to look after yourself ever again:** Through illness or injury, you are (and have provided proof to the satisfaction of the Insurer that you are) permanently unable to perform at least two of the following six basic activities of everyday living without assistance:
- Bathing – to shower or bathe;
- Dressing – to dress or undress;
- Toileting – to use the toilet including getting on and off;
- Feeding – to eat and drink;
- Mobility – to get out of a bed or a chair or a wheelchair; or
- Continence – to control bladder and bowel function.

If you can perform the activity by using special equipment, you will be considered able to undertake that activity.

(iii) **Permanent loss of intellectual capacity:** Through illness or injury, you are (and have provided proof to the satisfaction of the Insurer that you are) suffering from the permanent deterioration or loss of intellectual capacity that has required you to be under continuous care and supervision by another adult person for three consecutive months and this care is likely to be ongoing on a permanent daily basis.

(iv) **Unlikely to do a suited occupation ever again:** You have been absent from your occupation through illness or injury for three consecutive months (if you were working in an occupation before the illness or injury) and have provided proof to the satisfaction of the Insurer that you have become incapacitated to such an extent as to render you unlikely ever to engage in or work for reward in any occupation or work for which you are reasonably qualified by reason of education, training or experience.

Terminal Illness

Terminal Illness means:
- while you are covered, two medical practitioners have certified, jointly or separately, that you are suffering from an illness that, despite reasonable medical treatment, is likely to result in your death within 24 months of the certification (which is referred to as the certification period); and
- if the certifications are given separately, the certification period for each of the certificates has not ended; and
- at least one of the medical practitioners is a specialist practicing in an area related to the illness or injury; and
- the Insurer is satisfied, on medical or other evidence, that despite reasonable medical treatment, the illness is likely to result in your death during the certification period.

The definition is not satisfied if, before the cover starts, a medical practitioner has certified that you are suffering from an illness that, despite reasonable medical treatment, is likely to result in your death within 24 months of the certification.

The medical practitioner must be a person who is registered and practising as a medical practitioner in Australia or a person who, in the Insurer's opinion and absolute discretion, is appropriately qualified and practising medicine in their country and registered with the body responsible for the registration of medical practitioners in the jurisdiction where they are practising. The medical practitioner who gives the certification cannot be you, your parent, Child or sibling, your Spouse or partner (as determined by the Insurer in its absolute discretion), or your business partner, associate or Employee. To be a 'specialist', the medical practitioner must have a qualification awarded by the relevant specialist professional college in Australia to treat certain conditions, or a qualification that equates to that qualification.

Illness and injury

In the policy and the above definitions, 'illness' means sickness, disease or disorder, and 'injury' means bodily injury which is caused solely and directly by external, violent and accidental means.

Your insurance cover and choices (continued)

Making a claim

You must notify the Trustee as soon as practicable after an event that entitles you to make a claim for an insured benefit.

You can make a claim by submitting a claim form, together with supporting documents. Call *Super*Phone **1300 360 373** for details.

While the cover applies worldwide, the Insurer may require you to return to Australia at your own expense for the assessment of a claim. If you do not return when required by the Insurer, the Insurer is not required to pay a benefit, and if you do not return within six months, the Insurer will cease considering your claim and will only start considering your claim again when you return and make a request in writing.

Successfully-claimed benefits will generally comprise an insured benefit paid for by the Insurer, plus a benefit drawn from your account balance.

If the Insurer pays an insured benefit to the Trustee in respect of your claim, that benefit will be invested in the Cash option until it is paid to you or your Beneficiaries, or you choose to make another investment choice.

If the benefit is payable due to TPD or Terminal Illness, the amount drawn from your account balance will remain invested in your selected investment option(s) until the date of payment.

If the benefit is payable because you have died, then your account balance will be transferred to the Cash option when the claim is reported to the APSS Trustee.

Insurance in Superannuation Voluntary Code of Practice

The Insurance in Superannuation Voluntary Code of Practice (the Code) commenced on 1 July 2018, although a transition period means full compliance with the Code is not mandatory until 30 June 2021. The Code seeks to improve the insurance in superannuation offered to members, and the processes by which insurance benefits are provided to members. Super funds agreeing to adopt the Code must have a transition plan on their websites.

The APSS Trustee continues to progress its review of the Code's requirements to identify where it already complies, what gaps exist to achieve full compliance, and which requirements will be in Members' best interests. The Trustee adopted the Code on 30 November 2018 and has published its transition plan for becoming compliant with the standards of the Code by 30 June 2021. The published plan is available to download on **apss.com.au** in the *Fact sheets* section under the *Publications & Forms* tab.

Choose your Beneficiaries

Tell us who your super should be paid to if you die

There are different ways you can nominate your Beneficiaries.

Non-binding nomination

With this option, you can tell us who you'd prefer your account to be paid to in the event of your death, and you can nominate more than one person.

But your choice is not legally binding, so that means the Trustee will use your nomination as a guide when deciding who will get your money. In the end the Trustee decides who receives your APSS account balance, and in what proportions and not your Will (if you have one).

You can make a Non-binding nomination by completing the Application form set out in the PDS or by completing a *Nominate your Preferred Beneficiaries* form. Download a copy at **apss.com.au** on the *Print a form* page under the *Publications & Forms* tab or call *Super*Phone **1300 360 373**.

Binding nomination

With this option, you can choose who will receive your APSS account if you die and the APSS Trustee must follow your instructions as long as your nomination is valid. This gives you certainty about who will receive your APSS account.

You can only nominate your Dependants or your legal personal representative as binding Beneficiaries.

A Binding nomination is valid if:

- The *Binding nomination* form is signed and witnessed by two people over 18 years of age who are not nominated as Beneficiaries.
- The nomination is less than three years old when you die (unless you have elected a non-lapsing Binding nomination, in which case the nomination will continue to be valid after three years if you do not amend or revoke it).
- Your Beneficiaries are still alive at the time of your death, and they are all eligible to be your Beneficiaries (see the section titled *Who you can choose as your Beneficiary*).

A lapsing Binding nomination must be updated every three years, unless you elect to make it a non-lapsing Binding nomination.

You can make a Binding nomination by completing the *Binding nomination* form in the accompanying PDS, by downloading a copy at **apss.com.au** on the *Print a form* page under the *Publications & Forms* tab. Call **1300 360 373** if you want a form mailed out to you.

What is the difference between lapsing and non-lapsing Binding nominations?

A Binding nomination can be either lapsing or non-lapsing. A lapsing Binding nomination remains in effect for three years from the date it was made, last confirmed or amended. If you do not make a choice, the Trustee will treat your Binding nomination as lapsing. If you have made a lapsing Binding nomination, we will write to you prior to the expiration date, reminding you to update your nomination. If your nomination is invalid at the time of your death, the Trustee will decide who will get your super.

A valid non-lapsing Binding nomination will not expire unless you amend or revoke it, so it does not need to be confirmed or updated every three years. We will still write to you every three years, but you won't have to reconfirm your nomination, unless you want to change or update something.

Who you can choose as your Beneficiary

The Trustee can only pay your super to certain people when you die. You can choose one or more of the following people as your Beneficiaries:

- Your Spouse (including de facto and same-sex).
- Your Child (including step, adopted and ex-nuptial).
- A person who has an Interdependent Relationship with you (that is, any person who lives with you in a close personal relationship, and one or both of you provide financial, domestic support and personal care of the other). If you have a close personal relationship but either or both of you have a physical, intellectual or psychiatric disability, or you are living apart temporarily (such as temporarily working overseas or in prison), your relationship is still interdependent.
- Other financial dependants (such as someone who relies on you financially).
- Your legal personal representative (the executor of your Estate as stated in your Will).

When you can access your super

Leaving the APSS

You can leave the APSS by simply closing your account whenever you want to. Call *Super*Phone on **1300 360 373** for further details. For details about your options when you cease employment, go to **apss.com.au** and review the *Leaving employment* page under the *Life Changes* tab.

Spouse Members

If you are a Spouse Member who ceases to be eligible to remain in an APSS Spouse Account, we will send you an estimate of your Member Savings account balance at that time.

This estimate may not be the same as the final amount you get because adjustments will be made for the Crediting Rates that may apply to the date the benefit is actually paid. The return credited to your Member Savings account will depend upon your applicable investment options. Your estimate will be sent to you, together with a *Make a Benefit Payment Direction* form. You can choose to stay with the APSS or have your super transferred out of the APSS.

If you do not complete and return the form within 60 days, we will generally transfer your benefit to an APSS Rollover Account, where your existing arrangements remain unchanged; that is, the investment options you've already chosen continue, the same fees and costs apply and, if you are eligible, the insurance cover and choices you've made continue as well. However, Binding nominations you have made in the past won't continue – a new Binding nomination would need to be made. You can, of course, transfer to an APSS Rollover Account within 60 days if you wish to alter those existing arrangements and you have the flexibility to make changes – just complete and return the *Open an APSS Rollover Account* form in the PDS that accompanies this *Guide*.

Former Employee Members

Employee Members who do not provide any instructions within 60 days of receiving their estimate and *Make a Benefit Payment Direction* form after ceasing employment are automatically transferred into an APSS Rollover Account. If that happens to you, the transferred value of your final APSS Defined Benefit will be invested in the default Balanced investment option in your new APSS Rollover Account. Any APSS Member Savings you had as an Employee Member will also automatically transfer, retaining the same investment options. Remember, your new APSS Rollover Account is an 'accumulation' account that does not provide any defined benefit entitlement and is not based on a formula, so you will carry the investment risk. From the date your new APSS Rollover Account is opened, you will start to pay administration fees, and if eligible, receive and pay for default insurance as explained in section 6 and 8 of the *Your Member Savings* PDS and the section in this *Guide* titled 'Your insurance cover and choices'.

Inactive low-balance accounts

Laws aiming to reunite inactive super balances with members mean that we may be required to transfer your account to the Australian Taxation Office (ATO) once your account has been inactive for a period of 16 continuous months. This could affect you if you have less than $6,000 invested in your account. If your account is required to be transferred to the ATO, this would have the effect of cancelling your APSS membership with no ability to reactivate it (unless you have another APSS account that is active).

We will write to you to let you know if your account could be transferred to the ATO. If you want to ensure your account remains active and is not transferred to the ATO, you can:

- Ensure that a contribution or rollover is made into your account. A contribution as little as $1 will keep your account active. To do this, just login to your account via **apss.com.au** and select *Contribution options* under the *member* tab in your secure site main menu.
- Confirm or change your investment choice by logging in to your account via **apss.com.au** and selecting *How you invest* under the *Investments* tab.
- Make or amend a Binding nomination by sending us a completed *Binding nomination* form (available on **apss.com.au**). Note that a non-binding nomination will not be sufficient.
- Choose to opt in to confirm or change your insurance cover by sending us a completed *Confirm my insurance arrangements* form (available on **apss.com.au**).

First Home Super Saver Scheme

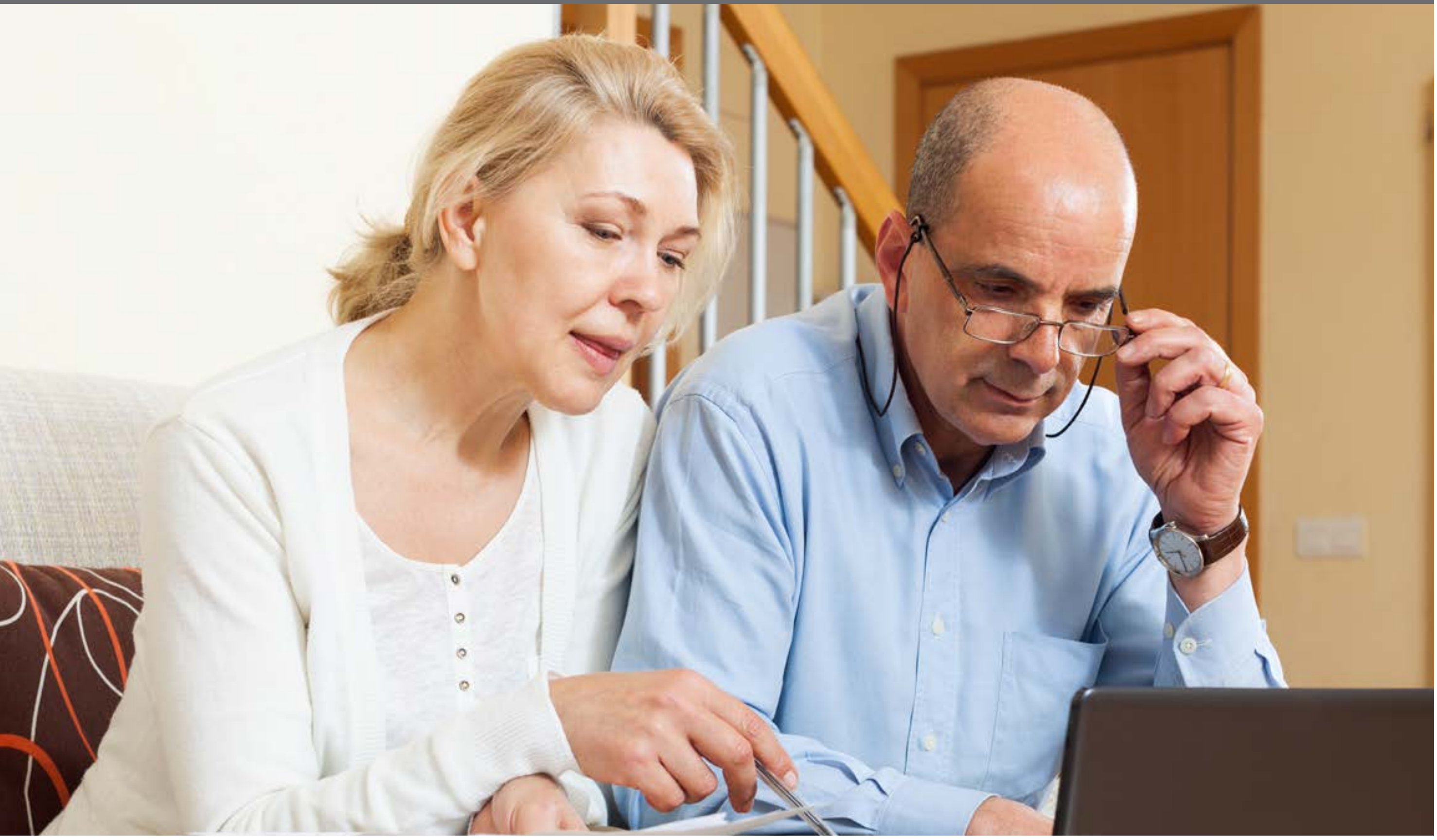
You may be able to withdraw some of the super you have saved in your APSS Member Savings account to help you buy or build your first home. Your Spouse/partner may also be able to do this with their own superannuation account. This initiative is designed to enable first-home buyers to save their deposits faster with the concessional tax treatment within super. The maximum amount of contributions that can be counted towards release under the scheme are $15,000 per financial year and $30,000 in total (plus any associated earnings). Amounts withdrawn are generally subject to concessional tax treatment.
See the ATO website for further information, including eligibility criteria.

Accessing your super

Super is either Preserved or Non-preserved (in which case it can be Restricted non-preserved or Unrestricted non-preserved). You can access your Restricted non-preserved super when you leave your employer and you can access your Unrestricted non-preserved super at any time.

Generally you can't access your Preserved super in cash until you've retired after reaching your Preservation age, you stop working after 60, or you turn 65. Your Preservation age depends on when you were born:

Your date of birth	Preservation age
Before 1 July 1960	55
1/7/1960 – 30/6/1961	56
1/7/1961 – 30/6/1962	57
1/7/1962 – 30/6/1963	58
1/7/1963 – 30/6/1964	59
After 30 June 1964	60



There are also some other special circumstances that allow you (or your dependants) to access your super earlier:

- death
- permanent incapacity
- terminal medical condition (as defined in superannuation law)
- special compassionate grounds (limits apply)
- severe financial hardship (limits apply).

If you have been impacted financially by the Coronavirus (COVID-19) pandemic and meet the eligibility criteria, you may be able to access up to $10,000 of your super during the period 1 July until 31 December 2020 as part of the government's early access to superannuation scheme. Applications for early release of super relating to COVID-19 must be made through the MyGov website. Any such payments will be tax-free and will not impact on Centrelink or Veteran's Affairs payments. For further details, please go to **treasury.gov.au/coronavirus**.

For full details about when you can access your super, go to **apss.com.au** and review the *Accessing your super* page under the *About* tab. Note that the minimum lump sum that you can withdraw from an APSS Member Savings account is $1,000. The minimum balance is also $1,000 after a lump sum withdrawal. So, if you have less than $2,000 left in your account and want to withdraw a lump sum, you will need to withdraw the entire balance of your account.

Finally, take care when accessing your super that there is no undesired impact on your insurance cover. For example, accessing your super may leave your account short of funds to pay the required insurance premiums and, as a result, your insurance cover may cease.

Temporary residents who leave Australia permanently

If you're a temporary resident and you leave Australia permanently, you have six months to claim your super from us. If you don't, we may be required to transfer your super to the Australian Taxation Office (ATO). Exceptions apply to New Zealand citizens or people who are applying for permanent residency.

After it is transferred, you'll need to contact the ATO to claim your super. The amount transferred may earn interest, but at a low rate that may not be suitable for long term investments, so it is a good idea to claim your super quickly after permanently leaving Australia.

Additional information

Providing proof of identity

The security of your super entitlements in the APSS is a key priority for the Trustee. We have procedures in place to manage risks associated with fraud and other illegal activities. At times, these procedures may cause inconvenience to you. Please remember that they are being applied to protect your entitlements.

In addition, under the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006*, superannuation funds are required to have an anti-money laundering and counter-terrorism financing program in place. A key element of this program is customer identification and verification procedures. Typically, you will be required to provide proof of your identity before you withdraw benefits from the APSS or commence a Pension. As a result, some requested transactions cannot proceed until we receive and verify the necessary identification documents.

The Trustee does not accept liability for any loss you may incur as a result of circumstances such as a delay in payment of a benefit or commencement of an income stream where the delay arises from our need to comply with legislative requirements. We may be required to request additional customer identification or related information from you at other times.

For more information, refer to the fact sheet *Providing proof of identity*, available from **apss.com.au** on the *Fact sheets* page under the *Publications & Forms* tab.

To claim your benefit, call *Super*Phone **1300 360 373**.

Guide

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AUSTRALIA POST SUPER SCHEME

Spouse and Rollover Members

*Super*Phone **1300 360 373** Monday to Friday, 9.00am - 5.30pm (Sydney time).

sr@apss.com.au

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apss.com.au/MemberAccess

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Sydney South, NSW 1235

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