



**RBF CONTRIBUTORY SCHEME
RESIGNATION BENEFITS**
For members resigning after preservation age

What happens if I resign from the Tasmanian public sector?

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

If you are not retiring from the work force at the time of resignation, you can continue to build your superannuation with RBF and utilise a range of the Fund's retirement products and services before and after you retire. You can also choose to commence a Transition to Retirement income stream. Please ask RBF for more information about Transition to Retirement.

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

Would my benefit be a retirement or resignation benefit?

When you leave the Tasmanian public sector employment after preservation age, even if you are not retiring from the workforce, your RBF entitlement is calculated as a retirement benefit.

If you are under age 60 at the time of resignation and are *not* retiring from the workforce, Commonwealth legislation requires that some of your benefit is preserved and this will limit the payment options available to you at the time of resignation.

You will be considered to be retired from the workforce when you have ceased current employment and you:

- are aged 60 or over; or
- have reached your preservation age and it is not your intention to work again in gainful employment (a signed declaration is required); or
- you are permanently incapacitated.

You can still satisfy the definition of being retired even if you recommence work after your retirement provided you do not work more than 10 hours per week.

How is a Contributory Scheme retirement benefit processed?

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

A Pre-payment Statement and a payment instruction form will then be sent to you. RBF staff are available to discuss your options and entitlements and to assist you in completing the payment instruction form. If you have a referral to RBF-TAS Planning, a financial planner may assist in this process.

What are the components of a Contributory Scheme retirement benefit?

The components which make up your benefit will depend on your age and whether or not you intend to retire from the workforce. If you are considering retiring at this time, you are encouraged to request the Retirement brochure from RBF. This information sheet focuses on members options where they intend to continue working after leaving the Tasmanian public sector.

Resignation Benefit Components Table	Retiring from the workforce	Not retiring from the workforce
Age 60 years or over	Accessible Component. Unrestricted access to funds.	Accessible Component. Unrestricted access to funds.
Age under 60 years	Accessible Component. Unrestricted access to funds.	Accessible Component & Preserved Component. Restricted access to funds.

Accessible Amount (Unrestricted Non-Preserved)

The Accessible Amount has no access restrictions and can be utilised in the full range of RBF's retirement benefit options. Access can be deferred by maintaining the funds in the RBF Investment Account with an investment strategy of your choice.

If you choose to continue saving for your retirement, the RBF Investment Account will accrue investment returns and you can continue to make non-concessional (personal) contributions. Contributions above the non-concessional contributions limit will be taxed at the highest marginal tax rate. 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.

Funds making up the Accessible Amount component are taxed when paid into your super fund. The funds from the Accessible Amount become tax exempt when you are aged 60 or over.

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.

The Preserved Amount is transferred into the RBF Investment Account where you can utilise RBF's Member Investment Choice options to maximise your retirement benefit. The Preserved Amount can be rolled over to another superannuation fund. Funds making up the Preserved Amount component are taxed when paid into your super fund. The funds from your Preserved Amount are tax free when you are aged 60 or over.

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.

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.

Death and Disability Cover – RBF Death and Disability cover will cease on the effective date of your 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.

For full details, request RBF's superannuation improvement brochures and Retirement booklet.

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 (MIC) - RBF offers Member Investment Choice. The options available 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, or requesting information directly from RBF.

Non-concessional (personal) Contributions - 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 up to the non-concessional contribution limit without incurring penalty tax. You can also rollover money from other superannuation funds. All non-concessional contributions are tax exempt when taken 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 non-concessional contribution limits.

Transition to Retirement – 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 to a non-commutable income stream while you are still working and earning a salary.

Under Transition to Retirement, members can purchase a TTR Allocated Pension or an RBF Life 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.

The RBF Life Pension divisor of 12 is usually available if you joined the RBF Contributory Scheme prior to 1 July 1994. Members entitled to the divisor of 12 should note that this divisor will only apply at the time of resignation. If you defer purchasing an RBF Life Pension to a later date, the pension will be calculated using a divisor advised by RBF's Actuary. This divisor is usually higher, resulting in a lower pension amount.

Life Pensions commenced using funds from the Contributory Scheme contain taxed and untaxed money.

The component of your benefit funded by your employer is not paid into your scheme until you retire therefore no tax has been paid in this part of your benefit. As such, you will be required to continue to pay income tax on a part of your benefit.

After you reach age 60 you will receive an additional 10% tax offset (or rebate) on the untaxed component. The taxed component of this pension will be tax exempt after you reach age 60.

RBF Allocated Pension – If you are not retiring, you can 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 as 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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