

>>12 October 2014<<

>>Member Name<<

>>Member Address line 1<<

>>Member Address line 2<<

Dear >>Title and Surname<<

TRANSFER OF YOUR SUPER ARRANGEMENTS

In May 2013 we wrote to you to let you know about the proposed changes to your future super arrangements.

We advised you that Qantas Airways Ltd had acquired Australia Post's interest in Australian air Express (AaE), that AaE would cease to be an 'Associated Employer' of the Australia Post Superannuation Scheme (APSS), and that AaE employee members and their benefits in the APSS would be required to transfer out of the APSS.

Following a review and tender process, the Qantas Superannuation Plan (Qantas Super) was approved as the new fund for AaE employee members and their spouses.

This letter provides you with further detail about the transfer of your defined benefit entitlements in the APSS to Qantas Super.

Please note that the transfer of your defined benefit super is still subject to employer approval and finalisation of outstanding matters. We will notify you of any material changes from the arrangements described in this letter including any changes to the proposed transfer date.

What do I need to do?

You don't need to do anything. The transfer of your defined benefit super to Qantas Super on **1 November 2014** will be automatic if you are an AaE employee on that date, or you ceased employment with AaE before that date but the APSS has not received a benefit payment request from you by 1 November 2014. You will receive an exit statement from the APSS confirming the transfer of your benefits. Unless you have an APSS Member Savings, Rollover or Pension Account that will remain in the APSS after the transfer, you will cease to be an APSS member and will not be able to re-join the APSS in the future.

As you will no longer be an employee member of the APSS, your spouse will no longer be eligible to hold an APSS Spouse Account. If your spouse has an existing APSS Spouse Account, they will receive a separate letter from us about their options for transferring their account balance.

In the coming week you will receive a 'welcome pack' from Qantas Super providing further information about Qantas Super and your defined benefit super arrangements in that Fund.

Further information

Please contact *SuperPhone* on **1300 360 373** or visit **apss.com.au** to send us an email via the 'contact us' page.

Yours sincerely,



APSS Member Services

Your APSS defined benefits

How will the transfer occur?

Your defined benefit super in the APSS will be transferred to Qantas Super on a 'successor fund' basis. This means that the APSS Trustee and Qantas Super trustee have agreed that Qantas Super will provide you with rights in respect of the defined benefits being transferred that are equivalent to those currently provided in the APSS. **The transfer of your defined benefit super from the APSS to Qantas Super will happen automatically.**

When will the transfer occur?

The transfer is scheduled to take place on **1 November 2014**. If you are an AaE employee on this date, then your defined benefit super entitlements in the APSS will cease and your defined benefit super will be provided through Qantas Super effective on and from 1 November 2014.

If you have ceased employment with AaE prior to the transfer date, then unless the APSS receives your completed benefit payment request by 1 November 2014, your defined benefit entitlements will also be transferred to Qantas Super. This means that Qantas Super, not the APSS, will be responsible for the calculation and payment or transfer of your defined benefit entitlement.

Important

Please note that no benefit payments from the APSS will be processed during the week from 27 October to 31 October 2014 as final preparations are made for the Qantas Super transfer. So, if you have recently left employment with AaE and would like your benefit payment processed before 31 October 2014, **please ensure we have received your completed benefit payment request by 24 October 2014.**

How does the transfer impact my APSS defined benefits?

You will still receive defined benefit super in Qantas Super. The benefit formula that applies to your defined benefit entitlements upon retirement or ceasing employment with AaE, will not change as a result of transferring to Qantas Super. Any additional death and/or disablement benefits that you may become entitled to in Qantas Super, will also use the same benefit formula that applied in the APSS.

In the coming week, you will also receive a 'welcome pack' from Qantas Super that will provide you with further information about your defined benefits (including any death and/or disablement benefits) in that fund.

When your defined benefit ultimately becomes payable from Qantas Super, it will be calculated taking into account your total period of service with AaE whilst a member of both the APSS and Qantas Super (unless you are an 'opt out' member – refer page 3).

What happens to my APSS offset accounts?

Any offset accounts you may have in the APSS (including family law accounts, surcharge tax accounts, and other defined benefit offset accounts for amounts released early from your defined benefit super on compassionate grounds or for severe financial hardship) will also be transferred across to Qantas Super on **1 November 2014**. Your current obligation to repay the balance of your offset account(s) to the APSS when your defined benefit becomes payable will effectively be transferred to Qantas Super as part of the transfer process, meaning that the trustee of Qantas Super will become responsible for managing your offset account(s), including recovering these amounts from your defined benefit entitlements.

Will I have to pay any fees or costs for the transfer?

No direct fees or costs will apply in relation to the transfer to Qantas Super and the establishment of your benefits in that fund.

What happens to my member records?

Your APSS membership details including your contact details, date of birth, tax file number (TFN) and other personal information we hold about you and your nominated beneficiaries (if any), will be transferred to Qantas Super in order that they can administer your benefit.

If you need to update any of your details with the APSS ahead of the transfer, please contact *SuperPhone* on **1300 360 373** by no later than **24 October 2014**.

Your APSS defined benefits (continued)

Opt out members

Different benefit arrangements currently apply in the APSS for 'opt out' members – that is, members who have 'opted out' of the APSS defined benefit arrangements by choosing another super fund for AaE's employer contributions (called exercising 'choice of fund').

For opt out members, currently their accrued defined benefit prior to exercising choice of fund remains in the APSS until they cease employment with AaE, however this benefit only grows in line with any Final Average Salary (FAS) increases, and does not take into account any service with AaE after the date they exercised choice of fund. Currently, opt out members are also not eligible for any additional APSS death and/or disablement benefits.

All existing opt out members employed by AaE will be included in the transfer to Qantas Super and we understand that the above benefit arrangements will continue to apply to these members in Qantas Super following the transfer.

Catch up members (14.3% defined benefit members)

If you were a full member of the APSS before 1 July 2000 and you did not contribute an average of at least 5% of your after-tax pay to the APSS before this date, you may be yet to 'catch-up' to the maximum defined benefit that you could be entitled to. In the APSS, you currently have the option to 'catch up' by making additional voluntary contributions as a percentage of your super salary from your after-tax pay, in order to maximise your defined benefit in respect of your employment prior to 1 July 2000.

From the transfer date, the relevant Qantas Super governing rules will include provisions that recognise the 'catch up' contributions previously made by members to the APSS, as well as those made to Qantas Super following the transfer.

This notice contains general information about the Australia Post Superannuation Scheme (APSS). It is not intended to be financial product advice and does not take your personal circumstances into account. Before acting on any information contained in this document you should first consider its appropriateness to your own circumstances. You may wish to seek the advice of a licensed financial adviser. Neither Post Super Pty Ltd nor Australia Post or any Associated Employers holds an Australian Financial Services Licence and, therefore neither is licensed to provide you with financial product advice.
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