



RBF CONTRIBUTORY SCHEME RESIGNATION BENEFIT OPTIONS

What happens if I resign from the Tasmanian public sector?

If you resign from employment within the Tasmanian public sector prior to attaining preservation age, your Contributory Scheme account will be closed and your entitlement will be calculated up to your date of resignation.

However, your membership with RBF will be ongoing, enabling you to continue to building your superannuation with RBF and to access the range of products and services offered by the Fund.

What is my Preservation Age?

Your preservation age is set by Commonwealth legislation and is determined by your date of birth.

Date of Birth	Preservation Age
Before 1/7/60	55
1/7/60 – 30/6/61	56
1/7/61 – 30/6/62	57
1/7/62 – 30/6/63	58
1/7/63 – 30/6/64	59
After 30/6/64	60

How is a Contributory Scheme resignation benefit processed?

When an employer formally advises RBF of the resignation of a member, the member's salary and service details are confirmed to ensure calculations are based on correct information.

If you resign, your Contributory Scheme benefit will be calculated and transferred into the RBF Investment Account and the Compulsory Preservation Account according to its component parts. Components are explained later in this document. RBF will give you the opportunity to choose a Member Investment Choice (MIC) option for funds in the Investment Account. After processing is completed, RBF will notify you of the benefit components transferred to your RBF Investment Account and the Compulsory Preservation Account.

Once you have reached your preservation age you will be able to access more of your entitlement with certain restrictions. You will only be able to access all of your benefit once you have reached preservation age and retired from the workforce.

What is Member Investment Choice (MIC)?

RBF offers Member Investment Choice. The available options range from conservative to aggressive investment strategies. This means you have control over how your RBF superannuation continues to grow by choosing the investment option(s) to best suit your individual investment and security needs.

RBF uses the *RBF Actively Managed* option as its default investment strategy. This option is reviewed regularly by the RBF Board. The RBF Actively Managed option is used where a member does not select an alternative MIC option.

More information on MIC can be obtained by visiting the RBF website www.rbf.com.au, or requesting information directly from RBF.

What are the components of a Contributory Scheme resignation benefit?

A Contributory Scheme resignation benefit processed prior to a member attaining preservation age is made up of a number of different components. Information is provided below on each of the components. This section should be read in conjunction with your benefit estimates.

Compulsorily Preserved Component

This is the unfunded employer share of your benefit and is maintained in the RBF Compulsory Preservation Account.

Interest is credited on the balance of the Compulsory Preservation Account at the rate of either Consumer Price Index or Average Weekly Ordinary Time Earnings, whichever is the greater. No fee is charged for the administration of this account.

Your employer will fund the accumulated balance of this account when you reach preservation age. This benefit then becomes a Preserved Amount (see below) and is transferred to your RBF Investment Account. Any Contributions Tax payable will be deducted at this time.

Preserved Amount

The Preserved Amount represents the funded portion of your benefit that accrued after 30 June 1999 and generally must remain in the superannuation environment until you have reached your preservation age and retired from the workforce. These funds are held in your RBF Investment Account. Prior to retirement, preserved funds can only be accessed in the case of:

- death, permanent incapacity, severe financial hardship or on compassionate grounds; or by
- purchasing a non-commutable RBF Life Pension after you have reached preservation age. You will not need to have retired from the workforce. The RBF Life Pension is a non-commutable life pension, which means it cannot be converted to a lump sum at a future date.
- when used to commence a Transition to Retirement (TTR) income stream.

When you retire from the workforce, preservation restrictions will be lifted and all superannuation funds can be accessed to purchase retirement income products. This component will become tax exempt when withdrawn after age 60.

Accessible Amount (Unrestricted Non Preserved)

This is the funded portion of a resignation benefit that accrued prior to 1 July 1999. It is transferred into your RBF Investment Account. If you do not make an investment choice, it will be placed in the RBF Actively Managed option (RBF's default option).

In the Investment Account the Accessible Amount will accrue investment returns and continue to grow for your retirement. You have the option of requesting a cash withdrawal from this component at any time. This amount can also be rolled over to another superannuation fund.

It should be noted that taxation payable is calculated at a higher rate on cash withdrawals made prior to attaining preservation age. After age 60, no tax will be payable on this component.

Tax File Number

If you have not advised RBF of your tax file number, cash withdrawals from the Fund will be taxed at the highest marginal tax rate. Please ensure RBF have a record of your tax file number.

If I resign, what will I lose access to?

15% Employer Support – As a member of the RBF Contributory Scheme, you generally receive employer superannuation support at the rate of at least 15% of salary. The current rate of compulsory employer Superannuation Guarantee (SG) contributions is 9% of salary. If you terminate membership of the Contributory Scheme, it is not normally possible to rejoin.

Divisor of 12 - If you are currently entitled to a life pension divisor of 12 you should note that if you resign, the life pension available to you in the future will be calculated using a divisor advised by RBF's Actuary. This divisor will usually be higher than 12, resulting in a lower annual pension amount. Entitlement to the divisor of 12 is normally available if you joined the RBF Contributory Scheme prior to 1 July 1994.

Death and Disability Cover - RBF Death and Disability cover will cease from the effective date of resignation.

Contributory Scheme strategies – Access to superannuation improvement strategies specific to the RBF Contributory Scheme such as increasing your contribution rate (past and future) or purchasing non-contributory service will cease on the effective date of resignation.

If I resign, what can I still access?

If you resign from the Tasmanian public sector, you can continue to access RBF's member support services and build your retirement benefits using RBF's products and superannuation improvement options.

RBF Support services for members and their partners – RBF will continue to provide membership statements on all your accounts twice yearly and an annual Member Report. RBF staff are available to meet with members and their partners to assist them in retirement planning, developing appropriate goals and identifying suitable savings strategies.

RBF's website www.rbf.com.au is a quick first point of reference at your finger tips for general RBF information, the latest member investment choice (MIC) crediting rates and member account balances.

Members also have access to RBF-TAS Planning – the financial planning service provided for all RBF members.

Member Investment Choice – You retain the flexibility to choose from RBF's wide range of investment options and to develop a strategy to best meet your individual needs.

Non-concessional (personal) Contributions – Provided RBF have your Tax File Number, you can make non-concessional (personal) contributions to the RBF Investment Account on a regular basis (eg direct debit from your bank account) and pay in lump sum amounts at any time. Contributions above the non-concessional limit will be taxed at the highest marginal tax rate. You can also rollover money from other superannuation funds. All non-concessional contributions are tax exempt after you reach age 60.

Rollover – At any time, you can consolidate your retirement savings by rolling over superannuation from other funds into your RBF Investment Account. This will enable you to set your own investment strategy and use all your superannuation savings to access RBF retirement products at a later date.

Private Sector Employer Superannuation Contributions - At this time state government legislation does not allow RBF to accept employer superannuation contributions (including salary sacrifice contributions) from private sector employers. However, RBF can remain your life time fund of choice and accept these contributions as a rollover into the RBF Investment Account from another superannuation fund or Retirement Savings Account.

RBF Investment Account for your partner - Your partner may be eligible to open an RBF Investment Account and become a member of RBF in his or her own right. Both you and your partner may be eligible to make non-concessional (personal) contributions to the account. Your partner will have access to the MIC options to set their own investment strategy and can rollover superannuation from other funds. Contributions into your partner's account will count towards his or her annual contribution limits.

Transition to Retirement – Once you have reached your preservation age you can access a Transition to Retirement (TTR) superannuation benefit through RBF. A TTR benefit allows you to convert all or part of your super benefits as a non-commutable income stream while you are still working and earning a salary.

Under Transition to Retirement, members can purchase an RBF Life Pension (if eligible) or a TTR Allocated Pension whilst still employed. Members can continue to receive superannuation support from their employer while using TTR. For more information about TTR, please contact RBF.

RBF Life Pension - You will retain the right to purchase an RBF Life Pension at any time after your preservation age, whether or not you have retired from the workforce. You will have a choice of either a reversionary life pension (to provide an income for your surviving partner) or a non-reversionary pension. RBF Life Pensions are indexed twice yearly in line with inflation.

RBF Allocated Pension - After preservation age, you will have the option to purchase an RBF Allocated Pension with the Accessible Amount of your superannuation benefits. When you retire from the workforce, any superannuation funds held by you can be used to purchase an RBF Allocated Pension.

An RBF Allocated Pension provides the flexibility to vary pension payments as long it meets the minimum amount prescribed by the Commonwealth. Lump sum withdrawals can also be made.

RBF Allocated Pension payments can be paid fortnightly or at other frequencies and you will have the flexibility to choose and MIC investment strategy that best meets your individual needs. RBF does not charge an establishment fee.

Cash Lump Sum - If you are less than age 60 and are not retired, cash withdrawals can only be made from the Accessible Amount of your benefit. If you are over age 60, the withdrawal will be tax exempt.

What if I recommence employment in the Tasmanian public sector?

If you resign then recommence employment in the Tasmanian public sector, you will automatically become a member of RBF's Tasmanian Accumulation Scheme (TAS) unless you elect to join another superannuation fund. TAS accepts employer superannuation contributions and offers members a wide range of products and services including flexible Death and Incapacity Cover and Member Investment Choice.

For further information

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Personal interviews are available in Hobart, Launceston, Burnie and Devonport by appointment only.

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