

understanding your statement 2009

RBF Contributory Scheme
Tasmanian Accumulation Scheme



This document gives you a brief explanation of RBF accounts and technical terms that may be found in your statement. It covers both the RBF Contributory Scheme and the Tasmanian Accumulation Scheme and therefore some of the terms may not be used on your statement. The explanations are summaries only and more information is available by calling RBF on 1800 622 631 or visiting RBF's website www.rbf.com.au.

RBF account types

RBF Contributory Scheme Account: This is an unfunded defined benefit scheme. Membership was open for permanent and certain temporary or contract employees who started employment in the public sector before 15 May 1999.

RBF-TAS SG Account: This account receives employer Superannuation Guarantee contributions for Tasmanian Accumulation Scheme (TAS) members.

RBF Investment Account: This account is an accumulation style account in which personal contributions, rollovers, Salary Sacrifice and Super Co-contributions are invested.

RBF Compulsory Preservation Account: This account is used for the unfunded employer component of a benefit payable from the RBF Contributory Scheme or Non-Contributory Scheme. RBF maintains a notional balance in this account until you reach your Preservation Age. The balance of this account is indexed twice yearly at whichever is the greater of movements in the Consumer Price Index or Average Weekly Ordinary Time Earnings Index (AWOTE). RBF does not charge an administration fee on this account. The balance of this account cannot be rolled over to any other superannuation fund.

RBF Allocated Pension Account: For superannuants who have invested in an RBF Allocated Pension.

RBF Term Allocated Pension Account: For superannuants who have invested in an RBF Term Allocated Pension.

High Income Surcharge Account: This account is used for your accrued surcharge debt and interest owing on that debt. You may have incurred a surcharge debt if you did not supply RBF with your Tax File Number.

calculation of your benefit

RBF Contributory Scheme members

Benefit entitlements provided in your membership statement are estimated gross (before taxation) values only and are dependent on the receipt of accurate and up-to-date salary, employment and service information from your employing agency. These estimates will not be accurate if RBF has not been notified of circumstances such as leave without pay, overtime, or changes in employment status or percentage.

Your **Resignation Benefit** is calculated by multiplying your Final Average Salary over the last 3 years - **FAS(3)** - by your Adjusted Benefit Multiple Factor (**ABMF**).

FAS(3): The average full time equivalent annual salary received in the 3 years immediately preceding the date of your membership statement. For members with less than 3 years service, FAS(3) is averaged over your actual service period.

ABMF: This factor is derived by reference to the rate of contribution and your number of years of service.

Tasmanian Accumulation Scheme members

Benefit entitlements provided in your membership statement reflect account balances as at the date of the statement and are subject to change in line with the future contributions and investment returns depending on your Member Investment Choice.

further information

For further details in relation to:

- dispute resolution (ask for our Complaints Officer)
- investment choice
- available contribution methods

or other RBF products, please contact RBF by:

- Phone on (03) 6233 3672
- Fax on (03) 6233 3357
- Email: super@rbf.com.au
- Website: www.rbf.com.au
- Write to: The Chief Executive Officer, Retirement Benefits Fund, GPO Box 446, Hobart Tas 7001; or
- Visit us at 39 Sandy Bay Road, Hobart or Level 1, 87 George Street, Launceston.

If you require further details in relation to any of the information provided in this document, please contact RBF on 1800 622 631.

Additional Employer Contributions: These contributions may comprise either Salary Sacrifice or employer contributions over the Superannuation Guarantee Rate and will count towards your annual concessional contributions limit.

Adjusted Family Law Base Amount: The sum of the previous financial year's Adjusted Base Amount plus Base Amount Interest Adjustment.

Adjustment: Account maintenance performed on your account due to additional advice received from your employer, balancing items etc.

Administration Fees: See Management Fees.

Base Amount Interest Adjustment: A notional calculation applied to the Base Amount on 1 July each year of 2.5% + Average Weekly Ordinary Time Earnings (AWOTE).

Beneficiaries: Your death benefit will go to your surviving partner or registered carer unless you elect for it to be paid to your estate and distributed according to your will.

Benefit: An estimate of the gross benefit you would have received had you resigned at the calculation date. Resignation benefits are subject to preservation rules. Before withdrawing your benefit, please contact RBF for information about the amount that applies at the time.

Compulsory Preserved: This is an estimate of the unfunded employer share of your benefit. Compulsory preserved benefits cannot be taken as cash or rolled over and must remain with RBF until you reach your Preservation Age.

Concessional Contributions: Include contributions made by employers or by self employed persons who advise they intend to claim a tax deduction. Typical concessional contributions include Superannuation Guarantee payments and Salary Sacrifice. Some members may also make contributions for which they can claim a tax deduction. These are usually restricted to self employed persons or self funded retirees.

Contributory Scheme Service Adjustment: An adjustment made to your length of service in exchange for the payment of an actuarially determined cost.

Contributions Arrears: Arrears of contributions may occur as a result of purchase or upgrade of service, sick leave without pay and parental leave. For details of arrears you should contact RBF, as arrears interest may be charged.

Contributions Tax: The 15% tax levied on concessional contributions received by superannuation funds. It is charged on all Superannuation Guarantee contributions, Salary Sacrifice contributions, additional employer contributions and contributions for which you advise you intend to claim a tax deduction. These contributions are paid into the RBF Contributory Scheme or RBF Investment Account.

Current Pension: Amount of annual pension being paid to you as at date of statement.

Death and Disability Benefit (D&D): An estimate of the gross benefit payable in the event of your death or retirement on the grounds of total and permanent incapacity. Most disability benefits payable from the RBF Contributory Scheme must be taken as a pension, with the option of a small additional lump sum payment.

Death and Disability Cover: This explanation is for RBF Contributory Scheme members only. Your statement indicates whether you have Limited or Full Benefits cover. It should be noted that Death and Disability Cover ceases upon termination of employment within the Tasmanian public sector.

Death and Disability Premium: The premium charged to provide the level of Death and Disability Cover to RBF Contributory Scheme members.

Death and Incapacity Cover: This explanation is for Tasmanian Accumulation Scheme members only. The level of Death and Incapacity Cover you have elected to receive. The RBF-TAS SG Account provides 7 levels of cover, which range from 0% to 300% in increments of 50%. The basic level of cover is 100%. You are covered 7 days a week, 24 hours a day for Permanent Incapacity, which provides for a Lump Sum if you retire due to ill health. Your Death Benefit leaves a benefit for your surviving partner/registered carer or estate if you die; and if you are eligible, a Temporary Incapacity Benefit providing a pension equal to 75% of your salary for up to 2 years if you are incapacitated but are likely to be able to return to work. It should be noted that Death and Incapacity Cover ceases upon termination of employment within the Tasmanian public sector.

Death and Incapacity Premium: This explanation is for Tasmanian Accumulation Scheme members only. The premium charged to provide the level of Death and Incapacity cover you have selected.

Employee Contributions: The amount of non-concessional (personal) contributions that you have paid to RBF.

Employer Contributions: The amount of concessional contributions that your employer has paid to RBF. These may include Salary Sacrifice contributions.

Employment Percentage: The hours you currently work, shown as a percentage of full time employment.

Employment Status: Shows your current employment status (permanent, temporary, part time, full time, contract or casual).

Family Law Base Amount: An amount allocated to your former partner under a Family Law Court Order or Superannuation Agreement which is adjusted annually until a payment is made to you.

Family Law Percentage Split(s): The specified percentage that will be paid to your former partner when a payment is made to you.

FAS(1): Final Average Salary over 1 year.

Please note: FAS and SAL are estimated average values based on pro-rata salary in the first pay period and actual salary in the remaining pay periods up to the statement date. Therefore, for the end of financial year statement these figures will normally be less than the gross salary shown on your payment summary. Prepaid salary before the start or after the end of the statement period for annual leave or long service leave will also affect FAS and SAL figures.

Full Benefits Cover: This explanation is for RBF Contributory Scheme members only. You are covered for Full Benefits if you:

- have successfully completed an RBF medical examination conducted by a medical practitioner approved by the RBF Board; or
- have been a Contributory Scheme member who has contributed for a continuous period of 10 years. This continuous period does not include service that you have purchased or whilst you are on sick leave without pay.

A member with Full Benefits, contributing at 5% or more of their gross fortnightly salary, who is forced to retire through ill health, or who dies, is entitled to prospective service to age 60 calculated at the rate of 20% of their FAS(3). The maximum period of prospective service component is 25 years.

High Income Surcharge Debt: The amount the Australian Taxation Office has advised must be deducted from your account to satisfy the surcharge (tax) applied to employer superannuation contributions made on your behalf.

Investment Management Fees: See Other Management Costs.

Limited Benefits Cover: This explanation is for RBF Contributory Scheme members only. You remain on Limited Benefits cover until you have successfully completed a medical examination conducted by a medical practitioner approved by the RBF Board. If you do not undergo or do not pass a medical, you will remain on Limited Benefits until you have attained a continuous period of 10 years of contributory service. After that period, you will automatically be admitted to Full Benefits cover.

If you contribute for Limited Benefits and are forced to retire through ill health, or you die, your prospective service to age 60 is calculated at the rate of the Super Guarantee Rate at the time of your incapacity. If you wish to increase your cover to Full Benefits please contact RBF for more details.

Management Fees: Represents the Administration Fee which is deducted directly from your account balance. The Administration Fee has not changed since your last statement and from 1 July 2009 remains at 0.45% per annum for the first \$150,000 in your account and 0.20% per annum for the remainder of your account above \$150,000. The Administration Fee only applies to money invested in the following accounts:

- RBF-TAS SG Account
- RBF Investment Account
- RBF Allocated Pension Account
- RBF Term Allocated Pension Account.

The effective rate you have paid may be different depending upon the timing of any contributions, withdrawals and investment switches.

Member Number: Your personal account number. You should quote it where possible when dealing with RBF.

Net Investment Earnings: The rate of Net Investment Earnings allocated to your account is shown after the deduction of Investment Management Fees and any taxation that is payable on investment earnings. The rate of Net Investment Earnings for the year ended 30 June 2009 is shown below for the various RBF account types and Member Investment Choice options. These rates only apply to money invested in the relevant accounts and options for the whole period and the effective rate you have earned may be different depending upon the timing of any contributions, withdrawals and investment switches.

NET INVESTMENT EARNINGS YEAR ENDED 30 JUNE 2009

Member Investment Choice (MIC) option	RBF-TAS SG Account & RBF Investment Account	RBF Allocated Pension Account & RBF Term Allocated Pension Account
Asset class options:		
RBF Australian Shares	-18.77%	-17.81%
RBF International Shares	-16.05%	-18.74%
RBF Property & Alternative Investments	-5.97%	-6.27%
RBF Fixed Interest	6.36%	7.51%
RBF Cash	4.49%	5.30%
Diversified options:		
RBF Actively Managed	-10.41%	-10.59%
RBF Long Term Growth	-13.87%	-14.00%
RBF Diversified Growth	-8.57%	-9.22%
RBF Conservative Growth	-0.03%	-0.38%
RBF Socially Responsible Investments	-11.10%	-12.04%
Manager specific options:		
State Street Balanced Index	-10.83%	-10.71%
State Street Australian Shares Index	-19.06%	-19.67%
Maple-Brown Abbott Balanced	-6.06%	-6.90%
Maple-Brown Abbott Australian Shares	-13.32%	-13.55%

Non-concessional Contributions: Contributions made by or on behalf of a member from after-tax income. Typical Non-concessional Contributions include regular deductions from your fortnightly pay or your bank account, or one-off payments to your superannuation from your own money. They also include contributions received from your partner or spouse and any Super Co-contribution payments from the government.

Other Management Costs: An estimate of Investment Management Fees paid. It is calculated using your daily opening account balance for the relevant investment option. It does not include any amount for taxation of investment earnings that may have been deducted before the net earnings amount was credited to your account. The rates of Investment Management Fees for the various Member Investment Choice options for the year ended 30 June 2009 are shown in the following table. The Investment Management Fees should be treated as an estimate of fees paid to RBF's investment managers, asset consultant and custodian. Performance fees are paid to some investment managers when performance exceeds a predetermined objective. Performance fees are shown separately in the investment fees table and are included in the total investment fees column. The Investment Management Fees only apply to money invested in the relevant options for the whole period and the effective rate of Other Management Costs that you paid may be different depending upon the timing of any contributions, withdrawals and investment switches.

INVESTMENT MANAGEMENT FEES YEAR ENDED 30 JUNE 2009

Member Investment Choice (MIC) option	Base investment fee % pa	Performance related investment fee % pa	Total investment fees % pa
Asset class options:			
RBF Australian Shares	0.55%	0.04%	0.59%
RBF International Shares	0.69%	0.00%	0.69%
RBF Property & Alternative Investments	0.79%	0.11%	0.90%
RBF Fixed Interest	0.36%	0.00%	0.36%
RBF Cash	0.03%	N/A	0.03%
Diversified options:			
RBF Actively Managed	0.62%	0.05%	0.67%
RBF Long Term Growth	0.62%	0.04%	0.66%
RBF Diversified Growth	0.54%	0.03%	0.57%
RBF Conservative Growth	0.39%	0.01%	0.40%
RBF Socially Responsible Investments	0.85%	0.00%	0.85%
Manager specific options:			
State Street Balanced Index	0.26%	N/A	0.26%
State Street Australian Shares Index	0.15%	N/A	0.15%
Maple-Brown Abbott Balanced	1.00%	N/A	1.00%
Maple-Brown Abbott Australian Shares	0.39%	0.00%	0.39%

Personal Contributions: Contributions paid by you from after-tax money. These contributions will count towards your Non-concessional Contribution limit.

Preservation Age: The legislated age at which you can access preserved benefits, provided you have retired from the workforce, commenced Transition to Retirement or satisfied another condition of release. The table below is used to determine when you can receive your preserved benefit.

Date of Birth	Preservation Age
Before 01/07/60	55
01/07/60 – 30/06/61	56
01/07/61 – 30/06/62	57
01/07/62 – 30/06/63	58
01/07/63 – 30/06/64	59
After 30/06/64	60

Preservation Components: Generally, all superannuation benefits must remain in super until you reach your Preservation Age and retire from the workforce or satisfy another condition of release. Your superannuation benefit may contain one or more of the following preservation components: Compulsory Preserved, Preserved, Restricted Non-Preserved, and Unrestricted Non-Preserved.

Preserved: This is the portion of your estimated resignation benefit which is not accessible as cash until you reach your Preservation Age and retire from the workforce. For Investment Account and RBF-TAS SG Account benefits, the preserved component is also accessible on specific early release grounds or if you commence Transition to Retirement.

Rates of taxation on investment earnings: Taxation is deducted before the amount of net earnings is applied to your account. Dollar amounts for taxation on investment earnings are not shown on your statement. For specific details refer to the RBF website at www.rbf.com.au.

Restricted Non-Preserved: This amount represents contributions made by you before 1 July 1999. Generally, this component will be converted to Unrestricted Non-Preserved status when you cease employment with the employer with whom you were employed when you made those contributions. For some members this conversion may only occur following cessation of employment with the Tasmanian public sector.

Retirement: An estimate of the gross benefit on retirement as a Lump Sum or Life Pension based on current salary and service details.

Retirement (Investment and Compulsory Preservation Accounts): Projected estimates are not included for accumulation-style accounts as future contributions and investment returns are unknown. At retirement, the account balance will form your benefit.

Reversionary Factor: Factor used to calculate annual pension payable to the reversionary surviving partner, i.e. the surviving partner to whom a benefit is paid on the death of an RBF pensioner.

Rollovers In: Amount rolled over from another superannuation fund to RBF.

SAL(1): Actual annual salary you received in respect of the previous 1 year period. Refer to FAS(1) explanation.

Salary Sacrifice Contributions: Contributions paid under an arrangement between you and your employer whereby you agree to forego a portion of gross salary, which your employer then pays into your superannuation. These contributions count towards your annual concessional contribution limit.

Scheme Benefit Date: The date your fund membership commenced for benefit calculation purposes.

Service Date: The date you commenced continuous employment in the Tasmanian public sector.

Super Co-contribution: A payment made by the Commonwealth Government to increase superannuation savings. Qualifying criteria apply including income thresholds. Effective from 1 July 2009 Federal Budget changes have reduced the Super Co-contribution payment to \$1 for every \$1 of non-concessional contributions up to a maximum of \$1000.

Tax File Number (TFN): Indicates whether your TFN has been supplied. Supply your TFN to minimise any taxation liability and to make personal contributions to your super.

Unrestricted Non-Preserved: This preservation component represents the amount of your benefit available for withdrawal as cash.

Withdrawals and Pension Payments: These are:

- Lump Sum payments taken as cash or rolled over to another superannuation fund from the RBF Investment Account; or
- Pension payments made to you on a regular basis from an RBF Allocated Pension or RBF Term Allocated Pension Account.