



AFL PLAYERS' ASSOCIATION PLAYER RETIREMENT ACCOUNT





OVERVIEW

WHAT IS THE AFL PLAYERS' ASSOCIATION PLAYER RETIREMENT ACCOUNT?

First established on 1 January 1999, the Player Retirement Account (PRA) was created to assist players in their transition into retirement from the game.

In 2012, the PRA was updated to provide improved benefits to players in both a lump sum and periodic payments.

The AFL Players' Association (AFLPA) PRA is already considered one of the leading player retirement account programs in Australian sport, but through the above advancements, increased contributions into the PRA negotiated through the 2017-2022 CBA, as well as improvements made to the program via the recent tender, players will be provided with greater financial security as they retire from the game.

HOW DO YOU JOIN THE PLAYER RETIREMENT ACCOUNT?

When you first become a member of the AFLPA, you are automatically eligible for the benefits provided under the regulations that govern the PRA.

The program provides for the AFLPA to allocate an annual contribution into a retirement account managed by the AFLPA. This contribution is legally held by the AFLPA and only available to you when you retire from AFL football. The quantum of the contribution the AFLPA makes is based on your years of service to the game. The annual contributions are payments made by the AFLPA as negotiated by the AFL Players' Association in the 2017-2022 and future CBA's to support Members following their retirement as an AFL Player.

In every year an AFLPA member is on the list of an AFL club, a financial contribution is allocated into the PRA, which grows over time. The player then qualifies to receive the benefits of the program in the years after his playing career is over.

If you continue to be a member of the AFLPA during your AFL career, you will remain eligible to receive the benefits provided under the regulations upon your retirement as an AFL Player.

WHAT ARE THE ADVANTAGES OF THE PLAYER RETIREMENT ACCOUNT AND WHY IS IT SO IMPORTANT?

The introduction of annual periodic payments means benefits accrue within the AFLPA for a longer period. The power of compound growth of the income and capital gains are added to the balance for the future benefit of Members each year.

The purpose of the PRA is to assist players financially transition into the next phase of their life. Drawing part of a player's entitlement as a periodic payment over a number of years post retirement from the AFL will help Members meet the various costs of living they will incur later in life.

Under the PRA, the AFLPA have also secured a Class Ruling on behalf of players from the ATO (CR2017/31). This Tax Ruling confirms the initial lump sum paid to players will be treated as an Employment Termination Payment (ETP) when it is received in July following the player's retirement. Note this ruling is reviewed by the ATO periodically and cannot be guaranteed post the term of the ruling.

BENEFITS

HOW ARE THE ANNUAL AFLPA CONTRIBUTIONS UNDER THE PLAYER RETIREMENT ACCOUNT DETERMINED?

Each AFL season you are on the list of an AFL club (including if you are added via the Supplementary Signing Period or Mid-Season Draft), the amounts set out in the table below will be allocated to the PRA for your future benefit. The amount is then invested with the earnings added to calculate your future entitlement. Each further year you are on the list of an AFL club, an additional amount will be allocated into the account for your future benefit, added to the existing balance and adjusted by the investment performance. The annual allocations are made by way of three separate payments as follows:

- **February** – 25% of the annual contribution
- **May** – 25% of the annual contribution
- **August** – 50% of the annual contribution

Retirement Account benefits as follows:

Player Service Category	2012-2016 CBA PRA Payment	2017-19 & 2022 CBA PRA Payment	2020 CBA PRA Payment	2021 CBA PRA Payment	2023 CBA PRA Payment
Rookies	\$7,000	N/A	N/A	N/A	N/A
1st Year	\$10,000	\$10,560	\$2,640	\$7,040	\$11,780
2nd Year	\$12,000	\$12,672	\$3,168	\$8,448	\$14,136
3rd and 4th Year	\$14,000	\$14,784	\$3,696	\$9,856	\$16,492
5th Year	\$15,000	\$15,840	\$3,960	\$10,561	\$17,670
6th Year	\$16,000	\$16,896	\$4,224	\$11,265	\$18,847
7th Year	\$17,000	\$17,952	\$4,448	\$11,969	\$20,025
8th Year	\$18,000	\$19,008	\$4,752	\$12,673	\$21,203
9th Year	\$19,000	\$20,964	\$5,016	\$13,377	\$22,381
10th Year	\$20,000	\$21,120	\$5,280	\$14,081	\$23,559

Note: 2023 PRA Contributions have increased by 11.55% on 2022.

Note: For the purpose of the 2012-2016 PRA, a "Rookie" receives a Rookie allocation regardless of the number of years on an AFL list. Under the 2017-2022 CBA, "Rookie" allocations no longer apply with "Rookies" to receive a contribution based on the number of years they have been on an AFL list (same as a primary listed player).

Note: Supplementary Signing Period and Mid-Season Draft players will receive the full allocation noted in the above table based on your year of service on an AFL Club list.

Note: Any player returning onto an AFL club list having previously been retired from the AFL competition, will have their prior years' service on an AFL club list recognised when the appropriate contribution amount is being determined.

ANNUAL TELSTRA MARKETING COMMITMENT CONTRIBUTIONS

A pool of funds may be available to be contributed to the PRA each AFL season regarding funds derived from the Telstra Marketing Program. This payment will take place in October each year the Telstra program is in operation. The amount of the contribution is unknown as the amount is linked to the composition of the entire AFL playing list each season. The AFLPA Board has determined the allocation of the contribution for the benefit of Members'

PLAYER SERVICE CATEGORY	TELSTRA MARKETING PROGRAM CONTRIBUTIONS
1st Year	X
2nd Year	1.2*X
3rd & 4th Year	1.4*X
5th Year	1.5*X
6th Year	1.6*X
7th Year	1.7*X
8th Year	1.8*X
9th Year	1.9*X
10th Year	2*X

Note: "X" is the minimum amount payable determined by the AFLPA Board

COLLECTIVE BARGAINING AGREEMENT (CBA) REVENUE SHARE CONTRIBUTIONS

As part of the 2017-2022 CBA, the AFL may be required to make an additional "revenue share payment" to the AFLPA for either or both of the periods 1 November 2016 to 31 October 2019 (First Period) and/or 1 November 2019 to 31 October 2022 (Second Period) with regards to the financial performance of the AFL and AFL clubs. The revenue share payments for both the "First Period" and "Second Period" will only be made once the amounts are audited and agreed, with the payments for both periods anticipated to be made in November 2022.

The revenue share payment shall be attributed in equal parts to each year of the relevant period to which it relates (i.e. in the case of both the “First Period” and “Second Period”, one third of the review payment shall be attributed to each year of the relevant period).

The AFLPA Board has determined the minimum amount allocated for the benefit of a player within the Retirement Account for each relevant year from the revenue share payment will be calculated as follows:

PLAYER SERVICE CATEGORY	2017-2022 CBA REVENUE SHARE CONTRIBUTIONS
1st Year	X
2nd Year	1.2*X
3rd & 4th Year	1.4*X
5th Year	1.5*X
6th Year	1.6*X
7th Year	1.7*X
8th Year	1.8*X
9th Year	1.9*X
10th Year	2*X

ARE THERE ANY ADDITIONAL BENEFITS?

The retirement benefit that you are entitled to receive after you retire or are delisted will be enhanced where you have served on the Board of the AFLPA, or been a Delegate or Alternate Delegate at an AFL club on or after 1st November 2011. The additional amount contributed to the Retirement Account on your behalf will be calculated as follows:

POSITION HELD	ADDITIONAL BENEFIT
Board Member (2016 onwards)	\$5,000 per AFL Season
Board Member (1999 - 2015)	\$4,000 per AFL Season
Delegate	\$2,000 per AFL Season
Alternate Delegate (1999 - 2014)	\$500 per AFL Season

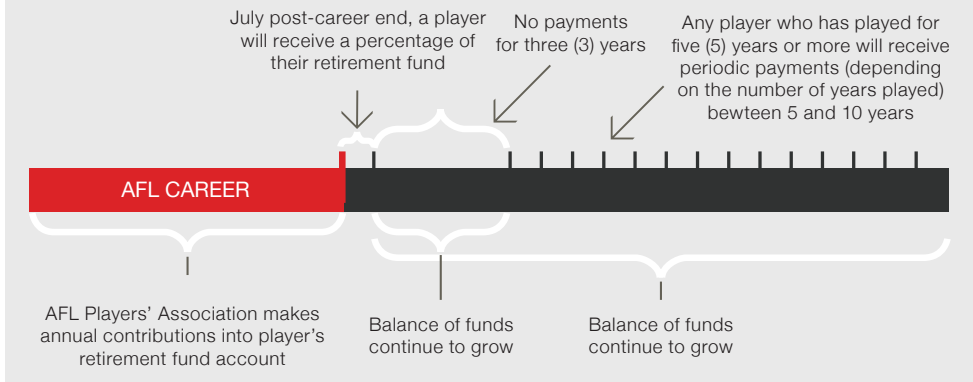
WHEN DO YOU RECEIVE YOUR BENEFITS?

You are paid a lump sum from your benefits in July the year after your career ends. The balance of your Retirement Account will continue to be managed by Equity Trustees (EQT) for a period dependent on your length of service in the game. The amount not paid on retirement will continue to be invested by the AFLPA and accrue investment earnings.

The following rules will apply to the payment of your benefits as a retirement lump sum and then as a periodic payment:

- For a player with 1–5 years’ service**
 You will receive the entire amount of your benefits from the Retirement Account as a lump sum in July post your career ending.
- For a player with 6–7 years’ service**
 You will receive 30% of your accrued benefits from the Retirement Account, as a lump sum in July the year after your career ends. The balance in your account is then retained for a further three (3) years. After that three (3) year period the balance is payable to the Member in periodic instalments over a five (5) year period.
- For a player with 8+ years’ service**
 You will receive 30% of your accrued benefits from the Retirement Account, as a lump sum in July in the year after your career ends. The balance in your account is then retained for a further three (3) years. After that three (3) year period the balance is payable to the Member in periodic instalments over a ten (10) year period.

WHEN WILL THE PLAYER RETIREMENT ACCOUNT BENEFITS BE PAID?



WHY DO YOU HAVE TO WAIT UNTIL JULY POST YOUR CAREER ENDING FOR THE INITIAL PAYMENT AND THEN THREE YEARS FOR THE BALANCE?

The initial 8-month period is to ensure when you are delisted or retire, you have actually ended your AFL playing career. It also allows you the opportunity to receive appropriate advice and solidify your plan for life after football before you receive a significant cash injection.

WHAT IF YOU HAVE PLAYED BOTH PRIOR TO & AFTER THE 31ST OCTOBER 2011 AND WHAT ARE THE BENEFITS?

If you were on the list of an AFL Club prior to 31st October 2011, your projected benefit for each year that you were on the list (Primary, Veterans or Rookie) for that full AFL season is set out in the table (below).

AFL SEASON	SENIOR LISTED ANNUAL BENEFIT	ROOKIE LISTED ANNUAL BENEFIT
2005	\$13,000	\$2,000
2006	\$13,000	\$2,000
2007	\$13,000	50% of the Senior list benefit
2008-2011 (inclusive)	\$14,000	

If you have played both before and after 31st October 2011, your benefit will consist of an amount calculated in accordance with the rules governing the old Defined Benefit PRA for your pre 31st October 2011 service and an amount calculated in accordance with the rules governing the current PRA for your post 1 November 2011 service.

The total years that you have been on the list of an AFL club/s will determine under which of the scenarios your benefits will be paid out.

As all funds relating to the old Defined Benefit PRA have now been rolled into players current PRA held with EQT, upon retirement or being delisted from the industry, you will have:

- (a) an amount in your account consisting of the sum of the yearly contributions plus any investments earnings accrued per the current PRA program for the post 31st November 2011 service; and
- (b) an amount in your account regarding the old Defined Benefit PRA program, net of any investment movements since being contributed into your account held with EQT, for the pre-31 October 2011 service.

ADDITIONAL BENEFITS

You may be entitled to other additional benefits for:

A. AFLPA representative service

See page 5 above.

POSITION HELD	ADDITIONAL BENEFIT
Board Member	\$4,000 per AFL Season
Delegate	\$2,000 per AFL Season
Alternate Delegate	\$500 per AFL Season

B. An In Lieu Private Health Insurance Allowance

If you were on the list of an AFL club in AFL season 2010 and/or 2011, you would be entitled to an additional benefit of \$1,500 for each AFL season you were on the list. Note that all additional benefits detailed above have been contributed into your PRA managed by EQT and will be reflected in your account balance.

INVESTMENT OF FUNDS

ARE THERE ANY RISKS OF INVESTING?

The aim of investing is to increase the value of funds over time and in the case of the PRA, payments to you after your retirement. This involves investing in different asset classes including but not limited to cash, fixed interest, property, equities and alternate assets etc.

With any investment there is some degree of risk. Each of the asset classes has a different level of expected return and risk. Equities, property and some alternative investments have the potential for high returns but have a greater risk of loss, particularly in the short to medium term. Cash and fixed interest investments generally have lower yet more stable returns. This means that there is a risk that you may lose some of your money. Your risk profile will vary depending on a range of factors including age, investment timeframe, your other investments or assets and your risk tolerance. When investing, it is important to understand that:

- markets can be volatile and hence the value of investments can fluctuate up and down;
- past returns are not a reliable indicator of future returns; and
- investment returns and capital values are not guaranteed, an investment may fall in value.

There are a range of specific risks that may affect the value of an investment. These include, but are not limited to:

- Market risk – Change factors such as legal and economic policy, political events, technological change and economic cycles can influence the general level of equity markets directly and indirectly.
- Company specific risks – Equity or Share investments may fluctuate based on company specific factors.
- Currency risk – International investments can be impacted by exchange rate movements.
- Fund of Fund risk – Investment performance may be impacted by the performance of the underlying funds it invests in.
- Inflation risk – There is the risk that returns will not be sufficiently higher than inflation to meet the investment options objectives.
- Interest rate risk – Changes in interest rates can directly and indirectly impact on investment returns. For example, an increase in interest rates generally slows economic growth and may lower asset valuations.
- Liquidity risk – There may be times when securities may not be readily sold.
- Management risk – Actively managed investments are subject to investment techniques and risk analyses to make informed investment decisions, but there can be no guarantee that these will produce the desired results.

WHAT ARE THE DEFAULT INVESTMENT OPTIONS?

The AFLPA PRA Committee in conjunction with EQT, other external consultants and the AFLPA Board has considered the risks of the range of investments available, while also recognising that in general the higher the investment risk the higher the long-term expected investment return and the greater the volatility in returns.

Consistent with the objectives of the PRA, the Committee has determined that an appropriate balance between risk and return for PRA members will be achieved by the PRA providing the following two investment options as default positions if the Player does not proactively request the AFLPA consider the investment strategy applicable to the Retirement Account allocation referable to them:

- **AFLPA PRA Conservative Option**
 - 30% growth
 - 70% defensive investments
- **AFLPA PRA Growth Option**
 - 70% growth
 - 30% defensive investments

DEFAULT INVESTMENT OPTION STRATEGIES

	CONSERVATIVE	GROWTH
Investment objectives	Over a rolling seven year period to achieve a gross return over inflation of 1% p.a. (net of fees and expenses)	Over a rolling seven year period to achieve a gross return over inflation of 4% p.a. (net of fees and expenses)
Level of risk	Low	High
Expected no. of negative years returns	1 in 10 years	1 in 4 years

These will be provided as default options according to the rules as follows:

- If you are in your 4th or earlier playing year, or have completed your playing career with four (4) or less years played: 100% will be invested in the AFLPA PRA Conservative Option.

- If you are in your 5th or later playing year, or have completed your playing career with five (5) or more years played: 100% will be invested in the AFLPA PRA Growth Option.

- Any Member can request the AFLPA switch the applicable investment strategy up to two times a year in February and August to any one of the investment options on the following page.

WHAT ARE THE INVESTMENT OPTIONS AVAILABLE TO PLAYERS TO PROACTIVELY CHOOSE?

FUNDS INVESTED IN ASSETS	HIGH GROWTH	GROWTH OPTION	BALANCED OPTION	CONSERVATIVE OPTION
Australian equities	40%	30%	20%	10%
International equities	40%	30%	20%	10%
Property	10%	10%	10%	10%
Growth alternatives	0%	0%	0%	0%
GROWTH ASSETS	90%	70%	50%	30%
Fixed income	6%	15%	25%	30%
Defensive alternatives	4%	12.5%	20%	30%
Cash	0%	2.5%	5%	10%
DEFENSIVE ASSETS	10%	30%	50%	70%
TOTAL ASSETS	100%	100%	100%	100%

*Based on EQT long-term benchmarks

AVAILABLE INVESTMENT OPTION STRATEGIES

	CONSERVATIVE	BALANCED	GROWTH	HIGH GROWTH
Investment objectives (over a rolling 7-year period)	A total return of inflation +1% pa (net of fees & expenses)	A total return of inflation +2.5% pa (net of fees & expenses)	A total return of inflation +4% pa (net of fees & expenses)	A total return of inflation +4.5% pa (net of fees & expenses)
Level of risk	Low	Moderate	High	High
Expected no. of negative years returns	1 in 10 years	1 in 5 years	1 in 4 years	1 in 4 years

*inflation is defined as CPI (Consumer Price Index)

When you commence your fifth playing year, your accumulated balance will be automatically switched from the Conservative to the Growth Option should you not have exercised in your first four years your option to request the AFLPA switch the investment strategy applicable to your allocation. Once retired or delisted and not redrafted, should your investment be in a High-Growth, Growth or Balanced Option, the allocation of funds within the Retirement Account will automatically be rolled over into the Conservative option unless you request that you do not want this to occur. EQT will communicate with players each year advising the cut-off date for requests not to transfer need to be received by.

For more information on switching, please contact Equity Trustees on:

• Steve Najdovski (03) 8623 5239 or
AFLMembers@eqt.com.au

WHO IS THE INVESTMENT MANAGER OF THE AFLPA RETIREMENT ACCOUNT?

Equity Trustees (EQT) is the current investment advisor to the AFLPA PRA. As a Trustee company, EQT has a fiduciary responsibility to provide their clients with the highest duty of care.

EQT's Asset Management team draws on decades of experience, taking a prudent, disciplined and long-term approach to the management of client portfolios to generate growth while managing risk. To achieve this, they combine in-house capabilities with the best external domestic and international fund managers that are diversified both across and within asset classes.

EQT Asset Management is a signatory to the United Nations supported Principals for Responsible Investment.



TAXATION

IS ANY TAX DEDUCTED FROM MY PAYMENTS?

The program deducts PAYG withholding at a rate of 32% from the initial lump sum payable to a player in July post their retirement/delisting. The receipt of this income will be reported in your income tax return in the year of receipt. The AFLPA has obtained an ATO ruling (CR 2017/31) that the initial lump sum payment will be treated as an Employment Termination Payment (ETP).

Periodic payments made to members will also be taxable in the hands of the member as ordinary income.

PAYG withholding will be withheld at a rate of 32% by the AFLPA prior to payments being made to players upon providing a valid Tax File Number (TFN).

Income received from the PRA and PAYG withheld from payments received will be reported to the ATO via Single Touch Payroll (STP) and automatically appear in your PAYG Summary for the year in question.

Members need to seek their own advice as to the impact receipt of benefits from the PRA has on their own financial circumstances.

DOES THE AFLPA PAY INCOME TAX ON INVESTMENT RETURNS?

Under current tax arrangements, no taxes are payable with regards to allocations made to the PRA or investment returns while your allocation is retained within the PRA under the ownership of the AFLPA. Income tax will be payable by the Member when amounts are paid to you.

FEES

The PRA is based upon the establishment and maintenance of individual member accounts for each of the contribution amounts made in respect of service on and/or after 1st November 2011. Your accounts are updated to include the contributions made into your individual account as well as the value of investment returns.

The AFLPA has appointed EQT to provide administration and investment management services to establish and maintain these accounts, enable online access to information in the accounts for each member via the PRA portal and manage the investments of the PRA. An annual administration fee will be charged to your individual account each year and will appear on your annual statement

Management fees include amounts payable for administering and operating different Funds, investing the assets and indirect costs if applicable. Investment managers charge investment management fees (which can include a performance fee) that are calculated with each investment manager. These fees will form part of the unit price relating to investments held. In managing the assets, transaction costs such as brokerage or buy-sell spreads may be incurred.

Other expenses are variable and may include, financial statement audit fees, general tax consulting expenses and other charges incurred to administer the PRA program.

Note that the AFLPA Lifetime Membership fee will also be deducted from your initial lump ETP paid to you in July post your retirement/delisting from the AFL.

WHEN YOU FINISH PLAYING

WHAT HAPPENS WHEN YOU RETIRE FROM THE AFL?

Post completion of the season you retire from the game, should your PRA allocation be invested in a “High-Growth”, “Growth” or “Balanced” investment option, you will be contacted by EQT to nominate whether you would like to request the AFLPA retains this current investment option. Should you not make a nomination by the date provided, your allocation will be managed as part of the “Conservative” default investment Option.

EQT will contact you leading up to your initial lump sum ETP in July, requesting various key information required for the payment to be made. This information will include your Tax File Number (TFN and bank account details where the payment is to be made.

Post payment of your ETP, any remaining balance of the PRA amount allocated on your behalf will be re-invested over a further three-year period, before being paid out as annual periodical payments in May each year, over either five, or ten years depending on the number of years spent on the list of an AFL club.

ARE YOU ABLE TO GET EARLY ACCESS TO THE FUNDS IN YOUR ACCOUNT?

In keeping with the broad intention of the PRA to provide retirement income benefits, it is envisaged that early releases will only occur infrequently and subject to a narrow set of conditions, such as in a situation whereby you had retired and:

- are experiencing or are likely to experience financial hardship;
- have current or impending significant costs or expenses that would be alleviated by an early release;

- have been totally and permanently disabled; or

- have a terminal illness.

In these limited cases, you may apply for an early release of all or part, of your PRA. Importantly, please note that you must have retired to request an early release.

The AFLPA CEO, in their absolute discretion, will consider all early release submissions. If the AFLPA CEO is satisfied that one or more of the above conditions have been met, the CEO of the AFLPA may grant an early release of part, or all, of a player’s Retirement Benefit on such terms and conditions as the CEO may, in their absolute discretion determine.

Should you wish to make an early release application from your PRA, please contact Equity Trustees as follows:

- Karina Wagner (08) 8127 1740 or AFLPAMembers@eqt.com.au

WHAT HAPPENS IF YOU DIE WHILST HAVING AN ALLOCATION IN THE PRA?

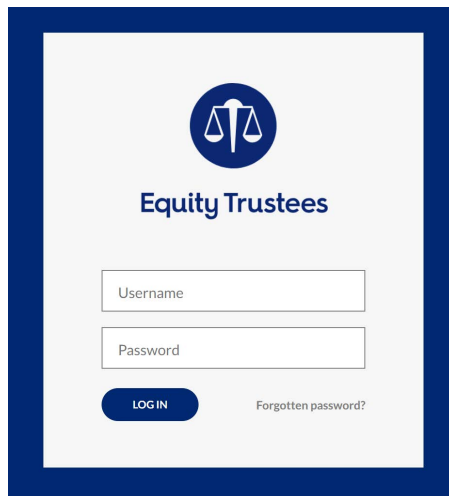
In the event of death, the balance of your account will in normal circumstances form part of your Estate.

As a general rule, the funds would only be released upon providing a Grant of Probate or Letters of Administration, as applicable.

MEMBER CUSTOMER SERVICE

You will be able to access details regarding the allocation held by the AFLPA for your future benefit by visiting the AFLPA PRA Portal, which is managed by EQT. You can access the portal via the following link (<https://aflpa.eqt.com.au/login>) or the AFL Players' Portal.

EQT manages the online registration process, and will provide you with a client number. Members will be able to set their own password to access their specific information online. The portal will provide access to online statements, balances, allocations, payments, investments and investment returns. Members will also be able to update personal details, retrieve any PRA related communications provided by EQT, request investment switches, calculate estimated future balance and payment estimates and make early release applications. Should members require their PRA portal login details to be reset, you will need to follow the relevant prompts on the login page.



PRIVACY

Keeping your personal information confidential is very important to us and it will be dealt with carefully and sensibly.

Your personal information is important for the proper management of the PRA. We receive and store information on secure databases maintained by the AFLPA and EQT, as the PRA Administrator.

Your information is only accessible by authorised personnel or authorised service providers of the PRA who use the information to accurately maintain member accounts.

From time to time, the AFLPA may use general member information for future planning to assist in improving the services provided to members. Unless authorised, required by law or for the purpose of testing a potential

member benefit or service, your personal information will not be provided to persons or entities outside of the AFLPA and EQT.

If you do not provide personal information to the AFLPA and/or EQT, which is up to date, the provision of benefits to you in a timely manner may be affected.

The PRA currently engages EQT to administrate the program. Your personal information will be disclosed to EQT to enable it to set up and administer your account in fulfilling its administrative functions.

If you would like to access, review or make any corrections to your personal information, please contact the AFLPA on 03 8651 4300.

For a copy of the AFLPA's Privacy Policy, please click [here](#).



DISCLAIMER

Information contained in this members' handbook is current as at date of publication.

This handbook contains information of a general nature only, which has been prepared without taking into account the particular objectives, financial circumstances or needs of any member.

A member should seek advice from a qualified financial adviser to determine what, if any, investment options a member may be entitled to choose are appropriate to a member's individual circumstances.



CONTACT

If you require information on any aspect of the benefits provided under the PRA, please contact:

John Ulkowski – AFLPA GM –
Business Operations – 0411 040
844 or julkowski@aflplayers.com.au



AFL PLAYERS' ASSOCIATION LIMITED

Level 2, 170 Bridport Street, Albert Park, VIC 3206

T: 03 8651 4300 **W:** aflplayers.com.au **ACN:** 662 842 033



@AFLPlayers