

# Westpac Group Plan Transfer Option

May 2023

In this Fact Sheet:

- 'Employer' or 'Westpac' means Westpac Banking Corporation ABN 33 007 457 141.
- 'your Plan' means the Westpac Group Plan in the Corporate Superannuation Division of the Mercer Super Trust. Your Plan has two sections: a Defined Benefit section (which is closed to new members) and an Accumulation section.

## About the Westpac Group Plan Transfer Option

The Westpac Group Plan Transfer Option (Transfer Option) allows you to access your super from the Defined Benefit section of your Plan while you're still employed by Westpac.

You are eligible to choose the Transfer Option if **all** of the following apply to you:

- You're a current employee of Westpac, and
- You're a current member of the Defined Benefit section of Your Plan, and
- You were a defined benefit member in the former Westpac Staff Superannuation Plan before it became the Westpac Group Plan.

If you choose the Transfer Option, your super payout and benefit options are calculated as if you had left employment with Westpac on the day before your transfer is processed. For example, if you choose the Transfer Option before age 55 you would receive the equivalent of your withdrawal benefit, or you would receive the equivalent of your retirement benefit if you choose the Transfer Option at or after age 55.

The way your super can be paid if you choose the Transfer Option depends on your age:

Your age	Your benefit options upon choosing the Transfer Option
If you have reached your preservation age*	<ul style="list-style-type: none"><li>• You can choose to take some or all of your benefit as a retirement pension option and/or purchased pension within the Defined Benefit section of your Plan.</li><li>• Any amount that you do not take as a pension must be transferred as a lump sum to the Accumulation section of your Plan or to another complying super fund that you nominate (unless you have met another condition of release, in which case it may be payable to you in cash).</li><li>• Any unrestricted non-preserved component of your lump sum may be paid to you in cash.</li></ul>
If you have <b>not</b> reached your preservation age*	<ul style="list-style-type: none"><li>• You must transfer your whole benefit as a lump sum to the Accumulation section of your Plan or to another complying super fund that you nominate</li><li>• Any unrestricted non-preserved component of your lump sum may be paid to you in cash.</li></ul>

\* Your preservation age is between ages 55 and 60 depending on your date of birth. Refer to the *Product Disclosure Statement for the Westpac Group Plan – Defined Benefit Members (former Westpac Staff Superannuation Plan members)* at [mercersuper.com.au/westpacgroupplan](https://mercersuper.com.au/westpacgroupplan) for more information.

## Important considerations and risks about the Transfer Option

If you choose the Transfer Option, it's important to be aware that:

- Your membership in the Defined Benefit section of your Plan will cease (although if you are eligible and elect to take a pension, you will become a pension member in the Defined Benefit section for that portion of your benefit).
- You cannot change or reverse your decision to choose the Transfer Option.
- You cannot re-join the Defined Benefit section of your Plan or reinstate your defined benefits or entitlements in the future.
- You will join the Accumulation section of your Plan and all future super contributions and benefits from your transfer date will be calculated under the rules for the Accumulation section of your Plan.
- Superannuation benefits are calculated differently, and different features and options apply, in each section of your Plan. Refer to the following section for more information.
- If you transfer to the Accumulation section, the value of your super in the future may be less than or more than it would have been if you had stayed a member of the Defined Benefit section.

## Features of the Defined Benefit and Accumulation sections of your Plan

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**Warning!** There are important differences between defined benefit and accumulation superannuation arrangements. It's important to understand the features of each section of your Plan, as well as the risks and implications of changing from a defined benefit to an accumulation account, before considering or choosing the Transfer Option. You should seek advice from a licensed, or appropriately authorised, financial adviser tailored to your personal circumstances before making any decisions.

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It's important to understand the features of each section of your Plan to ensure you're making the right decision for your personal circumstances.

As a guide, the following table is a summary only of some key features and differences of each section of your Plan. For full details about each section, you should also carefully read the following documents before making any decisions:

- **For details of the Defined Benefit section:** please read the Product Disclosure Statement (PDS) and incorporated booklets for Westpac Group Plan – Defined Benefit Members (former Westpac Staff Superannuation Plan members) at [mercercsuper.com.au/westpacgroupplan](https://mercercsuper.com.au/westpacgroupplan), and
- **For details of the Accumulation section:** please read the PDS and incorporated booklets for the Employer Super section of the CSD at [mercercsuper.com.au/pds](https://mercercsuper.com.au/pds), as well as the *Your Plan Guide* booklet for the Accumulation section of your Plan.

Feature	In the Defined Benefit section of your Plan	In the Accumulation section of your Plan
<p><b>How a super benefit is calculated</b></p>	<p>Your benefit is generally calculated as the greater of:</p> <ul style="list-style-type: none"> <li>a defined benefit, calculated using a formula based on how long you've been a member of your Plan, your nominated contribution rate and your salary</li> </ul> <p><b>or</b></p> <ul style="list-style-type: none"> <li>an accumulation-style benefit, calculated based on your nominated contributions, investment returns (based on investment performance of your Plan's defined benefit assets, which may be positive or negative), plus an amount funded by your Employer.</li> </ul> <p>If you have a SuperSave or Offset (surcharge or early release) account, these balances are added to or deducted from your benefit where relevant.</p> <p>Refer to the PDS for defined benefit members of your Plan for more on how these benefits are calculated.</p>	<p>Your benefit is an account balance equal to the sum of any rollovers (e.g. any lump sum you transfer as part of the Transfer Option) plus any employer or personal contributions to your account.</p> <p>Your account balance is adjusted for investment returns, which may be positive or negative. Investment returns depend on the investment option(s) you choose (or the default option if you don't make a choice).</p> <p>Fees and costs, insurance premiums and taxes (where applicable) are deducted from your account balance.</p>
<p><b>How your super benefit grows</b></p>	<p>Your super benefit grows depending on the factors that determine how it's calculated:</p> <ul style="list-style-type: none"> <li>Your <b>defined benefit</b> grows based on an increase in your years of membership of the Plan, your nominated contributions and your salary. Your defined benefit is not affected by investment returns.</li> </ul> <p><b>or</b></p> <ul style="list-style-type: none"> <li>Your <b>accumulation-style benefit</b> grows with your nominated contributions and grows (or reduces) based on investment performance. The trustee determines the credited interest rate that applies to this benefit. This rate is based on the investment performance of your Plan's defined benefit assets and may be positive or negative. This credited interest rate also applies to your surcharge and early release accounts (if any).</li> </ul> <p>Your SuperSave account balance grows with your contributions and grows (or reduces) based on investment returns. These returns depend on the investment options you choose (or the default option if you don't make a choice) and may be positive or negative.</p>	<p>Your super benefit (account balance) grows with contributions and changes based on investment returns. These returns depend on the investment options you choose (or the default option if you don't make a choice).</p> <p>With an Accumulation account, you bear the investment risk and your account balance may increase with positive investment returns or decrease if investment returns are negative.</p> <p>Fees and costs, insurance premiums and taxes (where applicable) will also reduce your account balance.</p>

Feature	In the Defined Benefit section of your Plan	In the Accumulation section of your Plan
<b>Employer contributions</b>	<p>For your <b>defined benefit</b>, your Employer contributes to the Defined Benefit section of your Plan as a whole, at a rate determined by the Plan's actuary, to fund the benefits of all defined benefit members.</p> <p>For your <b>accumulation-style benefit</b>, your Employer contributes a percentage* of your Superannuation Salary to your SG account. Your SG account may or may not form part of your final benefit.</p> <p>Other employers cannot contribute to the Defined Benefit section of your Plan.</p> <p>Contribution caps apply in both the Defined Benefit and Accumulation sections. However, a 'notional employer contribution' is calculated in the Defined Benefit section.</p> <p>* This percentage is a minimum of the Superannuation Guarantee (SG) rate required by law. A maximum SG contribution may also apply.</p>	<p>Your Employer contributes a percentage of your Superannuation Salary (based on the compulsory SG rate) to your account.</p> <p>Although the law provides a maximum salary level for which employers must make SG contributions, your Employer does not currently limit its contributions if your Superannuation Salary exceeds this level.</p> <p>Any employer can contribute to an Accumulation account.</p> <p>Contribution caps apply in both the Defined Benefit and Accumulation sections.</p>
<b>Your contributions</b>	<p>You can choose how much you'd like to contribute and how the contributions are allocated.</p> <p>You can make:</p> <ul style="list-style-type: none"> <li>• nominated contributions between 0% and 8% (which generally count towards your defined benefit accrual rate)</li> </ul> <p>and/or</p> <ul style="list-style-type: none"> <li>• SuperSave contributions of any amount.</li> </ul> <p>You can contribute from your before-tax salary (salary sacrifice) or after-tax pay.</p> <p>You can change your contributions at any time.</p> <p>Contribution caps apply in both the Defined Benefit and Accumulation sections.</p>	<p>You can choose how much you'd like to contribute.*</p> <p>You can contribute from your before-tax salary (salary sacrifice) or after-tax pay.</p> <p>You can change your contributions at any time.</p> <p>Other types of contributions, such as spouse contributions or Downsizer contributions may also be accepted to your account.</p> <p>Contribution caps apply in both the Defined Benefit and Accumulation sections.</p> <p>* When you first choose the Transfer Option, the same dollar amount of contributions you were making to the Defined Benefit section will apply in the Accumulation section – you can change your contribution arrangements at any time.</p>

Feature	In the Defined Benefit section of your Plan	In the Accumulation section of your Plan
<b>Fees and other costs, including insurance premiums</b>	<p>Fees and other costs, including insurance premiums, are paid by your Employer or deducted from the defined benefits assets of your Plan. They are not an additional cost to you.</p> <p>Administration fees and costs apply to your SuperSave account balance. Investment fees and costs and transaction costs also apply to your SuperSave account and the amount depends on the investment options you are invested in. These fees and costs are deducted through unit pricing and are reflected in your SuperSave account balance.</p> <p>Member activity related fees and costs, such as family law fees, will be charged to you if they apply to you.</p>	<p>Administration fees and costs apply to your account balance. Investment fees and costs and transaction costs also apply to your account and the amount depends on the investment options you are invested in. These fees and costs are deducted through unit pricing and are reflected in your account balance.</p> <p>Insurance premiums for any cover, including any cover transferred from the Defined Benefit section, are deducted from your account balance and reduce the value of your super. Premiums depend on your age and your cover amount and may be a significant deduction from your account balance.</p> <p>Member activity related fees and costs, such as family law fees, will be charged to you if they apply to you.</p>
<b>Investment choice</b>	<p>You do not have investment choice for your main components or accounts within the Defined Benefit section.</p> <p>Investment choice only applies to your SuperSave account balance. You can select from a range of 8 investment options for your SuperSave account.</p> <p>Your SuperSave account balance is subject to investment risk and is affected by investment returns, which may be positive or negative.</p>	<p>You have investment choice for your whole account balance.*</p> <p>You can select from a range of more than 25 investment options for your account.</p> <p>Your whole account balance is subject to investment risk and is affected investment returns, which may be positive or negative.</p> <p>* When you first choose the Transfer Option, the lump sum portion of your benefit (excluding your SuperSave account) will be invested in the Accumulation section in your choice of the Mercer Growth or Mercer Cash investment options (or Mercer SmartPath<sup>®</sup> if you do not make a choice) until you elect otherwise. Your SuperSave account balance will remain invested in accordance with your most recent investment direction until you elect otherwise. Any future contributions to your Accumulation account will be invested in Mercer SmartPath until you elect otherwise.</p>

Feature	In the Defined Benefit section of your Plan	In the Accumulation section of your Plan
<p><b>Benefits in the event of:</b></p> <ul style="list-style-type: none"> <li>• <b>Death (including Terminal Illness (TI))</b></li> <li>• <b>Total and Permanent Disablement (TPD)</b></li> <li>• <b>Total and Temporary Disablement (TTD)</b></li> </ul>	<p><b>Insurance cover</b></p> <p>You are automatically covered for death (including TI), TPD and TTD.</p> <p>The benefit payable in the event of an accepted claim for death, TI or TPD is not a separate payout to you. The benefit is built into the way your defined benefit is calculated. For example, a death or TPD benefit is calculated as if you had retired on your 60th birthday. The future portion of this calculation is insured with your Plan's insurer.</p> <p>A TTD benefit is an additional payment and this benefit is insured with the Plan's insurer. There is no additional cost to you for these insured benefits. Insurance premiums are paid by your Employer or deducted from the defined benefit assets of your Plan.</p> <p>You cannot decrease or cancel your amount of Death, TPD or TTD cover and you cannot purchase additional insurance cover.</p> <p>The terms and conditions of insurance cover, including eligibility for a claim, definitions of disablement and when cover ends, may be different between the Defined Benefit and Accumulation sections. You should refer to the PDS and applicable documents for each section for more information.</p> <p>A lifetime pension option is generally available in the event of a TPD or death benefit – refer to the 'Pension options' section of this table for more details.</p> <p><b>Death beneficiaries</b></p> <p>In the event of your death, the trustee must decide who receives your death benefit payout.</p> <p>You can tell us who you would prefer to receive your death benefit by making a non-binding death benefit nomination. The trustee is not legally bound by your preferences but will take them into account.</p>	<p><b>Insurance cover</b></p> <p>Any insured amount* of Death (including TI) and TPD cover you had as a defined benefit member may be automatically transferred to the Accumulation section of your Plan as fixed cover (some eligibility criteria and a maximum benefit amount apply).</p> <p>TTD cover cannot be transferred to the Accumulation section.</p> <p>The benefit payable in the event of death, TI or TPD in the Accumulation section is equal to your account balance plus any insured benefit amount accepted by the insurer.</p> <p>You can decrease or cancel your amount of Death and TPD cover. You can also purchase additional insurance cover, subject to the insurer's application process.</p> <p>Insurance premiums for any Death and TPD cover, including any cover transferred from the Defined Benefit section, are deducted from your account balance and reduce the value of your super. Premiums depend on your age and your cover amount and may be a significant deduction from your account balance.</p> <p>* Your cover amount is calculated as the benefit amount that would have been payable if you had died or been assessed as TI or TPD (as applicable) on the date you ceased to be a defined benefit member of your Plan, <b>less</b> the amount that would have been payable if you left Westpac at that date. If you are aged 60 or over, your cover amount will be nil.</p> <p><b>Death beneficiaries</b></p> <p>In the event of your death, the trustee must decide who receives your death benefit payout. However, you can make binding death benefit nomination that the trustee is legally bound to follow.</p>



Feature	In the Defined Benefit section of your Plan	In the Accumulation section of your Plan
<p><b>Pension options</b></p>	<p>If you retire at or after age 55, choose the Transfer Option at or after your preservation age, or become TPD while employed by Westpac, you can choose to convert some or all of your retirement or TPD lump sum to a lifetime pension (which includes a reversionary pension after your death, payable to your spouse for life).</p> <p>In the event of your death while employed by Westpac, your spouse can convert part of their death benefit lump sum entitlement to a lifetime pension.</p> <p>With a lifetime pension, the amount you receive in pension payments each year is set by the rules for your Plan. Your payment amount is indexed each year. You do not have an individual account with this type of pension and there is generally no flexibility to withdraw extra money. You continue to receive payments for life and a percentage of your pension may continue to be paid to your spouse or dependants after your death. Generally, you pay no fees and costs for a lifetime pension, as these are met by your Employer from the defined benefit assets of your Plan.</p>	<p>Lifetime pensions are not available in the Accumulation section.</p> <p>You can choose to invest some or all of your account balance in an allocated pension, including a transition to retirement (TTR) allocated pension, subject to certain eligibility criteria.</p> <p>With an allocated pension, the amount you choose to invest becomes your opening account balance. You can choose how much you want to receive in pension payments each year (subject to some government limits) and you may have the flexibility to withdraw extra money from your account if needed (eligibility conditions apply). You can choose investment options for your account, and your balance may rise or fall depending on whether investment returns are positive or negative. Your pension payments stop once there is no money left in your account. Any balance remaining in your account is paid to your dependants and/or legal personal representative (your estate) after your death. Fees and costs are deducted from an allocated pension account.</p>
<p><b>Moving super between funds or products</b></p>	<p>Other than under the rules for the Transfer Option, you cannot transfer your defined benefits to another super fund or product unless a benefit becomes payable because you have left your Employer.</p> <p>You can transfer your SuperSave account balance to another super fund at any time.</p>	<p>You can transfer part or all of your account balance to another super fund or product at any time, subject to any minimum withdrawal and remaining balance rules that apply.</p>

## Next steps

There is no requirement for you to choose the Transfer Option at any time. Deciding whether it's best for you to choose the Transfer Option or remain in the Defined Benefit section of your Plan will depend on your individual objectives, financial situation and needs. The Transfer Option is available to give you and your financial adviser the flexibility to work out which financial strategies are best suited to your circumstances.

If you don't choose the Transfer Option, your membership in the Defined Benefit section will continue until you advise us otherwise, or until a benefit becomes payable because you leave employment with your Employer.

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## How to choose the Transfer Option

To choose the Transfer Option, please complete the *Transfer Option* form available at [mercersuper.com.au/westpacgroupplan](https://mercersuper.com.au/westpacgroupplan).

Once we receive your completed form, we will process your transfer request within 30 days (although this may take longer if you're paid monthly by your Employer).

The date your form is processed is called your 'transfer date'. Your benefits in the Defined Benefit section of your Plan will continue until your transfer date. If you are eligible for and choose to take a pension as part of your Transfer Option request, your pension will start on the day immediately after your transfer date. You will also join the Accumulation section of your Plan, in relation to future super contributions and benefits, on the day immediately after your transfer date.

## If you need more information or assistance

If you need more information about the Transfer Option or your defined benefit super arrangements or entitlements, please contact the Helpline for the Defined Benefit section of your Plan:

- Call **1800 227 262** from 8.30am to 5.30pm AEST Monday to Friday
- Email [wsspadmin@linksuper.com](mailto:wsspadmin@linksuper.com).