



## RBF Investment Account Fees and Charges from 1 July 2010

This document has been prepared in accordance with the ASIC guidelines for the presentation of a superannuation fund's fees and charges. While the following Consumer Advisory Warning is required under Australian law, it should be noted that the Retirement Benefits Fund (RBF) does not charge a contribution fee and RBF-TAS Planning financial advisers are salaried employees and hence, no commissions are payable to them. RBF is a not-for-profit fund and fees are set at the lowest level that is consistent with the management of the fund. It is not therefore possible to negotiate to pay a lower management cost.

### Consumer Advisory Warning

#### DID YOU KNOW?

**Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.**

**For example, total annual fees and costs of 2% of your fund balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).**

**You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.**

**You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.**

#### TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website ([www.fido.asic.gov.au](http://www.fido.asic.gov.au)) has a superannuation calculator to help you check out different fee options.

### Fees and other costs at RBF

This document shows fees and other costs that you may be charged. These fees may be deducted directly from your money or from the returns on your investment before they are credited to your account.

Information regarding taxes is set out at the end of this document.

Information regarding insurance costs is detailed in a separate brochure titled "Death and Incapacity Cover for members of the Tasmanian Accumulation Scheme".

You should read all the information about fees and costs because it is important to understand their impact on your investment.

Fees and costs for the various Member Investment Choice (MIC) options are detailed below.

TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
<b>Fees when your money moves in and out of RBF</b>		
<p><i>Establishment fee</i></p> <p>The fee to open your RBF Investment Account</p>	Nil	Not Applicable
<p><i>Contribution fee</i></p> <p>The fee on each amount contributed to your Account by either you or your employer</p>	Nil	Not Applicable
<p><i>Withdrawal fee</i></p> <p>The fee on each amount you take out of your Account</p>	Nil	Not Applicable
<p><i>Termination fee</i></p> <p>The fee to close your Account</p>	Nil	Not Applicable
<b>Management costs</b>		
<p>The fees and costs for managing your RBF Investment Account</p> <p><i>Administration Fee</i></p> <p><i>Investment Management Fee</i></p> <p>The amount you pay for specific MIC options is shown below.</p>	<p>Estimated maximum range 0.49% pa – 1.46% pa broken up as follows:</p> <p>0.45% pa of account balance up to \$150,000</p> <p>0.20% pa of account balance in excess of \$150,000</p> <p>0.04% pa – 1.01% pa</p>	<p>Deducted from the account after returns are credited to the account</p> <p>Deducted from weekly earnings before the net return is credited to the account.</p>
<b>Service fees</b>		
<p><i>Investment switching fee</i></p> <p>The fee for changing investment options</p> <p><i>Family Law Request</i></p> <p>The fee charged when a request is made to obtain information for the purposes of separation or divorce.</p>	<p>Nil</p> <p>\$204 for each date for which information is requested for your RBF Investment Account (includes GST if applicable). See next page for additional explanation of fees and costs.</p> <p>No further charges are payable for the Splitting or Flagging of a benefit.</p>	<p>Not Applicable</p> <p>If a Family Law request is made, RBF will invoice the member or the non-member spouse accordingly (depending upon who made the request).</p>

## Additional Explanation of Fees and Costs

- The RBF Board reserves the right to change the amount of any fees or costs payable without prior notice.
- The Family Law Request Fee of \$204 (including GST if applicable) is payable for each date for which information is requested for each RBF superannuation interest you may have, except the RBF Contributory Scheme. Information regarding Family Law Request Fees for the Contributory Scheme is available by directly contacting RBF.
- Currently there is no fee for switching between MIC options. This policy is subject to review and may change in the future.
- Management costs include both the administration and investment fees.

The administration fee is reviewed and set by RBF annually. It covers the expenses incurred in running and administering the RBF Investment Account. The administration fee payable will be dependent upon the member's RBF Investment Account balance. A maximum administration fee of 0.45% pa is payable on balances up to \$150,000. A reduced fee of 0.20% pa is payable on the account balance which is in excess of \$150,000.

The investment fees shown in the table below should be treated as an estimate of fees payable. These fees are based on investment management costs for the year ended 31 December 2009 and include fees paid to RBF's investment managers, asset consultant and custodian. The investment fee may vary depending upon factors such as the mix of investment managers used and manager performance against benchmarks.

Performance fees are paid to some investment managers when performance exceeds a pre-determined objective. Performance fees for the year ended 31 December 2009 are shown separately in the table below and are included in the Total Fee column. The amount attributable to performance fees for each MIC option is calculated by comparing an individual manager's performance against its objective, and the value of the particular investment within the MIC option. If a performance fee has been paid, that means that the manager has outperformed its performance objective thereby contributing to an overall higher level of returns.

There are only five MIC options which will **not** incur a performance fee: RBF Cash, RBF Fixed Interest, State Street Australian Shares Index, State Street Balanced Index and Maple-Brown Abbott Balanced.

MIC option	RBF Administration Fee % pa*	Base Investment Fee % pa	Performance related Investment Fee % pa	Total Fee % pa
RBF Actively Managed	0.45	0.65	0.03	1.13
RBF Long Term Growth	0.45	0.66	0.04	1.15
RBF Diversified Growth	0.45	0.58	0.03	1.06
RBF Conservative Growth	0.45	0.41	0.01	0.87
RBF Socially Responsible Investments	0.45	0.83	0.00	1.28
RBF Australian Shares	0.45	0.56	0.08	1.09
RBF International Shares	0.45	0.84	0.00	1.29
RBF Prop & Alt Inv	0.45	0.80	0.00	1.25
RBF Fixed Interest	0.45	0.38	N/A	0.83
RBF Cash	0.45	0.04	N/A	0.49
MBA Australian Shares	0.45	0.40	0.00	0.85
MBA Balanced	0.45	1.01	N/A	1.46
SSgA Australian Shares Index	0.45	0.15	N/A	0.60
SSSgA Balanced Index	0.45	0.27	N/A	0.72

- \* Based on the maximum administration fee payable of 0.45% pa on RBF Investment Account balances up to \$150,000. A reduced fee of 0.20% pa is payable on the account balance which is in excess of \$150,000.

## Example of annual fees and costs for a balanced investment option

This table gives an example of how the fees and costs in a balanced investment option can affect your superannuation investment over a 1 year period. RBF Diversified Growth is used in this example as this MIC option meets the ASIC definition of a “balanced” investment option as having an allocation to growth assets of 70%. Growth assets are investments such as shares, property and infrastructure.

You should use this table to compare this product with other superannuation products.

EXAMPLE – RBF Diversified Growth		BALANCE OF \$50,000 WITH TOTAL CONTRIBUTIONS OF \$5,000 DURING YEAR
Contribution Fees	Nil	For every \$5,000 you put in, you will <b>not</b> be charged any contribution fees.
PLUS Management Costs (Administration plus Investment fees)	Estimated 1.06% (Account balance up to \$150,000)	For every \$50,000 you have in the RBF Investment Account up to \$150,000 you will be charged \$530 each year.*
	Estimated 0.81% (Account balance in excess of \$150,000)	For every \$50,000 you have in the RBF Investment Account in excess of \$150,000 you will be charged \$405 each year.
EQUALS Cost of fund		<p>If you put in \$5,000 during a year and your balance was \$50,000, then for that year you will be charged fees of \$530.</p> <p><b>What it costs you will depend on the Member Investment Choice option you choose and the fees you negotiate with your fund or financial adviser.**</b></p>

If you leave the fund early, there are **no** withdrawal fees.

\* The amount of fees payable will be dependent upon your actual account balance over the year. RBF does not require you to have a minimum account balance of \$50,000; this example is for illustration purposes only. Calculation assumes that your account balance remains constant at \$50,000 over the entire year i.e.  $\$50,000 * 1.06\% = \$530$

\*\* The management cost will differ depending upon the MIC option that you invest in. RBF’s management costs are not negotiable as fees are already set at the lowest level that is consistent with the management of the fund. RBF-TAS Planning financial advisers are salaried employees and no commissions are payable to them.

## Taxation on investment earnings

The investment earnings of RBF are taxed at a maximum of 15%. The benefits of any tax deductions are passed directly onto members and the effective taxation rates for the various MIC options are shown below. These amounts are deducted from weekly investment earnings before the net earnings are credited to your account.

MIC option	Taxation rate on net earnings
RBF Australian Shares	3%
RBF International Shares	10%
RBF Property & Alternative Investments	7.5%
RBF Fixed Interest	15%
RBF Cash	15%
RBF Actively Managed	6%
RBF Long Term Growth	5%
RBF Diversified Growth	8%
RBF Conservative Growth	11%
RBF Socially Responsible Investments	7.5%
State Street Australian Shares Index	5%
State Street Balanced Index	8.5%
Maple-Brown Abbott Australian Shares	5%
Maple-Brown Abbott Balanced	8.5%

## Other taxes

A contributions tax of 15% is payable on any contributions your employer makes on your behalf. Contributions tax is deducted directly from your account at the time the contribution is made.