

## Your APSS Pension

**Members retiring or transitioning to retirement**



Date of Preparation 9 December 2020

Australia Post Superannuation Scheme  
(ABN 42 045 077 895)

Issuer: PostSuper Pty Ltd  
(ABN 85 064 225 841)

RSE Licence Number L0002714  
APSS Registration Number R1056549

# About this Product Disclosure Statement

This Product Disclosure Statement (PDS) has been prepared for existing Members of the APSS who are about to retire or transitioning to retirement and considering opening an APSS Pension account to take all or part of their super as an APSS Pension, rather than as a lump sum. If that describes you, then you should read this PDS in its entirety before making a decision.

Note that words and expressions capitalised in this PDS are defined on **apss.com.au** in the *Glossary* under the *Publications & Forms* tab. Australia Post has consented to being named in this PDS and, where applicable, to the inclusion in this PDS 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.

## ! Important

This PDS was prepared on 9 December 2020 by PostSuper Pty Ltd ABN 85 064 225 841, Trustee of the Australia Post Superannuation Scheme ABN 42 045 077 895. It contains general information about the APSS Pension and doesn't take your personal financial situation or needs into account. It is not financial product advice, and should not be relied upon as such.

Before making any decisions on the basis of the information contained in this PDS, 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.

Information in this PDS is current as at the date of preparation shown on the front cover. Subject to relevant law, information in this document that is not materially adverse information may change from time to time. Updated information can be found at **apss.com.au** or you can request a hard copy mailed to you free of charge by calling *SuperPhone* on **1300 360 373**. If the changes are materially adverse, we will replace this PDS. You will also be notified of other material changes and significant events that affect your APSS membership.

## Your privacy

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

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

## Do you need help?

Call *SuperPhone* **1300 360 373** Monday – Friday 9.00am – 5.30pm (Sydney time)

or visit us online at **apss.com.au**

Write to APSS, Locked Bag A5005, Sydney South NSW 1235 or Fax (02) 9372 6288.

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# A better choice for your savings





The APSS Pension enables you to continue your APSS membership, potentially for life, when you retire. Alternatively, you can use it if you're transitioning to retirement. To start an APSS Pension, you need to have reached your Preservation age and have at least \$20,000 to open your APSS Pension account. Your APSS Pension account works like a Member Savings account (e.g. Spouse or Rollover Accounts), offering you the same investment choices. The key difference is that your APSS Pension account has regular income payments coming out, which are then deposited into your bank account. You'll know how much income you'll have too, because you choose how much and how often you get paid (within limits).

You don't have to be retired to start an APSS Pension account. You might still be transitioning to retirement; for example, still working but reducing your working hours and/or seeking to boost your super savings before you retire.

## Advantages of the APSS Pension

The APSS Pension offers an easy and flexible way to manage your savings in super in retirement, or as you transition to it, providing you with:

- flexibility to choose how much you get paid and when (within limits)
- regular payments directly into your bank account
- ability to withdraw extra money when you need it (within limits)
- opportunity to pay less tax - your savings are invested tax effectively, and once you turn 60, regular payments are tax free
- choice over how your APSS Pension account balance is invested
- relatively easy choices compared with the hassle of managing a lump sum.

## Who can open an account

To open an APSS Pension account, you must be an APSS Member with at least \$20,000 to invest into it, and be:

- retiring and have reached your Preservation age (see table below)
- changing jobs on or after your 60th birthday, or
- aged 65 or older.

If you don't yet meet these conditions, you can still open an APSS Pension to start a transition to retirement strategy but you will need to have reached your Preservation age and still be employed.

Although you only need \$20,000 to start, note that you cannot top that up later with other lump sums, although you can start another new APSS Pension anytime in the future, as long as you're still an APSS Member.

## What is my Preservation age?

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

If you are considering a transition to retirement strategy, there are other special circumstances that may allow you to access your super early (e.g. if you suffer Permanent Incapacity or leave Australia permanently). Contact us for details.

## Can I still get the Age Pension?

This will depend on what other income and assets you have. If you're eligible for the Age Pension, extra income payments from an APSS Pension account will give you more to spend when you are no longer working.

See how regular payments from an APSS Pension account could add a bit more to your income from the Age Pension – login to your account at [apss.com.au](https://apss.com.au) and use the calculator.

To find out if you may be eligible for the Age Pension go to [www.humanservices.gov.au](https://www.humanservices.gov.au) and click on the *Older Australians* tab where you can *Calculate* the Age Pension amount you may get.

# How the APSS Pension works



**In this section we explain how the APSS Pension works and why it is a great way to manage your savings.**

The balance of your APSS Pension account will reduce as regular income payments are withdrawn, along with any extra amounts you choose to withdraw.

You can find out more about your payment options on pages 19-20.

The balance of your APSS Pension account may also increase (or decrease) over time depending on the performance of your chosen investment option(s). It cannot increase with additional deposits – you would need to start another APSS Pension account if you wanted to put in another lump sum.

Read about your investment choices from page 21.

## Transitioning to retirement

An APSS Pension enables you to start receiving regular payments from your super even before you retire.

APSS Pensions are designed to work with your transition to retirement strategy if you want to:

- reduce your working hours and maintain your income, or
- boost your super savings – your super balance keeps growing as your employer continues to make contributions into your super account, while salary sacrificing some of your before-tax income further boosts your super savings, or
- potentially pay less tax, for example, if your marginal tax rate is higher than the tax rate on employer and salary sacrificed contributions to super, and there's no tax from age 60 on your Pension income. Even under age 60, you might benefit from a tax offset on your Pension income.

To implement such a strategy you will need to have reached your Preservation age and still be working.

### How it works

To set up a transition to retirement strategy, you use part of your super to open an APSS Pension while you are still working.

You get regular payments from your new account. These payments can replace the income you lose if you cut back your working hours.

### Investment earnings taxed from 1 July 2017

Investment earnings on APSS Pension accounts supporting transition to retirement strategies have attracted a 15% tax since 1 July 2017 (generally until you have turned 65 or met a relevant condition of

## What income will I have and how long will it last?

People in their 60s now, can expect to live well into their 80s and many will live into their 90s. So planning your income during retirement is an important first step. Get started with two questions:

- How much income will I need?
- What income will I have?

There's an easy to use *Budget Planner* at **moneySMART.gov.au** that can help you work out your expenses in retirement.

To work out your income, permanent Employees can login to their account and use our *Retirement Simulator*. It will show you an estimate of the yearly income you'll get from your super plus income from the Age Pension (if you're eligible). It will also show you how long your super is expected to last depending on how much you choose to withdraw each year.

There are also rules about how much you can get paid each year. See *Your payment options* on pages 19-20, for information about choosing how much and how often you'll get paid.

To check out other Government support you may be entitled to, use the *Payment and Service Finder* at **humanservices.gov.au**.

release and notified APSS of this change). Please consult your tax accountant or financial planner before making a decision to commence a transition to retirement strategy. For more information, please see pages 17 and 18.

## Using your Defined Benefit to set up your account

You can use up to 50% of the current value of your APSS Defined Benefit (less any existing Offset accounts), on one occasion in each financial year, to open an APSS Pension. But first you must use any Member Savings you have (including any money in an APSS Rollover Account), before using any of your Defined Benefit.

If you use part of your Defined Benefit to open an APSS Pension account, an Offset account (known as an 'other offset account') will also be set up.



## How an APSS Pension works (continued)

Unless you have an existing 'other' Offset account, the opening balance of the Offset account will equal the amount of your Defined Benefit that is used to start your APSS Pension. Interest will be charged on this Offset account based on the Investment return (i.e. crediting rate) of the assets that Australia Post and Associated Employers rely on to be able to pay Defined Benefits. This variable rate is currently expected to be, on average, around 4% p.a. going forward, but it could be higher or lower than that. So the balance of the Offset account will increase or decrease depending on that investment performance and the amount of pension payments made to you.

When your Defined Benefit is finally paid to you, it will be reduced by the amount you accessed early **plus** the compounding interest, which forms the balance of your Offset account that will be deducted from your Defined Benefit. Because of the interest charged on your Offset account, it is likely that the value of your Offset account will be greater than the initial amount of Defined Benefit used to start your APSS Pension.

It is important to understand that, if the variable interest rate is high enough, an APSS 'other offset account' may actually grow faster than a Defined Benefit. Although the value of your Offset account may increase faster than your Defined Benefit, that may be partially offset by the return that you receive on your APSS Pension, depending on the investment option you choose and how quickly you draw income from your APSS Pension. Consider getting advice from a qualified financial adviser and be sure to also read the fact sheet *Using your APSS Defined Benefit to transition to retirement*, which can be found at [apss.com.au](http://apss.com.au) on the *Fact Sheet* page under the *Publications and Forms* tab. This information can be obtained from the Trustee on request, at no charge.

### Closing your account

If you are using a transition to retirement strategy and you close your APSS Pension you can only withdraw your money if it is not Preserved and it is unrestricted (meaning that you are allowed to access the money at

### Example

Pete is 59 and is nearing retirement and his Defined Benefit is \$214,500. He also has Member Savings of \$50,000.

Before he retires, Pete wants to open an APSS Pension, and get income payments of \$10,000 a year for five years. To achieve this, Pete completes the *APSS Pension application* form to invest about \$120,000 in his APSS Pension account. This will mean his yearly income of \$10,000 is between the minimum and maximum amounts allowed by the Government (see *Your payment options* on page 19 for details regarding these minimum and maximum amounts).

Pete uses the \$50,000 in his Member Savings account, plus \$70,000 from his Defined Benefit. The maximum amount of his Defined Benefit that he could have used was \$107,250 (50% of the Defined Benefit in accordance with APSS Rules).

An Offset account is also set up with an opening balance of \$70,000. This Offset account balance starts attracting interest at the rate applicable to 'other offset accounts'. This account will increase (or decrease) due to interest earned or charged based on the Investment return of the assets that Australia Post and Associated Employers rely on to be able to pay Defined Benefits.

When Pete retires in 5 years, the balance of his Offset account (i.e. the \$70,000 that Pete accessed early **plus** compounding interest) will be deducted from his Defined Benefit.

any time). Savings that you can't withdraw can be used to reduce your Offset account or transferred to your Member Savings account or to effect a family law split.

If you have an Offset account, your savings will have to be used to reduce this balance first.

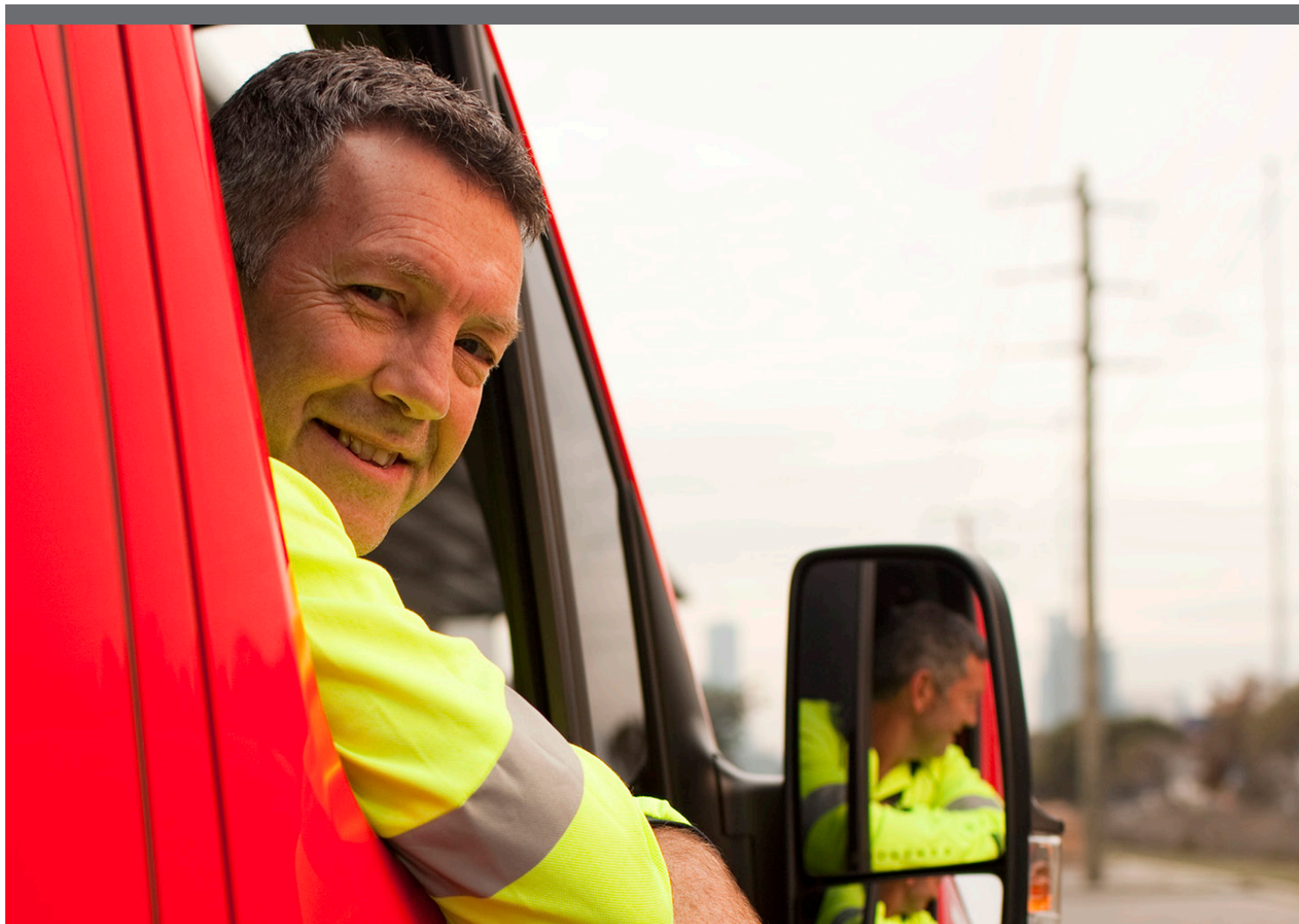
Any savings that are put back into your Member Savings account will be invested in the same investment choice that applies to your future contributions.

### ! Important

Compounding interest on APSS 'other' offset accounts will erode a Defined Benefit. If the interest rates applied are high enough, an 'Other' Offset account may actually grow faster than a Defined Benefit. Consider getting advice from a qualified financial adviser.



# Risks associated with an APSS Pension account



There are four main categories of risks associated with investing in an APSS Pension:

- Pension related risks
- APSS-specific risks
- Changes in superannuation regulation
- Investment risks

## Pension-related risks

Your APSS Pension balance may not last for the rest of your life. It will depend on how long you live, expense levels, the income payments you receive, investment earnings, and whether you make lump sum withdrawals.

## APSS-specific risks

The Trustee may change investment options, objectives, investment strategy and our Crediting Rate policy at any time. Changes may alter the expected future Crediting Rates from the date the changes take effect.

Crediting Rates for the Cash investment option cannot be negative while Australia Post continues to offer a Capital Guarantee for this option. This arrangement may stop or change in the future.

The APSS governing rules or our policies may also change from time to time and this may impact your savings.

The APSS may also terminate in accordance with the procedures of the Trust Deed.

## Changes in superannuation regulation

Super and tax laws change often. These changes can impact the value of your super, when you can withdraw your super or your eligibility for social security.

## Investment risks

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.



# Fees and other costs

## DID YOU KNOW?

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

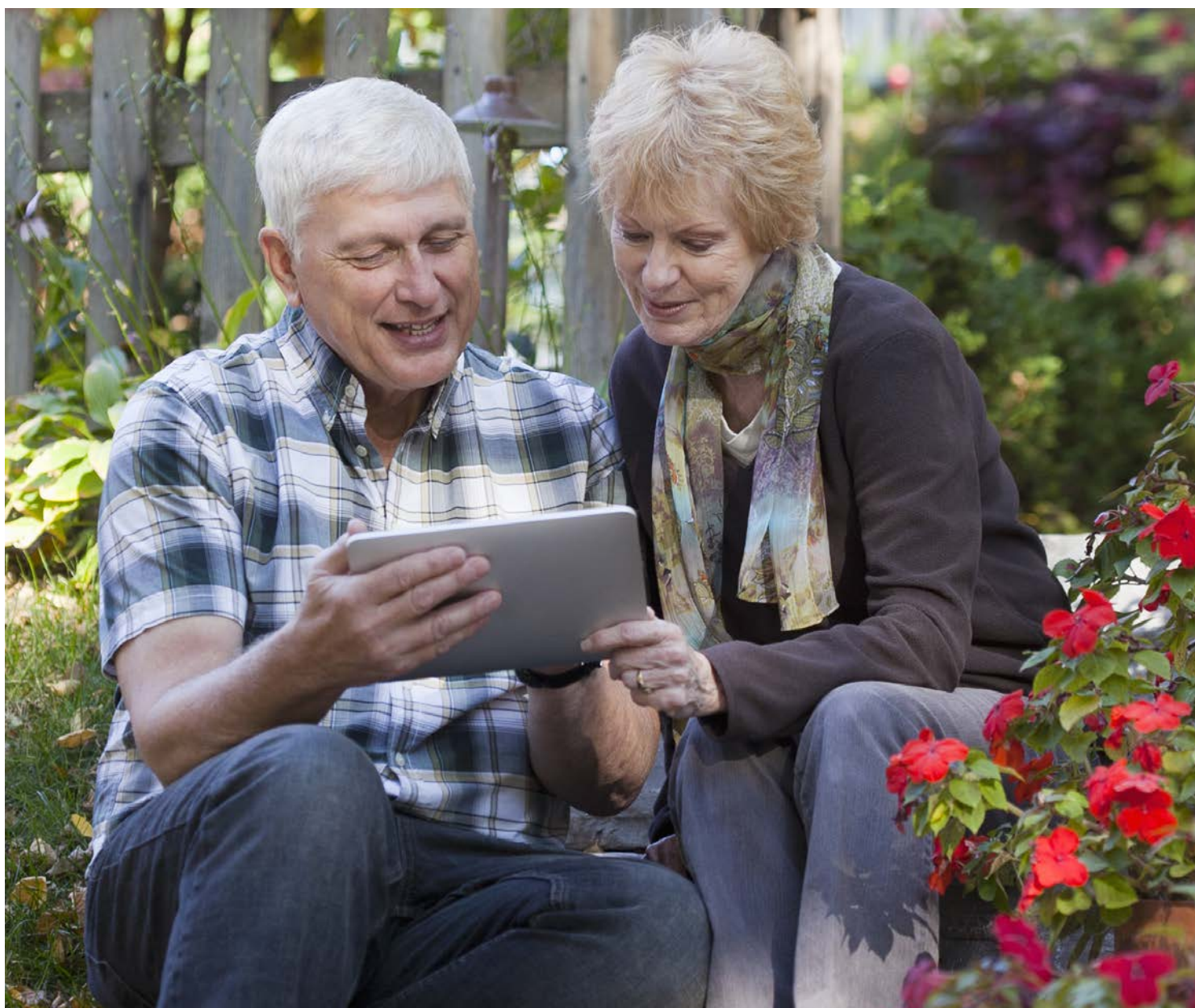
For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

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](http://www.moneysmart.gov.au)) has a superannuation fee calculator to help you check out different fee options.





## Fees and other costs (continued)

### Fees and other costs

This section 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, may also be charged, but these will depend on the nature of the activity. Entry fees and exit fees cannot be charged. Taxes 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 Pension

Type of fee	Amount	How and when paid
Investment fee <sup>1*</sup>	Depends on your chosen investment option, and is based on a percentage of your account balance invested in the relevant investment option: <b>Cash:</b> 0.03%, <b>Conservative:</b> 0.18%, <b>Balanced:</b> 0.29%, <b>High Growth:</b> 0.35%	Deducted from Investment returns before Crediting Rates are worked out.
Administration fee <sup>1**</sup>	\$1.50 per week per account, <b>plus</b> 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 <i>Additional Explanation of Fees and Costs</i> on pages 13-15 of this PDS.	
Indirect cost ratio <sup>1^</sup>	Depends on your chosen investment option, and is based on a percentage of your account balance invested in the relevant investment option: <b>Cash:</b> 0.00%, <b>Conservative:</b> 0.35%, <b>Balanced:</b> 0.64%, <b>High Growth:</b> 0.64%	Deducted from Investment returns before Crediting Rates are worked out.

<sup>1</sup> 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 for Employee Members of the APSS (e.g. Employee Members transitioning to retirement).

\*\*\* 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.

## Example of annual fees and costs for the APSS Pension

This table gives an example of how the fees and costs for the Balanced investment option for this superannuation product can affect your superannuation investment over a 1 year period. You should use this table to compare this superannuation product with other superannuation products.

EXAMPLE – Balanced investment option		BALANCE OF \$50,000
Investment fees	0.29%	For every \$50,000 you have in the superannuation product you will be charged \$145 each year.
<b>PLUS</b> Administration fees*	<ul style="list-style-type: none"> <li>\$1.50 per week per account (\$78 p.a.)</li> <li><b>PLUS</b></li> <li>0.12% pa of your APSS Pension account balance.</li> </ul>	<b>And</b> , you will be charged \$138 in administration fees each year; \$78 fixed (regardless of your balance), plus \$60 variable (based on a \$50,000 balance).
<b>PLUS</b> Indirect costs for the superannuation product	0.64%	<b>And</b> , indirect costs of \$320 each year will be deducted from your investment.
<b>EQUALS</b> Cost of product		If your balance was \$50,000, then for that year you will be charged fees of <b>\$603</b> for the superannuation product.

Note: Additional fees may apply.

\* If you are an Employee Member of the APSS, the administration fee does not currently apply to you, as explained under *Fee changes* on page 14.

## Additional Explanation of Fees and Costs

### 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.

### Tax

Tax details are set out on pages 17-18.

### 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 previous example 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.

### 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%.

## Fees and other costs (continued)

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 table on page 12 of this PDS 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.

### 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 APSS can change or introduce fees without obtaining Member consent, but you'll be given at least 30 days advance notice of any increase to fees. Please note that if you are an Employee Member of the APSS, you are currently not charged an administration fee. However, if you cease to be an Employee Member you will be charged an administration fee for your Pension account.

### Member protection

Member protection requirements have been removed from super legislation.



## 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 APSS Pension account.

<b>Activity fees</b>	<p>A fee is an activity fee if:</p> <p>(a) the fee relates to costs incurred by the trustee of the superannuation entity that are directly related to an activity of the trustee:</p> <ul style="list-style-type: none"> <li>(i) that is engaged in at the request, or with the consent, of a Member; or</li> <li>(ii) that relates to a Member and is required by law; and</li> </ul> <p>(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.</p>
<b>Administration fees</b>	<p>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:</p> <ul style="list-style-type: none"> <li>(a) borrowing costs; and</li> <li>(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</li> <li>(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.</li> </ul>
<b>Advice fees</b>	<p>A fee is an advice fee if:</p> <p>(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:</p> <ul style="list-style-type: none"> <li>(i) a trustee of the entity; or</li> <li>(ii) another person acting as an employee of, or under an arrangement with, the trustee of the entity; and</li> </ul> <p>(b) those costs are not otherwise charged as an administration fee, an investment fee, a switching fee, an activity fee or an insurance fee.</p>
<b>Buy-sell spreads</b>	<p>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.</p>
<b>Exit fees</b>	<p>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.</p>

## Fees and other costs (continued)

### Defined fees (continued)

<b>Indirect cost ratio</b>	<p>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.</p> <p>Note: A fee deducted from a member's account or paid out of the superannuation entity is not an indirect cost.</p>
<b>Investment fees</b>	<p>An investment fee is a fee that relates to the investment of the assets of a superannuation entity and includes:</p> <ul style="list-style-type: none"> <li>(a) fees in payment for the exercise of care and expertise in the investment of those assets (including performance fees); and</li> <li>(b) costs that relate to the investment of assets of the entity, other than: <ul style="list-style-type: none"> <li>(i) borrowing costs; and</li> <li>(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</li> <li>(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.</li> </ul> </li> </ul>
<b>Switching fees</b>	<p>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.</p>

# How an APSS Pension is taxed

## Note:

From 1 July 2017, the following investment earnings on APSS Pension accounts are no longer tax free:

- (a) investment earnings on APSS Pension accounts supporting transition to retirement strategies generally until you have turned 65 or met a relevant condition of release and notified APSS of this change; and
- (b) investment earnings subject to the 'excess transfer balance tax' explained below under 'Lifetime cap on Pensions.'

Instead, such earnings are generally taxed at 15%.

**An APSS Pension can be a tax-efficient way to invest your savings, depending upon how old you are, what marginal tax rate you're on, and other personal circumstances. 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](http://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 for further details about these measures.**

## Tax on payments

Your APSS Pension balance may include a tax-free amount and a taxable amount.

The tax-free amount is generally made up of:

- after-tax contributions
- Government co-contributions.

Your taxable amount is generally made up of:

- Before-tax contributions, including employer Superannuation Guarantee (SG) payments, salary sacrifice amounts and any contributions for which you have claimed a tax deduction
- investment earnings.

The table below explains the tax you'll pay on the taxable amount of your regular payments and one-off payments.

## Tax on your account if you die

If your Pension is paid to a Death Benefit Dependant as regular income payments, it will generally be tax free if you are over 60 when you die. If you are under 60 and your Death Benefit Dependant is over 60, the payments will also generally be tax free. If you and your Death Benefit Dependant are under 60, the taxable amount of the income payments will be taxed at the Death Benefit Dependant's marginal tax rate, plus the Medicare levy, but a 15% tax offset applies.

If the balance of your account is paid as a lump sum it will be tax free if paid to a Death Benefit Dependant. If it is paid to someone who is not a Death Benefit Dependant (for example, an adult Child), the taxable component may be taxed at up to 15% plus the Medicare levy.

A lump sum that is paid to you because you have a Terminal medical condition (meaning you are likely to have less than 24 months to live) is tax free.

## Tax on the taxable amount of your account

	You're 60 or over	You're under 60 and over your Preservation age
Regular income payments	No tax paid	Taxed at your marginal rate (plus the Medicare levy). A 15% tax offset may reduce the amount of tax.
One-off payments	No tax paid	Tax free up to a lifetime limit (\$215,000 for 2020-21). Payments over this limit will be taxed up to a maximum rate of 15% (plus the Medicare levy).



## How an APSS Pension is taxed (continued)

### Tax on Investment returns

The investment earnings on your APSS Pension account are tax-free unless supporting your transition to retirement strategy (generally until you have turned 65 or met a relevant condition of release and notified APSS of this change) or subject to the 'excess transfer balance tax' (see below), in which case a 15% tax will generally apply.

### Lifetime cap on Pensions

From 1 July 2017, a \$1.6 million lifetime cap has applied to the total amount of superannuation that can be transferred into a tax-free retirement account, such as an APSS Pension, or that can remain in an existing retirement account, where the investment earnings are tax-free. This means that the amount transferred into your APSS Pension account (together with any other pension accounts you might have outside APSS) cannot exceed \$1.6 million. If you exceed the cap in any tax year, you will be required to pay an 'excess transfer balance tax' on an amount of notional earnings attributable to the excess. However, no 'breach' will occur where the investment earnings increase the value of the pension account to more than \$1.6 million. The excess transfer balance tax will be applied to notional earnings, rather than actual earnings, which are calculated based on the high, daily-compounding 'general interest charge' (GIC) rate of interest used by the Australian Tax Office (ATO). The excess transfer balance tax rate is set at 15% for the first 'breach' of the cap. However, this tax rate increases to a penalty rate of 30% for the second and subsequent breaches. If your Pension accounts exceed the cap there are two courses of action. The first is to transfer the excess amount into an Accumulation account such as an APSS Rollover Account (or any Accumulation account) as there is no limit on the amount of money someone can have in an Accumulation account. The second is to withdraw the excess from super.

### 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 do 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, 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.

It's important to remember that once you start an APSS Pension, you cannot top it up later with other lump sums (including downsizer contributions), so it's a good idea to consider whether you wish to make a downsizer contribution before you start an APSS Pension. Although you can start another, new APSS Pension anytime in the future as long as you're still an APSS Member.

# Your payment options

## Work out your regular payments

When setting up an account you need to decide how often you'll be paid, how much and how your payments will be withdrawn from your account.

## How much you get paid

You can choose the amount of income you receive each year, but there is a minimum limit that is set by the Government.

If you open an account using a transition to retirement strategy, there will also be a maximum limit on your payments.

At the start of each financial year you can change how much you'll be paid. Each July we will write to you and ask if you wish to change your regular Pension payments.

## Minimum payment requirements

The minimum income requirement is the proportion of your APSS Pension account that the Government states you must be paid each financial year.

The minimum income is calculated on 1 July each year as a percentage of your Pension account balance. The minimum percentage depends on your age. As part of the Government's economic response to the Coronavirus (COVID-19) pandemic, the Government is temporarily reducing the superannuation minimum drawdown requirements by 50% for the 2020-21 financial year - see the comparison of the 'Default' and new 'Temporary' minimums in the following table:

Your age at 1 July	Minimum %	
	Default	Temporary
Under 65	4	2
65 - 74	5	2.5
75 - 79	6	3
80 - 84	7	3.5
85 - 89	9	4.5
90 - 94	11	5.5
95 or more	14	7

### Note

For more information, please go to [treasury.gov.au/coronavirus](https://treasury.gov.au/coronavirus).

## Example

Alison is 64 and has an APSS Pension account with a \$100,000 balance at 1 July 2020. Her default minimum income percentage is 4%, so her temporary minimum income for 2020-21 would be 2%:

$$\$100,000 \times 2\% = \$2,000.$$

This example takes into account the temporary reduction in the minimum drawdown requirements due to the COVID-19 pandemic economic response measures. When these measures cease (at the end of the 2020-21 financial year), Alison will be 65. Assuming that she has a \$100,000 balance at 1 July 2021, her default minimum income percentage will be 5%, so her minimum income for 2021-22 will be \$5,000.

## Maximum limit

If you open an account using a transition to retirement strategy, there is also a maximum income limit that can be paid each financial year. It is calculated on 1 July by multiplying the balance of your account by 10%.

You won't have a maximum limit once you permanently retire (and you've reached your Preservation age), you change jobs (if you're at least 60) or you reach 65.

If you are eligible to access your super without a transition to retirement strategy, the maximum limit also won't apply to your Pension account.

Go to [apss.com.au](https://apss.com.au) and click the *About* tab for more information under *Accessing Your Super*.

## How often you get paid

When you open your account, you can choose to get payments twice per month, monthly, quarterly or yearly.

If you want to change how often you get paid later on, your instructions must be provided at least 5 business days ahead of your next payment in order for it to take effect by your next payment date.

By law, you must have at least one income payment each financial year, unless you start your APSS Pension after 31 May in any year. So, if you start your APSS Pension on or after 1 June, you are not required to receive any Pension payments for that financial year.

## Your payment options (continued)



### How your payments are withdrawn from your account

There are a number of investment options that you can select for your APSS Pension. These options are relevant to the way your account is invested, but also to the way that your payments are withdrawn from your APSS Pension. There are two ways your payments can be withdrawn from your account:

- **Proportionally** – (also known as ‘pro-rata’) payments will be withdrawn in proportion to the amount invested in each option. If you are only invested in one investment option, this will mean 100% of your payment comes from that option.
- **A strategy of your choice** – payments will be withdrawn from your investment options based on a percentage nominated by you. Note that your income payments will automatically be drawn proportionally as soon as any chosen investment option is exhausted.

When you open your account you choose how your payments will be withdrawn, but you can change this at any time.

### Lump sum withdrawals

You can also withdraw extra amounts from your account, on top of your regular income payments. However, if you have an account as part of a transition to retirement strategy, then you can’t withdraw lump sums.

A lump sum will be withdrawn from your savings in the same way as your regular payments.

The minimum lump sum that you can withdraw from an APSS Pension 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.

By law, either a minimum pro-rata income payment must be made before paying a lump sum withdrawal, or your remaining balance must be sufficient so that you can receive at least the Minimum Income Amount in the financial year (if you haven’t already done so).

If we have to make a minimum pro-rata payment, your remaining income payments for the current financial year will be adjusted so that you will be paid the same amount of income over the year that you would have been paid otherwise.



## Your payment options (continued)



### Calculating a minimum pro-rata payment

The minimum pro-rata income payment is calculated as:

$$\frac{\text{Minimum income amount} \times \text{Days in payment period}}{\text{Days in financial year (from Pension commencement)} - \text{Income already paid in financial year}}$$

Following are explanations of these terms:

- **Minimum income amount** – for accounts that start in the current financial year, this is the minimum amount to be taken as income for that year, as calculated at the date your account starts. For accounts that started in a previous financial year, this is the minimum annual amount that must be taken as income, as calculated at 1 July at the start of the current financial year.
- **Days in payment period** – the days in the payment period will be calculated from either the most recent 1 July or the date the account started (whichever is later) to the date the lump sum is to be withdrawn.
- **Days in financial year** – the days in the financial year will be calculated from either the most recent 1 July or the date the account started (whichever is later), to the end of the financial year.

### Example

Bill opens an account on 2 October. He hasn't had an income payment yet and his minimum income for the financial year is \$2,730. Fifteen days after opening the account, Bill requests a lump sum withdrawal of \$5,000.

The \$5,000 can't be withdrawn unless either a minimum pro-rata income payment of \$151 has been paid or there is \$2,730 left in the account after the lump sum withdrawal to provide the minimum income for the year. The minimum pro-rated amount is calculated as:

$$\$2,730 \times 15/272 = \$151$$

If Bill already had an income payment of at least \$151, the \$5,000 could be withdrawn without first getting a minimum pro-rata income payment.

### Important

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.

# Choose how your savings will be invested



**We offer a choice of four investment options to cater for different types of investors – so it's easy to pick one that suits you.**

You can choose just one option or any combination of the options. You must make a choice when you open your account. But you can make a new choice at any time in the future and you won't pay a fee to change options. Here are a few things to consider when you make your investment choice.



## Choose how your savings will be invested (cont.)



### 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 on the next page describes the types of assets that make up our investment options.

### 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.

## Choose how your savings will be invested (cont.)

Asset type	Investment description
<b>Public market shares</b>	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.
<b>Private equity</b>	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.
<b>Real assets</b>	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.
<b>Alternative credit</b>	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.
<b>Bonds</b>	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.
<b>Cash</b>	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.





## 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.

Short term investment risk	Long term investment risk
<p>Short term investment risk is the potential for your savings to fluctuate (go up and down) in value over time.</p> <p>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.</p> <p>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.</p>	<p>Long term investment risk is the risk of not having enough money in retirement.</p> <p>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.</p> <p>But over the long term, investing in this option might mean that your savings do not keep up with Inflation. That's a risk too.</p> <p>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.</p>

## Choose how your savings will be invested (continued)

### ! Warning

Make sure you consider the likely Investment return, risk and your investment time frame when choosing an investment option.

### Are you investing for a short time or a long time?

If you invest your savings in an APSS Pension account, you will be withdrawing income in the short-term, and you might have the rest of your account invested for many years. And the way you invest your savings over the long-term may be different to how you invest money that you will be spending within the next couple of years.

For each investment option, a suggested minimum number of years is stated that you need to invest in the investment option before it is expected to achieve its expected return. We also estimate the number of times an option may have a negative annual return over a 20-year period. See pages 28-30 for details.

#### Money you'll need to withdraw within a few years

You may want to invest this amount of money in an option that is recommended for a short time frame and which is not as likely to have a negative return, so you can be more confident that your income is protected. But returns on these kinds of investments will generally be lower.

#### Money you can leave invested for the long-term

You may want to think about investing this money in an option that has a higher return objective and is more likely to stay ahead of Inflation. These types of options may be more likely to have a negative return, but because you are investing for many years you are more likely to have time to regain any losses.

### Spread your risk

By investing in a mix of Growth and Income assets, you spread your investment risk. 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 can also create your own unique investment portfolio by blending the four 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.

### How we invest your money

We offer a choice of four investment options to cater for different types of investors, as summarised in the table on pages 28-29. You can pick one or a combination of these options.

You must make your choice when you open your account. If you do not make a choice we will not be able to open your account. But you can make a new choice at any time in the future and you won't pay a fee to change options (the change will be effective from the next available fortnight).

### ! Important reminder

Past Investment returns are not necessarily indicative of future Investment returns.





## Choose how your savings will be invested (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

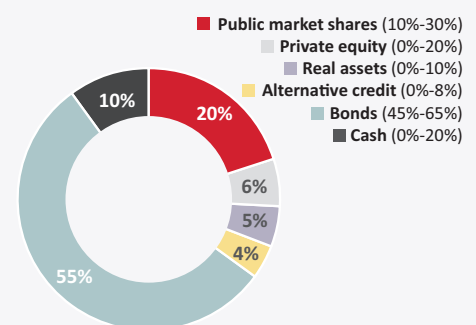
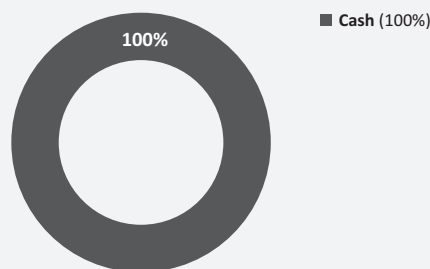
The minimum number of years you should invest in the option before expecting it to meet its objective.

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.

This is also known as the Standard Risk Measure. See page 30 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

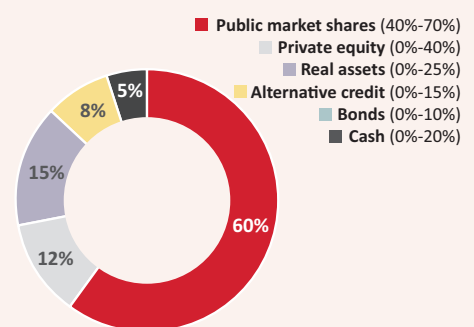
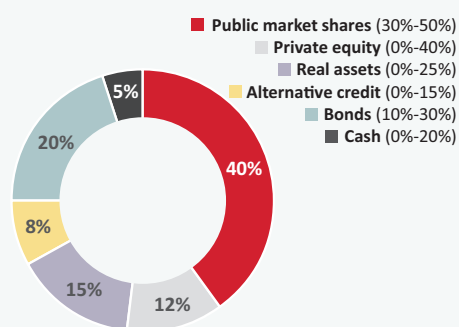
The minimum number of years you should invest in the option before expecting it to meet its objective.

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).



### Risk Level

The number of times a negative annual return may occur within a 20-year period.

This is also known as the Standard Risk Measure.

See page 30 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.

## Choose how your savings will be invested (continued)

### The Standard Risk Measure

Based on industry information, the Standard Risk Measure (SRM) helps you compare investment options within and across 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 can't give a full understanding of 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 four 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 28-29.

### Changes to the investment options

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.

We will always notify you of any significant changes that may affect you.

### Crediting Rates

Crediting Rates are used to allocate Investment returns to your account, and there are different rates for each option. Rates can be positive or negative depending on investment performance, although the Crediting Rates for the Cash option can't be negative because Australia Post currently provides a Capital Guarantee.

Crediting Rates are declared fortnightly. The Crediting Rate fortnights are generally the same as Australia Post's payroll dates, so each new fortnight starts on a pay date.

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 may be used to work out the value of your account for lump sum withdrawals. This is to reflect investment earnings since the last fortnightly Crediting Rate was declared.

### Past Crediting Rates

You can view past Crediting Rates at [apss.com.au](https://apss.com.au) under the *Investments* tab. Note that the past Crediting Rates for the old Market Return Member Savings investment option, which was replaced by the Balanced investment option from 1 July 2017, are still provided as a historical record.

### ! Warning

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

## 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 equity 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.

## Choose how your savings will be invested (continued)

### How to change your investment option

It's easy to change how your super is invested. Just log into your account or complete an APSS Pension *Change your investment choice* form available 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 on this page explains when your instructions must be provided if you want your investment option changed before the next fortnight starts.

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 may 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 be effective.

When you change investment options, you will also be asked to confirm how your payments are to be withdrawn from your account (see page 20 for the two available methods). Your payment withdrawal method will be dated the day after your change of investment options. Depending on the timing of your regular income payments, this may mean that your next payment will come from your previous withdrawal method.

### 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.





# Organise your Beneficiaries

When you open your APSS Pension account, you'll be asked to tell us who your account balance should be paid to if you die.

There are different ways you can nominate your Beneficiaries.

## Reversionary Beneficiary

You can choose one person to be your Reversionary Beneficiary when you open your account. This is someone who will receive income payments from your APSS Pension if you die. Or, your Reversionary Beneficiary can choose to receive a lump sum of whatever is left in your APSS Pension account, instead of taking income payments (although they must receive at least one Pension payment to satisfy the minimum Pension requirements).

See *Who you can choose as your Reversionary Beneficiary* on page 35, for information about who you can nominate.

If your Reversionary Beneficiary is a financially dependent Child, income payments can continue until they turn 25 (as long as there is enough money in your account), and then the balance will be paid as a lump sum. If your Child is permanently disabled, there is no age limit and income payments can continue until the account balance is zero.

## Non-binding nomination

With this option, you can tell us who you'd prefer your account balance 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).

Non-binding nominations can be made when you open your account.

## Binding nomination

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

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

A Binding nomination is valid if:

- You have not nominated a Reversionary Beneficiary.
- The *Binding nomination* form is signed and witnessed by two people over 18 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).
- You have only chosen people who are eligible to be your Beneficiaries and they are all alive when you die. See *Who you can choose as your Beneficiary* on page 35.

A 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 at the back of this PDS, by downloading a copy at [apss.com.au](https://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.

## How your account balance will be invested if you die

If the APSS is notified of your death, unless you have chosen a Reversionary Beneficiary, any part of your APSS Pension account that is not already invested in the Cash option will be switched to the Cash 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 may be the following fortnight.

If you have nominated a Reversionary Beneficiary, this person simply continues with the same investment options and other arrangement that you set for yourself, but has the flexibility to change their investment choices at any time.

## Frequently asked questions

### Doesn't my Will determine who gets my account balance?

No. The Trustee is obliged by law to investigate your personal circumstances when deciding who gets your money and will take into account any person named in your Will, but is not legally bound by it. The exception to this rule is if you make a valid Binding nomination or nominate a Reversionary Beneficiary.

### Do I need to keep my Beneficiaries up to date?

Keeping your Beneficiary choice up to date is important if your family or personal circumstances change, like having a Child, getting married or divorced. A lapsing Binding nomination needs to be updated every three years in order to be valid. Even though a non-lapsing Binding nomination does not expire after a three year period, you should review it regularly to ensure it reflects your current circumstances. There may be potential adverse consequences (including social security implications) in changing a Reversionary Beneficiary. If you are planning to do so, you should speak to Centrelink prior to making any changes.

### What happens if I don't make a choice or my choice is not valid?

The Trustee will take into account your personal circumstances at the time of your death when working out who your money will go to.

## Who you can choose as your Reversionary Beneficiary

You can only nominate a person who meets the following criteria to be your Reversionary Beneficiary:

- your Spouse (including de facto and same-sex);
- an Eligible Child (i.e. a child aged less than 18, or a child aged between 18 and 25 who is financially dependent on you or a child over 18 who is permanently disabled);
- a person who has an Interdependent Relationship with you (see *Who you can choose as your Beneficiary* for details); and
- any other person who is financially dependent upon you.

## Who you can choose as your Beneficiary

The Trustee can only pay your account to certain people when you die. You can choose one or more of the following people as 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 – this means any person who lives with you in a close personal relationship, and one or both of you provides the other financial assistance, domestic support and personal care. If you have a close personal relationship but either or both of you have a disability, or you are living apart temporarily (such as temporarily working overseas or in gaol), your relationship is still an Interdependent Relationship
- any other person who is financially dependent on you
- your legal personal representative (the executor of your estate as stated in your Will).



# Open an account

## Step 1 – Combine your savings

You won't be able to add more money to an APSS Pension account after it's set up. So before you open your account, combine all your savings. An APSS Pension can be opened with:

- money from a Member Savings account.
- your Defined Benefit – special rules apply if you are not eligible to withdraw your Defined Benefit because you are still working. See *Using your Defined Benefit to set up your account* on pages 7 and 8 for more information.
- savings from other super funds. To find out how to do this call SuperPhone on **1300 360 373**.
- an extra after-tax contribution – see details below.

If you have more savings that you want to put into an APSS Pension in the future, you can start a second account.

### Making an extra after-tax contribution

You can make an extra after-tax contribution before opening an APSS Pension if you have supplied your Tax File Number (TFN) to the APSS and you are:

- under 67; or
- between age 67 and 74 (inclusive) and employed in the paid workforce on at least a part-time basis (at least 40 hours over 30 consecutive days in the current 2020-21 year); or
- between age 67 and 74 (inclusive) and have not been employed in the paid workforce on at least a part-time basis (at least 40 hours over 30 consecutive days) in the current 2020-21 year, but were employed on that basis in the 2019-20 year; and you also had a total superannuation balance of less than \$300,000 on 30 June 2020 (including all your accounts, whether or not held with APSS). Note that restrictions apply such that this relief is only able to be used once; or
- aged 65 or over and making an eligible 'downsizer contribution' (see page 18 for more information).

There are limits on how much you can contribute, and if you exceed these limits you may pay extra tax.

Go to **apss.com.au** for details.

To contribute extra, you can:

- attach a cheque in your name made out to the APSS; or
- use BPAY to transfer money to your Member Savings account. Our APSS BPAY biller code is 237628. To get your unique Customer Reference Number call

**1300 360 373** or login to your APSS account. There is a limit of \$100,000 per day, and BPAY payments may take up to three business days to process.

If you are opening an APSS Pension account as part of a transition to retirement strategy, you may be able to add to your Member Savings account before transferring money to start your APSS Pension. If eligible, you can contribute from your before or after-tax salary. For more information, read the *Your Defined Benefit and Member Savings PDS* or the *Your Member Savings PDS* and *Guide to your Member Savings* (whichever is relevant to you), at **apss.com.au** on the *Product disclosure* page under the *Publications & Forms* tab.

## Step 2 – Complete the APSS Pension application

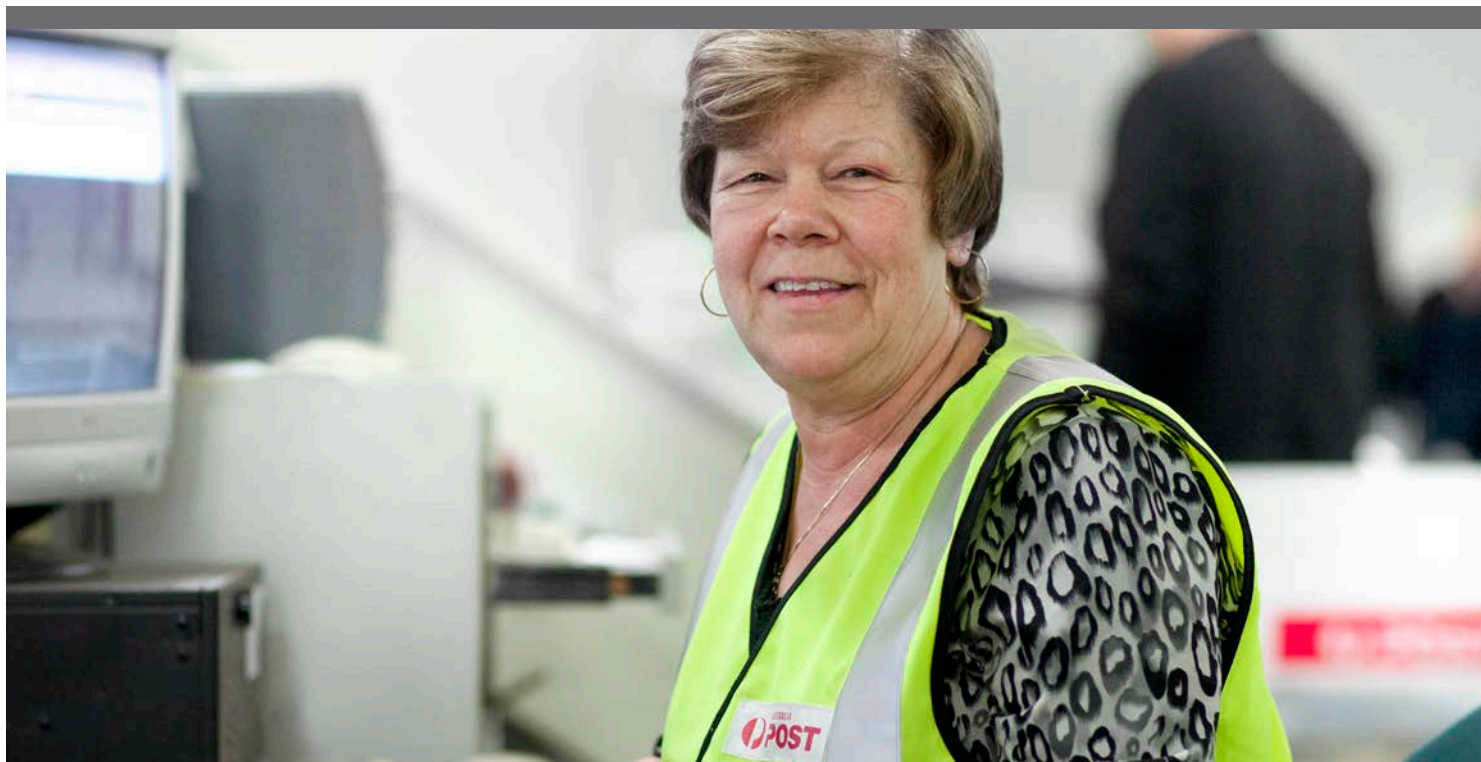
You can find the application form at the back of this PDS. You also need to:

- **Attach a copy of your bank statement** or other acceptable banking evidence. Please make sure this is recent (no older than three months). We only need to see your name, the BSB and account number – so you can blank out amounts or transactions you don't want us to see. This requirement is designed to protect you from fraudulent transactions or identity theft. See page 6 of the *APSS Pension application* for details.
- **Provide proof of your identity** as explained below and on page 6 of the *APSS Pension application* form.
- **Complete the ATO's Tax file number declaration** form at the back of this PDS. If you are 60 or over, you don't have to provide your TFN, but if you don't, you may pay more tax on your regular income payments (at the highest marginal tax rate). If you are under 60, you must provide your TFN. This is because payments from the APSS Pension are considered to be a new source of income and you may be required to pay tax on your payments. See page 51 for details.
- **Return your forms** to APSS, Locked Bag A5005, Sydney South NSW 1235.

### Providing proof of identity

You will be required to provide proof of your identity when you open your account. The information you need to provide is outlined in the *APSS Pension application* form.





If we cannot obtain the required information from you, we may be unable to process your requested Transaction and we may be required to report specified matters to the regulator, AUSTRAC.

The Trustee does not accept liability for any loss you may incur as a result of a delay in opening your account because we don't have the required information. We may be required to request additional identification or related information from you at other times.

## Cooling off period

If you open an APSS Pension account, you have a 14-day cooling off period if you change your mind and want to cancel your account. Although this cooling off period cannot apply after your first pension payment is made, you still have flexibility to cancel your account at any time.

The 14-day cooling off period starts on the earlier of:

- the day you get confirmation of your APSS Pension account, or
- the end of the fifth business day after your account was opened.

You may exercise your cooling-off rights by sending us an email, a letter by mail, or by fax.

Your letter should include your full name and address, your Member number and the date of your application.

The amount that will be returned will be based on your account balance on the date you cancelled your account. Your account balance will reflect any administration fees already deducted, and Crediting Rate fluctuations since your APSS Pension account was opened. We may also deduct any tax or duty paid or payable by us as a result of your investment in an APSS Pension. We will only make this deduction if we can't get a refund for amounts paid or the tax or duty does not cease to be payable as a result of your cancellation.

## Centrelink deeming rules

From 1 January 2015 all new APSS Pension accounts are assessed by Centrelink under deeming rules to determine your eligibility for the Age Pension, or DVA benefits. If you had an existing (and continuing) APSS Pension account, the old rules continue to apply to that account unless you make certain significant changes to your Pension such as removing a Reversionary Beneficiary, converting an APSS Pension account to a Member Savings account, or stopping a transition to retirement strategy. If you are in doubt whether these changes might apply to you, contact Centrelink on **132 300**, or APSS SuperPhone on **1300 360 373**.

# Additional information



## Resolving complaints

If you're not satisfied about your super, you may wish to make a complaint in writing. You can use the APSS Complaint Form (request a copy over the phone), or you can write to:

**Inquiries and Complaints Officer APSS  
via Locked Bag A5005, SYDNEY SOUTH NSW 1235.**

Generally, if we have not resolved your complaint to your satisfaction within 90 days, you may have a right to lodge a complaint about the decision with the **Australian Financial Complaints Authority (AFCA)**, an independent body established by the Federal Government to review, consider and resolve complaints from consumers across the entire financial system, including the superannuation sector. AFCA will review Trustee decisions relating to Members (as opposed to Trustee decisions relating to the management of the APSS as a whole).

### How to contact AFCA:

AFCA  
GPO Box 3  
Melbourne VIC 3001  
Phone: **1800 931 678**  
Email: **info@afca.org.au**  
Web: **www.afca.org.au**

## Providing your TFN

**If you are under the age of 60**, the APSS requires that you complete the ATO's *Tax file number declaration* form before you are able to open an APSS Pension account. This is because the Pension is considered to be a new source of income and you may be required to pay tax on it. The APSS provides the information from this form to the ATO, and requires it in order to be able to pay your APSS Pension income.

**If you are 60 or older**, then providing your TFN is optional, but it's a good idea to do so anyway because the APSS may be required to deduct tax from your regular income payments at the highest marginal tax rate if you don't. Also, if not providing your TFN, you will not be able to make member contributions to establish your APSS Pension account if that's something you wish to do. See page 51 for further details.

# APSS Pension application

After you have read the *Your APSS Pension Product Disclosure Statement (PDS)* in full, please:

- Complete Sections 1 to 8 of this form, and provide your proof of identity as explained in Section 9.
- Include any additional relevant documents with your completed application as listed in your checklist on page 8.

If you need help, please contact *SuperPhone* on 1300 360 373. Return your completed form to:  
Australia Post Superannuation Scheme, Locked Bag A5005, SYDNEY SOUTH, NSW 1235

## SECTION 1 – Your Details

Gender: ☐ Male ☐ Female

Name: \_\_\_\_\_ Date of birth: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_ State: \_\_\_\_\_ Postcode: \_\_\_\_\_

Daytime phone: \_\_\_\_\_ Mobile phone: \_\_\_\_\_

Email: \_\_\_\_\_ Member number: \_\_\_\_\_

This number is shown on your Annual Benefit Statement.  
For Australia Post Employees it is the same as your APS number.

## SECTION 2 – Your reason for starting an APSS Pension account

I am opening an APSS Pension account because I wish to:

☐ **Transition to Retirement (TTR) before I retire**

Please remember that if you have an APSS Defined Benefit, you must first use up all of your APSS Member Savings (if any), and then only up to 50% of the current value of your APSS Defined Benefit (less any existing Offset accounts), on one occasion in each financial year.

☐ **Draw an income from my superannuation now that I have:**

☐ Retired permanently from the workforce

☐ Changed jobs after my 60th birthday

☐ Reached age 65

CUT OUT AND RETURN COMPLETED FORM TO: APSS, LOCKED BAG A5005, SYDNEY SOUTH NSW 1235

Australia Post Superannuation Scheme (ABN 42 045 077 895)

Issuer: PostSuper Pty Ltd (ABN 85 064 225 841)

RSE Licence Number L0002714 APSS Registration Number R1056549

For more information call *SuperPhone* on 1300 360 373 or visit [apss.com.au](http://apss.com.au)

Continue to next page





## APSS Pension application (continued)

### SECTION 3 – Money you are using to start your APSS Pension

Remember, you must have at least \$20,000 to open an APSS Pension account.

If you are leaving employment, please ensure the *Make a Benefit Payment Direction* form sent to you by the APSS is consistent with the information below.

Select all that apply to you:

	Percentage	OR	Amount
<input type="checkbox"/> My APSS Member Savings account:	_____ %	\$	_____
<input type="checkbox"/> My APSS Defined Benefit*:	_____ %	\$	_____
<input type="checkbox"/> My Rollover Account:	_____ %	\$	_____
<input type="checkbox"/> My Spouse Account:	_____ %	\$	_____
<input type="checkbox"/> Savings I intend to transfer to APSS from another super fund**:		\$	_____
Please also complete a <i>Transfer other super into the APSS</i> form and return it with this form.			
<input type="checkbox"/> An after-tax contribution**:		\$	_____
Attach a bank cheque, money order or a personal cheque in your name made payable to the APSS. See page 36 of this PDS for eligibility.			

\* If you are starting a transition to retirement strategy, you must first exhaust any APSS Member Savings account balance you have before you can start to use up to 50% of the current value of your APSS Defined Benefit (less any existing Offset accounts), on one occasion in each financial year. If you use part of your APSS Defined Benefit to start your APSS Pension, an Offset account will also be set up for you as explained on pages 7-8 of the PDS.

\*\* If you are starting your APSS Pension with savings you intend to transfer to APSS from another super fund, and/or via a lump sum after-tax contribution, the amount will first need to go into an APSS Member Savings or APSS Rollover account. From there, it will be used to open your new APSS Pension account. If you don't have an existing APSS Member Savings or APSS Rollover Account, then the relevant account will be set up for you using the details you provide in this form. Please refer to the separate *Your Member Savings* PDS and accompanying *Guide to your Member Savings* (for Rollover & Spouse Members) for details on APSS Rollover Accounts. Refer to the *Your Defined Benefit & Member Savings* PDS (for Employee Members) for details on APSS Member Savings accounts. These documents are available on the *Product disclosure* page under the *Publications & Forms* tab of the **apss.com.au** main menu or copies can be sent to you if you call **1300 360 373**.

Continue to next page



## APSS Pension application (continued)

## SECTION 4 – Your investment choices

In this section, you need to tell us how you want your APSS Pension account invested, and which investment option(s) your APSS Pension payments will be drawn from.

## 4a How do you want your APSS Pension account invested?

Select your preferred investment option(s):

Cash \_\_\_\_\_ %

Conservative \_\_\_\_\_ %

Balanced \_\_\_\_\_ %

High Growth \_\_\_\_\_ %

**Total** \_\_\_\_\_ **100%**

**Must add up to 100%**

**Note:** These important investment choices will generally take effect from the date this form is processed.

## 4b Where will your APSS Pension payments be drawn from?

☐ **Proportionally** – (also known as ‘pro-rata’) so payments will be withdrawn in proportion to the amount invested in each option at the time of each income payment.

**OR**

☐ **A strategy of your choice\*** – you set the percentage that will be drawn down from each option as nominated below:

Cash \_\_\_\_\_ %

Conservative \_\_\_\_\_ %

Balanced \_\_\_\_\_ %

High Growth \_\_\_\_\_ %

**Total** \_\_\_\_\_ **100%**

**Must add up to 100%**

\*APSS Pension payments are automatically drawn proportionally as soon as any chosen investment option is exhausted.

## SECTION 5 – Pension payment amount and frequency

Please nominate the APSS Pension payment amount you would like to receive before tax, and how often you would like that amount to be paid.

## 5a - Payment amount

☐ Maximum of 10%\* (Transition to Retirement only)

☐ Minimum amount (refer to page 19 of the PDS)

☐ Specific amount of: \* \$ \_\_\_\_\_

## 5b - Payment frequency

☐ Twice per month\*\*

☐ Monthly

☐ Quarterly

☐ Yearly (specify month): \_\_\_\_\_

\*If you are opening your account as part of a transition to retirement strategy, the maximum amount is 10% of your APSS Pension account balance for the financial year.

\*\*Payments occur on the 11th and 25th day of each month, or the previous business day if either date falls on a day that is not a business day.

## SECTION 6 – Payment instructions

Enter details of the bank account into which you would like your APSS Pension to be paid. This account must be held in your name.

**Please also attach a copy of your bank statement (issued within the last three months) for this account which states your name, the BSB and account number.** We only need to see your name, the BSB and account number. You can blank out amounts or transactions you don't want us to see.

Name of bank: \_\_\_\_\_ Branch: \_\_\_\_\_

Account name (must be held in your name): \_\_\_\_\_

Branch number or BSB (6 digits):

Account number (maximum 9 digits):

Continue to next page



## APSS Pension application (continued)

### SECTION 7 – Nominate your Beneficiaries

For information about who you can nominate as a beneficiary, see pages 34-35 of this PDS.

**You have three options – please choose ONE option only.**

☐ **Option 1: Reversionary Beneficiary nomination**

If you nominate a Reversionary Beneficiary using this form, paragraph 8(r) of the Rules of the APSS Trust Deed applies in respect of the balance of your APSS Allocated Pension account following your death. Note: There may be potential adverse consequences (including social security implications) in changing a Reversionary Beneficiary once your account is open. If you are planning to change a Reversionary Beneficiary, you should speak to Centrelink prior to making any changes.

Name: _____ Date of birth: _____ Address: _____ _____ Gender: <input type="checkbox"/> Male <input type="checkbox"/> Female Relationship to you: <input type="checkbox"/> Spouse <input type="checkbox"/> Eligible Child* <input type="checkbox"/> Interdependent Relationship <input type="checkbox"/> Financial Dependant	100%
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------

\* Eligible Child means a child aged under 18, or a child aged between 18 and 25 who is financially dependent on you or a child over 18 who is permanently disabled.

**OR** ☐ **Option 2: Binding nomination**

Please complete the separate *Binding nomination* form included in this PDS and attach to this application.

**OR** ☐ **Option 3: Non-binding nomination**

Name: _____ Date of birth: _____ Address: _____ _____ Gender: <input type="checkbox"/> Male <input type="checkbox"/> Female Relationship to you: <input type="checkbox"/> Spouse <input type="checkbox"/> Interdependent Relationship <input type="checkbox"/> Child <input type="checkbox"/> Financial Dependant <input type="checkbox"/> Estate	%
Name: _____ Date of birth: _____ Address: _____ _____ Gender: <input type="checkbox"/> Male <input type="checkbox"/> Female Relationship to you: <input type="checkbox"/> Spouse <input type="checkbox"/> Interdependent Relationship <input type="checkbox"/> Child <input type="checkbox"/> Financial Dependant <input type="checkbox"/> Estate	%
The total of all your nominations must equal 100%.	
<b>Total: 100%</b>	

If you would like to nominate more Beneficiaries than this form allows, call *SuperPhone* on **1300 360 373**.

For more information about nominating Beneficiaries see *Organise your Beneficiaries* on pages 34-35 of this PDS.

### ! Important

The nominations declared above will revoke any previous nominations you have made. The Trustee is not bound by a Non-binding nomination and is guided by the purposes of the APSS, which include providing superannuation benefits, on the death of Members, for their Dependants and/or legal personal representative (estate).

Continue to next page



## APSS Pension application (continued)

## SECTION 8 – Your declaration

## Authorisation to the Trustee of the APSS

By signing this form I am making the following statements:

- I declare that I have read and understood the information contained in the most recent *Your APSS Pension* Product Disclosure Statement (PDS).
- I acknowledge that the provisions of the APSS Trust Deed and Rules (as amended from time to time) for the operation of the APSS Pension will bind me.
- I understand that once my APSS Pension has commenced, I cannot make additional deposits into my account.
- I hereby authorise the APSS to proceed with opening my APSS Pension account in accordance with my instructions on this form.
- If I have elected to use some of my accrued APSS Defined Benefit to commence an APSS Pension, I confirm that I have read the information about this on pages 7-8 of the *Your APSS Pension* PDS and understand the implications of this on my final APSS Defined Benefit.
- If I am starting a Pension with a Rollover or lump sum contribution, and I do not have an active Rollover or Employee Account in the APSS, I authorise the Trustee to set up a Rollover or Employee Account on my behalf, using the details in this form and to accept the Rollover and/or any additional voluntary contributions. My Rollover or Employee Account will then be used to start my new Pension account in the APSS.
- If I am making an extra after-tax contribution to commence my APSS Pension, I declare that I meet the criteria for making this contribution set out on page 36 of the *Your APSS Pension* PDS.
- I authorise the Trustee to implement the investment choice as instructed on this form. I understand that my investment choice will only apply to my Pension account (and not any other APSS accounts I may have, if applicable). I understand that my investment choice may not be implemented if the instructions given on this form are incomplete or ambiguous.
- I understand that the Trustee will not accept any contributions to commence my APSS Pension unless I have nominated my chosen APSS investment option(s).
- I understand that there are legal restrictions to accessing my super as part of a transition to retirement strategy, as explained in the *Your APSS Pension* PDS.
- I confirm that the information I have provided in this form is true and correct, and I acknowledge that making a false statement may have adverse implications for me and may mean I have to pay extra tax.
- I understand the importance of obtaining professional financial advice tailored to my particular circumstances before making decisions about my super.
- I understand that there is a \$1.6 million lifetime cap on pensions as explained in the *Your APSS Pension* PDS.

## Privacy Collection Statement

I acknowledge and understand:

- that my personal information will be collected by the Trustee (PostSuper Pty Ltd) and stored and dealt with in accordance with the Trustee's Privacy Policy, available at [apss.com.au](http://apss.com.au), for the purpose of managing and administering my APSS Pension account;
- that if my personal information is not collected, then I will not be able to open an APSS Pension account;
- that my personal information may be disclosed to the Trustee's service providers, professional advisers, regulatory bodies and my employer (if applicable) and other parties (as required) in the course of managing and administering my account, as required by law or with my consent;
- that my personal information may be shared with overseas organisations and that I can obtain details of the countries in which such organisations are located by reading the Trustee's Privacy Policy;
- the Trustee's Privacy Policy contains information about how I can access and seek correction of any personal information held about me by the Trustee, how I can complain about a breach of the *Privacy Act 1988* (Cth) and how the Trustee will deal with any such complaint;
- if I have provided the Trustee with the personal information of any other individuals (i.e. nominated Beneficiaries), it is my responsibility to tell them that their personal information has been collected by the Trustee and to make them aware of the contents of this Privacy Collection Statement.

I consent to the handling of my information in this manner and acknowledge that I can access my personal information by contacting the APSS.

Your signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Important** – YOU MUST SIGN AND DATE YOUR APPLICATION

Continue to next page





## APSS Pension application (continued)

### SECTION 9 – Providing proof of identity

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 the requirement to identify customers in certain circumstances.

As a result, you need to provide identification documentation as detailed below to prove you are the person to whom the superannuation entitlement belongs. Your identification documents may need to be verified through an electronic website provided by the Australian Government. Processing of this form generally cannot proceed until we receive these identification documents. We may also need to ask you to provide further identification or verification documentation to meet regulatory requirements (including for transfers to a self-managed super fund). We will contact you if we require any further documentation. **We will only accept documents where the certification date is less than 12 months old.**

You must provide:

#### EITHER

Original or certified copies of **one** of the following documents:

- valid driver's licence issued under State or Territory law that contains a photograph of you
- valid passport issued by the Commonwealth, or similar document issued by a foreign government that contains your photograph and signature (If it is not in English, it must be accompanied by an English translation prepared by an accredited translator)

#### OR

Original or certified copies of **one** of the following documents:

- birth certificate or extract issued by a State or Territory of Australia or a foreign government (If it is not in English, it must be accompanied by an English translation prepared by an accredited translator)
- citizenship certificate issued by the Commonwealth or a foreign government (if it is not in English, it must be accompanied by an English translation prepared by an accredited translator)
- Pension card issued by Centrelink that entitles you to financial benefits

#### AND

One of the following documents:

- notice issued by Commonwealth, State or Territory government (no older than 12 months) regarding the provision of financial benefits that contains your name and residential address (such as a letter from Centrelink regarding a Government assistance payment)
- notice issued by the Australian Taxation Office (no older than 12 months) that contains your name and residential address and records a tax debt payable to or by you
- notice issued by a local government body or utilities provider (no older than 3 months) that contains your name and residential address and records the provision of services to you.

#### Have you changed your name or are you signing on behalf of another person?

If you have changed your name or you are signing on behalf of another person, you will need to provide a certified linking document. A linking document is a document that proves a relationship exists between two (or more) names or between you and the person you are signing on behalf of. The following table contains information about suitable linking documents:

Purpose	Suitable linking documents
Change of name	Marriage certificate, deed poll or change of name certificate from the Births, Deaths and Marriages Registration Office.
Signed on behalf of the applicant	Guardianship papers or Power of Attorney.

## APSS Pension application (continued)

### Certification of identification and linking documents

All copied pages of original proof of identification documents (including any linking documents) need to be certified as true copies by any individual approved to do so (see the list below).

The person who is authorised to certify documents must sight the original and the copy and make sure both documents are identical, then make sure all pages have been certified as true copies by writing or stamping “certified true copy” followed by their signature, printed name, qualification (e.g. Justice of the Peace, police officer, etc.) and date.

We may be required to ask for further identification from you in order to meet relevant regulatory requirements.

### List of persons who can certify documents

A person who is enrolled on the roll of the Supreme Court of a State or Territory, or the High Court of Australia, as a legal practitioner (however described).

A person who is currently licensed or registered under a law to practise in Australia in one of the following occupations:

- architect;
- chiropractor;
- dentist;
- financial adviser;
- financial planner;
- legal practitioner;
- medical practitioner;
- midwife;
- migration agent registered under Division 3 of Part 3 of the Migration Act 1958;
- nurse;
- occupational therapist;
- optometrist;
- patent attorney;
- pharmacist;
- physiotherapist;
- psychologist;
- trade marks attorney; or
- veterinary surgeon.

A person who is in the following list:

- accountant who is a fellow of the National Tax Accountants' Association;
- accountant who is a member of any of the following:
  - Chartered Accountants Australia and New Zealand;
  - the Association of Taxation and Management Accountants;
  - CPA Australia; or
  - the Institute of Public Accountants;
- Agent of the Australian Postal Corporation who is in charge of an office supplying postal services to the public;
- APS employee engaged on an ongoing basis with 2 or more years of continuous service who is not specified in another item in this list;

- Australian Consular Officer or Australian Diplomatic Officer (within the meaning of the Consular Fees Act 1955);
- Bailiff;
- Bank officer with 2 or more continuous years of service;
- Building society officer with 2 or more continuous years of service;
- Chief executive officer of a Commonwealth court;
- Clerk of a court;
- Commissioner for Affidavits;
- Commissioner for Declarations;
- Credit union officer with 2 or more years of continuous service;
- Employee of the Australian Trade and Investment Commission who is:
  - in a country or place outside Australia;
  - authorised under paragraph 3(d) of the Consular Fees Act 1955; and
  - exercising the employee's function at that place;
- Employee of the Commonwealth who is:
  - at a place outside Australia;
  - authorised under paragraph 3(c) of the Consular Fees Act 1955; and
  - exercising the employee's function at that place;
- Engineer who is:
  - a member of Engineers Australia, other than at the grade of student;
  - a Registered Professional Engineer of Professionals Australia;
  - registered as an engineer under a law of the Commonwealth, a State or Territory; or
  - registered on the National Engineering Register by Engineers Australia;
- Finance company officer with 2 or more years of continuous service;

- Holder of a statutory office not specified in another item in this list;
- Judge;
- Justice of the Peace;
- Magistrate;
- Marriage celebrant registered under Subdivision C of Division 1 of Part IV of the Marriage Act 1961;
- Master of a court;
- Member of the Australian Defence Force who is:
  - an officer;
  - a non-commissioned officer within the meaning of the Defence Force Discipline Act 1982 with 2 or more years of continuous service; or
  - a warrant officer within the meaning of that Act;
- Member of the Australasian Institute of Mining and Metallurgy;
- Member of the Governance Institute of Australia Ltd;
- Member of:
  - the Parliament of the Commonwealth;
  - the Parliament of a State;
  - a Territory legislature; or
  - a local government authority;
- Minister of religion registered under Subdivision A of Division 1 of Part IV of the Marriage Act 1961;
- Notary public, including a notary public (however described) exercising functions at a place outside the Commonwealth and the external Territories of the Commonwealth;
- Officer with, or authorised representative of, a holder of an Australian financial services licence, having 2 or more years of continuous service with one or more licensees.

- Officer with, or a credit representative of, a holder of an Australian credit licence, having 2 or more years of continuous service with one or more licensees.
- Permanent employee of a Commonwealth authority with 2 or more years of continuous service who is not specified in another item in this list;
- Permanent employee of the Australian Postal Corporation with 2 or more years of continuous service who is employed in an office providing postal services to the public;
- Permanent employee of a State or Territory, a State or Territory authority or a local government authority, with 2 or more years of continuous service, other than such an employee who is specified in another item in this list;
- Person before whom a statutory declaration may be made under the law of the State or Territory in which the declaration is made;
- Person in a foreign country who is authorised by law in that jurisdiction to administer oaths or affirmation or to authenticate documents.
- Police officer;
- Registrar, or Deputy Registrar, of a court;
- Senior executive employee of a Commonwealth authority;
- Senior executive employee of a State or Territory;
- SES employee of the Commonwealth;
- Sheriff or sheriff's officer; and
- Teacher employed on a permanent full-time or part-time basis at a school or tertiary education institution.

Continue to next page



## APSS Pension application (continued)

**Your APSS Pension checklist**

Please take a moment to check you have everything you need to submit your application to start your APSS Pension.

**Make sure that you have included:**

- ☐ **The original copy of this APSS Pension application form with Sections 1-8 (pages 1-5 of this form) completed.**  
Don't forget to sign and date in Section 8!
- ☐ **A copy of your bank statement** as explained in Section 6 of this form.
- ☐ **A certified copy of your identification documents** as explained in Section 9 (pages 6-7 of this form), which is required to meet the requirements of the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006*. The APSS must receive a certified copy of your identification documents before your APSS Pension can commence.

**You may also need to complete and include a:**

- ☐ *Transfer other super into the APSS form* if you are starting your APSS Pension with super from another fund. You can download this form at **apss.com.au** in the 'Print a form' section under the 'Publications & Forms' tab, or call **1300 360 373** and we can send you a copy.
- ☐ *Tax file number declaration form* from the ATO as explained on page 36 of your PDS. This is especially important if you are under age 60. The APSS provides the information from this form to the ATO and also uses it to create your Pension account. You can use the form at the back of this PDS.
- ☐ *Withholding declaration form* from the ATO if you want to claim the seniors and pensioners tax offset (or a zone, overseas forces or invalid and invalid carer offset) by reducing the amount withheld from payments made to you. You can use the form at the back of this PDS.

Remember, if you need help, please contact *SuperPhone* on **1300 360 373**.

Return all your paperwork to:

**Australia Post Superannuation Scheme, Locked Bag A5005, SYDNEY SOUTH, NSW 1235.**



Please return the **original copy** of this form to **APSS, Locked Bag A5005, Sydney South, NSW 1235**

**Note:** Faxes or emailed copies will not be accepted as we need an original signature.

# Binding nomination

Please read this information before completing pages 2-4 of this form to make a **Binding nomination**. Please note that you cannot make a Binding nomination if you've chosen to make a **Reversionary Beneficiary nomination in Section 7 of your Pension application form**.

## What is a Binding nomination?

A Binding nomination instructs the APSS how to pay your death benefit if you die.

As long as it's valid and in effect at the date of your death, the nomination is legally binding and the Trustee **must** pay your benefit to the Beneficiaries you have nominated in the proportions set out in this form (subject to certain exclusions such as family court orders).

The APSS will not accept a Binding nomination made under a power of attorney.

## Who can I nominate as a Beneficiary?

For a Binding nomination to be valid, the people you list in Section 3 of this form must be your Dependants and/or legal personal representative.

Your Dependants include:

- Your Spouse (including defacto and same sex)
- Your Child (including step, adopted or ex-nuptial)
- Other financial dependants (someone who relies on you financially)
- A person who has an Interdependent Relationship with you.

### Interdependent Relationship

An Interdependent Relationship means:

- you live with someone in a close personal relationship, and
- one of you provides the other with financial assistance, domestic support and personal care.

If you have a close personal relationship but don't meet the other requirements because either or both of you suffer from a disability, or you are temporarily living apart (e.g. temporarily working overseas or in prison), your relationship may still be classified as interdependent.

## Lapsing and non-lapsing Binding nominations

APSS offers two types of Binding nomination: lapsing and non-lapsing. A valid Binding nomination (lapsing) remains valid for three years from the date you sign the form. The expiry date of your Binding nomination (lapsing) will be shown on your *Benefit Statement* and we'll also send you a reminder before your nomination expires.

A valid Binding nomination (non-lapsing) will not expire unless you amend or revoke it, and will be effective when accepted by the Trustee. If you don't make a choice on the *Binding nomination* form, your nomination will be treated as lapsing.

If you choose to make a Binding nomination (whether lapsing or non-lapsing), please ensure to keep it up to date, as the Trustee may be bound by that nomination even if your circumstances change.

## What if I change my mind?

You can cancel your Binding nomination at any time.

To cancel your nomination you need to complete Sections 1, 2, 4 and 5 of this form and return it to us.

## What if my nomination is invalid?

If your Binding nomination is invalid for any reason at the date of your death, the Trustee must pay your benefit to one or more of your Dependants and/or legal representative, in proportions determined by the Trustee.

Examples of an invalid nomination include:

- Any of the people nominated on this form dies before you do, or
- The individuals nominated no longer qualify as your Dependants at the time of your death, or
- This form was not correctly signed and witnessed. (We will write to you if this occurs.)

If you have made a Binding nomination (lapsing), your nomination may also be invalid if your nomination was made more than three years ago, and therefore has expired.

## Privacy

The Trustee recognises the importance of protecting your personal information and is committed to complying with its privacy law obligations. To find out more about how APSS collects and manages your personal information, please refer to the Scheme's Privacy Policy which is available from the APSS website at [apss.com.au](https://apss.com.au) or by calling SuperPhone on **1300 360 373** Monday to Friday 9am to 5.30pm (Sydney time).





## Binding nomination (continued)

Use this form to make, change or cancel an existing Binding nomination for your APSS Pension account.

Before completing this form, read the information set out on page 1 of this form. Please print in CAPITAL LETTERS and place a cross X in any applicable boxes.

I wish to: (Select ONE box only)

- ☐ **Make** a Binding nomination – Complete sections **1, 2, 3, and 5**
- ☐ **Change** an existing Binding nomination – Complete sections **1, 2, 3, and 5**
- ☐ **Cancel** an existing Binding nomination – Complete sections **1, 2, 4, and 5**

### Important

By completing this form you are overriding any previous Beneficiary nominations.

## 1. Your nomination instruction

This Binding nomination instruction will apply only to the APSS Pension account opened with this application form. If you have opened other APSS Pension accounts, a separate *Binding nomination* form will need to be completed for each account, using the form that can be downloaded at [apss.com.au](http://apss.com.au) in the *Print a form* section under the *Publications & Forms* tab.

### Type of nomination

I would like my Binding nomination to be: (Select ONE box only)

- ☐ Lapsing\*
- ☐ Non-lapsing

**\*Note:** If you don't make a choice, your nomination will default to a lapsing Binding nomination.

### Important

If you have both a Defined Benefit and a Rollover and/or Pension account, then you will need to complete a separate form for each Membership category.

## 2. Your personal details

Title: ☐ Mr ☐ Ms ☐ Mrs ☐ Miss ☐ Dr ☐ Other: \_\_\_\_\_

Last name: \_\_\_\_\_ First name: \_\_\_\_\_

Date of birth: \_\_\_\_\_ Member number: \_\_\_\_\_

This number is shown on your Annual Benefit Statement.  
For Australia Post Employees it is the same as your APS number.

Address: \_\_\_\_\_

\_\_\_\_\_ State: \_\_\_\_\_ Postcode: \_\_\_\_\_

Provide your contact details below in case we have a question we need to ask you regarding this form:

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Continue to next page



## Binding nomination (continued)

### 3. Your Beneficiary details

Beneficiary 1		
Relationship to you: <input type="checkbox"/> Spouse <input type="checkbox"/> Interdependent Relationship <input type="checkbox"/> Child <input type="checkbox"/> Financial Dependant <input type="checkbox"/> Legal personal representative/Estate	Name: _____ Address: _____ _____ _____ Date of birth: _____	%
Beneficiary 2		
Relationship to you: <input type="checkbox"/> Spouse <input type="checkbox"/> Interdependent Relationship <input type="checkbox"/> Child <input type="checkbox"/> Financial Dependant <input type="checkbox"/> Legal personal representative/Estate	Name: _____ Address: _____ _____ _____ Date of birth: _____	%
Beneficiary 3		
Relationship to you: <input type="checkbox"/> Spouse <input type="checkbox"/> Interdependent Relationship <input type="checkbox"/> Child <input type="checkbox"/> Financial Dependant <input type="checkbox"/> Legal personal representative/Estate	Name: _____ Address: _____ _____ _____ Date of birth: _____	%
Beneficiary 4		
Relationship to you: <input type="checkbox"/> Spouse <input type="checkbox"/> Interdependent Relationship <input type="checkbox"/> Child <input type="checkbox"/> Financial Dependant <input type="checkbox"/> Legal personal representative/Estate	Name: _____ Address: _____ _____ _____ Date of birth: _____	%
If you would like to nominate more Beneficiaries than this form allows, call SuperPhone on <b>1300 360 373</b> . <b>The total of all your nominations must equal 100%.</b>		<b>Total: 100%</b>

For more information about nominating Beneficiaries see the fact sheet *Choosing your Beneficiaries* at [apss.com.au](http://apss.com.au) on the *Fact Sheet* page under the *Publications and Forms* tab.

### 4. Cancel your current Binding nomination

- ☐ Please cancel my previous Binding nomination and pay benefits at the APSS Trustee's discretion to my Dependents or legal personal representative/Estate.

Continue to next page



## Binding nomination (continued)

### 5. Member and witness declaration

#### Member declaration

I acknowledge that:

- I have read and understood the information on page 1 of this form and I understand the terms on which this nomination is made.
- the people listed at Section 3 must be either my Spouse, Child, financial dependant, a person who has an Interdependent Relationship with me or a legal personal representative of my estate when I die.
- I can cancel this nomination at any time.
- this nomination only applies to my super account listed in Section 1.
- if this nomination is invalid or has not been received by APSS when I die, my death benefit will be paid at the Trustee's discretion.
- if I have made a lapsing Binding nomination, it is only valid for three years from when I sign this form.
- if I have made a valid non-lapsing Binding nomination which has been accepted by the Trustee, it will not expire after three years.
- this declaration must be signed by me in the presence of two witnesses over age 18, who are not nominees on this form.

#### Privacy Collection Statement

I acknowledge and understand:

- that my personal information will be collected by the Trustee (PostSuper Pty Ltd) and stored and dealt with in accordance with the Trustee's Privacy Policy, available at **apss.com.au**, for the purpose of managing and administering my APSS Account;
- that if my personal information is not collected, then the Trustee may not be able to manage and administer my APSS Account;
- that my personal information may be disclosed to the Trustee's service providers, professional advisers, regulatory bodies and my employer (if applicable) and other parties (as required) in the course of managing and administering my account, as required by law or with my consent;
- that my personal information may be shared with overseas organisations and that I can obtain details of the countries in which such organisations are located by reading the Trustee's Privacy Policy;
- the Trustee's Privacy Policy contains information about how I can access and seek correction of any personal information held about me by the Trustee, how I can complain about a breach of the Privacy Act 1988 (Cth) and how the Trustee will deal with any such complaint; and
- if I have provided the Trustee with the personal information of any other individuals (i.e. nominated Beneficiaries), it is my responsibility to tell them that their personal information has been collected by the Trustee and to make them aware of the contents of this Privacy Collection Statement.

I consent to the handling of my information in this manner and acknowledge that I can access my personal information by contacting the APSS.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

#### Witness declaration

I declare that I am over age 18, I am not a Beneficiary nominated on this form and the Member signed this Binding nomination in my presence.

##### Witness 1

Full name: \_\_\_\_\_ Date of birth: \_\_\_\_\_

Signature: \_\_\_\_\_ Today's date: \_\_\_\_\_

##### Witness 2

Full name: \_\_\_\_\_ Date of birth: \_\_\_\_\_

Signature: \_\_\_\_\_ Today's date: \_\_\_\_\_



Please return the **original copy** of this form to **APSS, Locked Bag A5005, Sydney South, NSW 1235**  
Note: Faxes or emailed copies will not be accepted as we need an original signature.

# Provide your Tax File Number (TFN)

If you are under the age of 60, the APSS requires that you complete the ATO's *Tax file number declaration* form before you are able to open an APSS Pension account. This is because the Pension is considered to be a new source of income and you may be required to pay tax on it. The APSS provides the information from this form to the ATO, and requires it in order to be able to pay your APSS Pension income.

If you are 60 or older, then providing your TFN is optional, but it's a good idea to do so anyway because the APSS may be required to deduct tax from your regular income payments at the highest marginal tax rate if you don't. Also, if not providing your TFN, you will not be able to make member contributions to establish your APSS Pension account if that's something you wish to do.

Under the *Superannuation Industry (Supervision) Act 1993*, the Trustee of the APSS is authorised to collect, use and disclose your TFN.

The Trustee of the APSS may disclose your TFN to another superannuation provider, when your benefits are being transferred, unless you request the Trustee of the APSS in writing that your TFN not be disclosed to any other superannuation provider.

## ! Important

Declining to quote your TFN to the Trustee of the APSS is not an offence. However, giving your TFN to the APSS will have the following advantages:

- The APSS will be able to accept all permitted types of contributions to your nominated APSS account.\*
- Other than the tax that may ordinarily apply, you will not pay more tax than you need to. This affects both contributions to your superannuation\*, and benefit payments when you start drawing down your superannuation benefits.
- It will make it much easier to find different superannuation accounts in your name so that you receive all your superannuation benefits when you retire.

\* Note: Once your APSS Pension account has been established, you can't top it up later with additional contributions.

If you are under the age of 60, please complete the Australian Taxation Office's (ATO) *Tax file number declaration* form provided after the next page, which has been extracted, for your convenience, from the official ATO Tax file declaration form, which contains additional TFN declaration instructions. If you wish to read the full set of instructions, go to <https://www.ato.gov.au/forms/tfn-declaration/> or call **1300 360 373** and we can send you a copy.

To ensure your application is not held up, please return your completed *Tax file number declaration* form to APSS (not back to the ATO) with your other application paperwork.



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## Tax file number declaration

This declaration is NOT an application for a tax file number.

- Use a black or blue pen and print clearly in BLOCK LETTERS.
- Print **X** in the appropriate boxes.
- Read all the instructions including the privacy statement before you complete this declaration.

### Section A: To be completed by the PAYEE

#### 1 What is your tax file number (TFN)?

For more information, see question 1 on page 2 of the instructions.

OR I have made a separate application/enquiry to the ATO for a new or existing TFN. ☐

OR I am claiming an exemption because I am under 18 years of age and do not earn enough to pay tax. ☐

OR I am claiming an exemption because I am in receipt of a pension, benefit or allowance. ☐

#### 2 What is your name?

Title: Mr ☐ Mrs ☐ Miss ☐ Ms ☐

Surname or family name

First given name

Other given names

#### 3 What is your home address in Australia?

Suburb/town/locality

State/territory

Postcode

#### 4 If you have changed your name since you last dealt with the ATO, provide your previous family name.

#### 5 What is your primary e-mail address?

#### 6 What is your date of birth?

#### 7 On what basis are you paid? (select only one)

Full-time employment ☐ Part-time employment ☐ Labour hire ☐ Superannuation or annuity income stream ☐ Casual employment ☐

#### 8 Are you: (select only one)

An Australian resident for tax purposes ☐ A foreign resident for tax purposes ☐ OR A working holiday maker ☐

#### 9 Do you want to claim the tax-free threshold from this payer?

Only claim the tax-free threshold from one payer at a time, unless your total income from all sources for the financial year will be less than the tax-free threshold.

Yes ☐ No ☐ Answer **no** here if you are a foreign resident or working holiday maker, except if you are a foreign resident in receipt of an Australian Government pension or allowance.

#### 10 Do you have a Higher Education Loan Program (HELP), VET Student Loan (VSL), Financial Supplement (FS), Student Start-up Loan (SSL) or Trade Support Loan (TSL) debt?

Yes ☐ Your payer will withhold additional amounts to cover any compulsory repayment that may be raised on your notice of assessment. No ☐

**DECLARATION by payee:** I declare that the information I have given is true and correct.

Signature

Date  
Day  / Month  / Year

You MUST SIGN here

There are penalties for deliberately making a false or misleading statement.

Once section A is completed and signed, give it to your payer to complete section B.

### Section B: To be completed by the PAYER (if you are not lodging online)

#### 1 What is your Australian business number (ABN) or withholding payer number?

Branch number (if applicable)

#### 2 If you don't have an ABN or withholding payer number, have you applied for one?

Yes ☐ No ☐

#### 3 What is your legal name or registered business name (or your individual name if not in business)?

#### 4 What is your business address?

Suburb/town/locality

State/territory

Postcode

#### 5 What is your primary e-mail address?

#### 6 Who is your contact person?

Business phone number

#### 7 If you no longer make payments to this payee, print X in this box.

☐

**DECLARATION by payer:** I declare that the information I have given is true and correct.

Signature of payer

Date  
Day  / Month  / Year

There are penalties for deliberately making a false or misleading statement.

Return the completed original ATO copy to:

Australian Taxation Office  
PO Box 9004  
PENRITH NSW 2740

**IMPORTANT**

See next page for:

- payer obligations
- lodging online.



30920619

Sensitive (when completed)

## Payer information

The following information will help you comply with your pay as you go (PAYG) withholding obligations.



### Is your employee entitled to work in Australia?

It is a criminal offence to knowingly or recklessly allow someone to work, or to refer someone for work, where that person is from overseas and is either in Australia illegally or is working in breach of their visa conditions.

People or companies convicted of these offences may face fines and/or imprisonment. To avoid penalties, ensure your prospective employee has a valid visa to work in Australia before you employ them. For more information and to check a visa holder's status online, visit the Department of Home Affairs website at [homeaffairs.gov.au](http://homeaffairs.gov.au)

### Is your payee working under a working holiday visa (subclass 417) or a work and holiday visa (subclass 462)?

Employers of workers under these two types of visa need to register with the ATO, see [ato.gov.au/whmreg](http://ato.gov.au/whmreg)

For the tax table "working holiday maker" visit our website at [ato.gov.au/taxtables](http://ato.gov.au/taxtables)

## Payer obligations

If you withhold amounts from payments, or are likely to withhold amounts, the payee may give you this form with section A completed. A TFN declaration applies to payments made after the declaration is provided to you. The information provided on this form is used to determine the amount of tax to be withheld from payments based on the PAYG withholding tax tables we publish. If the payee gives you another declaration, it overrides any previous declarations.

### Has your payee advised you that they have applied for a TFN, or enquired about their existing TFN?

Where the payee indicates at question 1 on this form that they have applied for an individual TFN, or enquired about their existing TFN, they have 28 days to give you their TFN. **You must withhold tax for 28 days at the standard rate according to the PAYG withholding tax tables.** After 28 days, if the payee has not given you their TFN, you must then withhold the top rate of tax from future payments, unless we tell you not to.

### If your payee has not given you a completed form you must:

- notify us within 14 days of the start of the withholding obligation by completing as much of the payee section of the form as you can. Print 'PAYER' in the payee declaration and lodge the form – see 'Lodging the form'.
- withhold the top rate of tax from any payment to that payee.



For a full list of tax tables, visit our website at [ato.gov.au/taxtables](http://ato.gov.au/taxtables)

## Lodging the form

You need to lodge TFN declarations with us within 14 days after the form is either signed by the payee or completed by you (if not provided by the payee). **You need to retain a copy of the form for your records.** For information about storage and disposal, see below.

You may lodge the information:

- **online** – lodge your TFN declaration reports using software that complies with our specifications. There is no need to complete section B of each form as the payer information is supplied by your software.
- **by paper** – complete section B and send the original to us within 14 days.



For more information about lodging your TFN declaration report online, visit our website at [ato.gov.au/lodgetfndeclaration](http://ato.gov.au/lodgetfndeclaration)

## Provision of payee's TFN to the payee's super fund

If you make a super contribution for your payee, you need to give your payee's TFN to their super fund on the day of contribution, or if the payee has not yet quoted their TFN, within 14 days of receiving this form from your payee.

## Storing and disposing of TFN declarations

The TFN Rule issued under the *Privacy Act 1988* requires a TFN recipient to use secure methods when storing and disposing of TFN information. You may store a paper copy of the signed form or electronic files of scanned forms. Scanned forms must be clear and not altered in any way.

If a payee:

- submits a new *TFN declaration* (NAT 3092), you must retain a copy of the earlier form for the current and following financial year.
- has not received payments from you for 12 months, you must retain a copy of the last completed form for the current and following financial year.



### Penalties

You may incur a penalty if you do not:

- lodge TFN declarations with us
- keep a copy of completed TFN declarations for your records
- provide the payee's TFN to their super fund where the payee quoted their TFN to you.

# Withholding declaration

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If you need to complete and include a *Withholding declaration* form with your APSS Pension application, you may use the form provided after the next page. As noted in 'Your APSS Pension checklist' on page 8 of your application form, you will need to complete this form if you want to claim the seniors and pensioners tax offset (or a zone, overseas forces or invalid and invalid carer offset) by reducing the amount withheld from payments made to you.

The *Withholding declaration* form we have provided in this PDS has been extracted, for your convenience, from the official Australian Taxation Office (ATO) form, which contains additional instructions. If you wish to read the full set of instructions, download the form at <https://www.ato.gov.au/Forms/Withholding-declaration/> (or call **1300 360 373** and we can send you a copy).

To ensure your application is not held up, please return your completed *Withholding declaration* form to APSS (not back to the ATO) with your other application paperwork.



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## Withholding declaration

Complete this declaration to authorise your payer to adjust the amount withheld from payments made to you.

You must provide, or have previously provided, your payer with a completed *Tax file number declaration* (NAT 3092) quoting your tax file number or claiming an exemption from quoting it, before you can make a *Withholding declaration*.

- Refer to the Instructions to help you complete this declaration.
- Print neatly in BLOCK LETTERS.
- Print ☐ in the appropriate boxes.

### Section A: Payee's declaration

➤ To be completed by payee.

1 **What is your name?** Title: Mr ☐ Mrs ☐ Miss ☐ Ms ☐ Other   
Family name   
Given names

2 **What is your date of birth?** Day  / Month  / Year

3 **What is your tax file number (TFN)?**

➤ For information about tax file numbers, see instructions.

If you have not provided your TFN, indicate if any of the following reasons apply:

- ☐ I have lodged a TFN application. ☐ I am claiming an exemption because I am a pensioner. ☐ I am claiming an exemption because I am under 18 years of age and do not earn enough to pay tax.

4 **Are you:** (select only one)

- ☐ An Australian resident for tax purposes ☐ A foreign resident for tax purposes Or ☐ A working holiday maker

5 **Do you want to claim the tax-free threshold from this payer?**

- Yes ☐ No ☐ Answer **no** here if you are a foreign resident or working holiday maker, except if you are a foreign resident in receipt of an Australian Government pension or allowance. You must answer **no** at questions 7 and 8.

Only claim the tax-free threshold from one payer at a time, unless your total income from all sources for the financial year will be less than the tax-free threshold.

6 **Do you have a Higher Education Loan Program (HELP), VET Student Loan (VSL), Financial Supplement (FS), Student Start-up Loan (SSL) or Trade Support Loan (TSL) debt??**

- Yes ☐ No ☐

7 **Do you want to claim or vary your tax offset by reducing the amount withheld from payments made to you?**

- Yes ☐ No ☐

Insert your estimated total tax offset amount. ➤ \$

8 **Do you want to claim or vary the seniors and pensioners tax offset entitlement by reducing the amount withheld from payments made to you?**

- Yes ☐ No ☐

Are you:

- ☐ single ☐ a member of an illness-separated couple ☐ a member of a couple

## DECLARATION BY PAYEE

### Privacy

For information about your privacy, visit our website at [ato.gov.au/privacy](https://ato.gov.au/privacy)

-  The tax laws impose heavy penalties for giving false or misleading statements.

*I declare that the information I have given on this form is true and correct.*

Signature of payee

Date 

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## Section B: Payer's declaration

-  To be completed by payer.

### YOUR DETAILS

1 What is your Australian business number (ABN) (or your withholding payer number if you are not in business)? 

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2 What is your registered business name or trading name (or your individual name if you are not in business)?

-  How much should you withhold?

The payee's answers to questions 4 and 5 will indicate which of the weekly, fortnightly or monthly tax tables you should use as the base rate of withholding.

A **yes** answer at question 6 will require an amount to be withheld as specified in the Study and Training Support Loans tax tables.

A **yes** answer at question 7 or 8 will generally require a variation of the rate of withholding specified in the tax tables.

## DECLARATION BY PAYER

### Privacy

For information about your privacy, visit our website at [ato.gov.au/privacy](https://ato.gov.au/privacy)

-  The tax laws impose heavy penalties for giving false or misleading statements.

*I declare that the information I have given on this form is true and correct.*

Signature of payer

Date 

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### Written notice

This declaration will constitute written notice under section 15-15 of Schedule 1 to the *Taxation Administration Act 1953* (TAA 1953) of the Commissioner's approval to vary the amount required to be withheld where:

- the payee has given a completed *Tax file number declaration* to the payer, or they have entered into a voluntary agreement with the payer.
- the payee has notified the payer of the varied rate of withholding in writing on this approved form at section A.

### Storing and disposing of withholding declarations

The information in the completed *Withholding declaration* form must be treated as sensitive. Once you have completed, signed and dated the declaration, file the declaration form. **Do not send the declaration to us.**

Under the TFN guidelines in the *Privacy Act 1988*, you must use secure methods when storing and disposing of TFN information. Under tax laws, if a payee submits a new *Withholding declaration* or leaves your employment, you must still keep this declaration for the current and next financial year.

-  **Do not send this declaration form to us.**

**Sensitive** (when completed)

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## Members retiring or transitioning to retirement



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



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[apss.com.au/MemberAccess](http://apss.com.au/MemberAccess)



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