

RBF Member News

June 2010



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Aaron (Bus Driver), RBF member



From the CEO

As your new RBF Chief Executive Officer I am pleased to share this edition of RBF Member News with you.

RBF has a long standing history of serving Tasmania's public sector community and my first commitment to you as CEO is that I will ensure RBF builds on its past achievements and continuously improves the RBF member experience.

I would like to take this opportunity to thank all RBF members and stakeholders for your immense loyalty to RBF which has been so evident to me from right across the state of Tasmania. This clear commitment by the Tasmanian public sector community provides me with encouragement in my new role as CEO and is greatly appreciated by the RBF staff who work tirelessly on behalf of all our members.

I am excited to join RBF as we commit to a new partnership with Mercer

(Australia) Pty Ltd to outsource some of our processes. This partnership will ensure we are able to continuously improve our service to you and provide enhanced products and services in the future.

You can be assured that you will continue to receive excellent customer service from RBF as we implement new technology and provide associated training for our staff over the next 14 months.

I am sure you will enjoy this edition of RBF Member News and I look forward to speaking to you through future editions as we journey together along the path of lifetime financial peace of mind.

Philip Mussared
Chief Executive Officer

Expo success

Thank you to everyone who supported the RBF Member Expos in Launceston and Hobart last month. Your enthusiasm is greatly appreciated and feedback has been extremely positive. Many RBF members became more motivated about their money and retirement lifestyle following an inspirational talk by keynote speaker Michael Pascoe.

Our members enjoyed the relaxed environment of the information booths. They took advantage of the opportunity to chat with RBF Board Members and ask questions at the Centrelink, Public Trustee, Members Equity Bank, RBF Financial Planning and RBF booths.

RBF members from the north west have not been forgotten. We are planning an event for you soon. If you live in this region, you will be notified of details well in advance.

Acting in the **best interest** of our members



Left to right back: Nicole, Cam, Neil, Mark, Conrad and Michael.
Front: Rachel P, Michael, Gerri and Tony. Absent: Rachel H, Rodney, Rita and Renee.

For the second year in a row, each of our Financial Planners received an 'A' rating for their compliance review.

Securitor compliance auditors conducted their annual compliance review of RBF's financial planning company, RBF Financial Planning

Pty Ltd, in March 2010. The review is conducted to make sure all financial planners in the industry fulfil their legal obligations and act in the best interests of their clients.

The results clearly reflect the commitment our Financial Planners have in putting their clients first,

providing appropriate advice and ensuring they meet all their legal obligations.

"It's an excellent team achievement" said Conrad Voss, Manager Member Solutions. "I congratulate all of our Financial Planners, Para-planners and support staff."

Our security practices give you **peace of mind**

We understand that when you have contact with us, you want it to be as smooth as possible.

Our practices are designed to provide you with reassurance that we are doing everything we can to protect your personal details and your money from unauthorised access and fraud.

Under Commonwealth legislation, we are required to verify your identity before making certain transactions. These include making a payment, opening a new account or changing your name.

Verifying your identity is usually as simple as showing your Driver Licence or Passport when you come to the office. If you're sending your verification in the mail, we are no longer able to accept photocopies without certification. We are not able to accept faxes either because they are not an original certified document.

To have your photocopies certified, you will need to take the original document and the photocopy to a person listed in the RBF fact sheet called **Verifying your identity**. We find that most people use a Justice of the Peace or a Police Officer. The fact sheet is available at www.rbf.com.au or by phoning us on **1800 622 631**.

If you are changing your name with RBF, we will need to see an original document or a certified copy of one of the following:

- ▶ Marriage Certificate
- ▶ Deed Poll
- ▶ Change of Name Certificate.

Whatever name you are using with your employer, you will need to use the same name with RBF to ensure your money is allocated correctly to your account. Our simple tip is to change your name at work and RBF at the same time.

For more information about verifying your identity, please see the fact sheet on our website at www.rbf.com.au or phone us directly on **1800 622 631**.

Is an **RBF Allocated Pension** right for you?

Retirement brings the opportunity for a new lifestyle and the chance to do things you may not have had the time for while you were working.

Have you thought about the best way to manage your finances in retirement? An RBF Allocated Pension may be the solution for your retirement income needs.

An RBF Allocated Pension lets you continue to receive a regular income paid directly into your bank account, plus the flexibility to make lump sum withdrawals to suit your lifestyle.

If you would like more information about an RBF Allocated Pension and you have access to the internet, please visit www.rbf.com.au and click *Forms and publications* then *SuperNews* to read the latest issue. Of course you are always welcome to call us on **1800 622 631** to discuss any of your superannuation needs.



Home away from home for Jules

How your RBF Allocated Pension works

Purchase an RBF Allocated Pension



Account balance



Receive your regular pension

Features

- ▶ Flexibility of lump sum withdrawals at any time
- ▶ Ability to direct death benefit proceeds to your family

Money in

- ▶ Investment returns
- ▶ Choose from 14 different investment options

Money out

- ▶ Regular pension
- ▶ Ad hoc withdrawals to suit your lifestyle
- ▶ Fees and charges

TPA Conference

RBF was pleased to attend the annual Tasmanian Principals' Association Conference in May.

Wrest Point was alive with Principals and Deputy Principals all participating in the exciting and rigorous three day program. It was an opportunity for the TPA and RBF to work closely together.

Many of our members took the opportunity to chat with Phil, their RBF Business Relationship Officer. They discussed their personal superannuation needs as well as the workplace service program offered by RBF.



Martin (Principal), RBF member

Enjoying the **flexibility** of an RBF Allocated Pension

Member profile

The flexibility of an RBF Allocated Pension could well be the answer to achieving the retirement lifestyle you want. We encourage you to talk to us about this opportunity. It may be right for you.

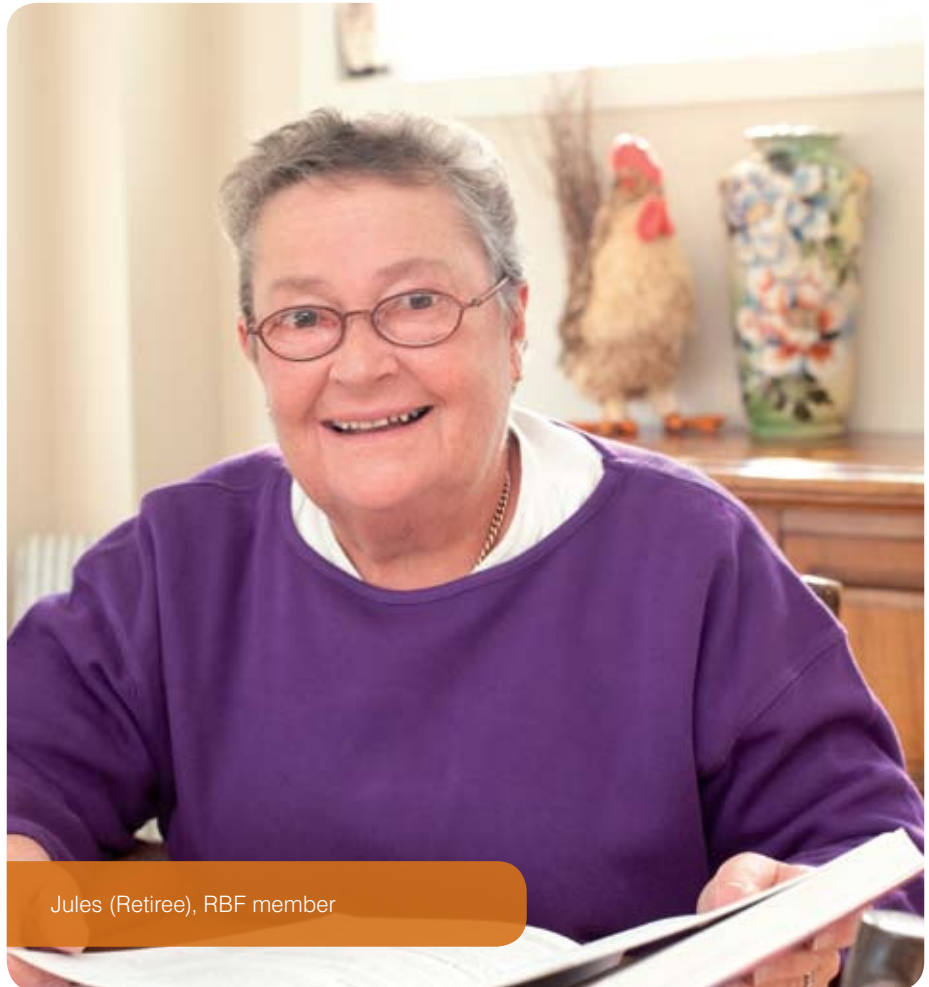
Jules is testament to the flexibility and convenience of an RBF Allocated Pension and shares her story with you.

Throughout most of her nursing career, which included 20 years as a Venepuncturist, Jules contributed towards her superannuation so that she could live a comfortable retirement. Before finalising her retirement arrangements, she spoke to RBF and discussed her options for a retirement income. As a result she chose to purchase an RBF Allocated Pension.

“My retirement lifestyle is flexible because of my RBF Allocated Pension. I receive my regular fortnightly pension and still have access to my other money for the extra things I enjoy.”

Jules chose an RBF Allocated Pension because it suits her lifestyle without any need for change. She and her husband Dudley, both planned to travel during retirement. Unfortunately Dudley passed away, but this hasn't stopped Jules from continuing her dream.

Before packing up her caravan to venture north, Jules makes special arrangements for Freda to be cared for. Freda is a gorgeous 12 year old Poodle Maltese cross.



Jules (Retiree), RBF member

Leaving Freda behind is the saddest part of a holiday for Jules. However, exploring the wonders of National Parks and enjoying the heat of Western Australia, she recognises that it is not practical to travel with Freda.

The Tasmanian way of living is recognised by so many of our members as 'unbeatable' and Jules is no exception. Enjoying holidays overseas is a thing of the past as Jules now chooses to holiday in Australia, always returning to her home state of Tasmania. "There is so much to see and so much we don't know about."

Jules says the difference between work and retirement is *time*. She still does all the same things but now has more time to do them in a relaxed fashion. "I miss the companionship of workmates but have a large network of friends, local and interstate." Jules always has something to do, whether it's at home, at the shack or on the mainland.

Trips to the shack involve the excitement of trout fishing, sharing meals with family and playing in the

snow. The mainland offers the beauty of Western Australian wildflowers, expansive coast lines and great fishing, marvelling at the enormity of offshore natural gas plants and the opportunity to cheer on the Melbourne football team.

Jules has been a wine collector for many years and enjoys cooking. Entertaining friends and family is the perfect end to an afternoon in the kitchen. A well selected bottle of wine is the ideal accompaniment. There is enough time to be 'Nanny Jules', attend a cricket match, join a team at a quiz night, complete a cryptic crossword or play cards.

Jules has no trouble identifying the benefits that she enjoys as a result of her RBF Allocated Pension. Put simply they include:

- ▶ continuing her existing lifestyle
- ▶ regular income for effective budgeting
- ▶ ad hoc withdrawals for holidays and other lifestyle choices
- ▶ peace of mind that money is available for an emergency.

Fundamentals

Fundamentals is brought to you by RBF Financial Planning and aims to provide you with life commentary and information on super-related issues.

We understand that when you see a Financial Planner you want the advice to be in your best interests and not motivated by what may be best for the Planner. Some recent research has indicated that many clients of Financial Planners do not feel this is always the case.

A Newspoll survey commissioned by Industry Super Network, found that 85% of respondents wanted legislative reform to require Financial Planners to act only in the best interests of their clients. This result suggests that there is a lack of confidence in the motivations of Financial Planners amongst consumers. Almost 80% of those surveyed believed commissions and other inducements compromised the quality of advice received by clients.

In February 2009, the Commonwealth's Parliamentary Joint Committee on Corporations and Financial Services, chaired by Bernie Ripoll MP, commenced an inquiry into financial

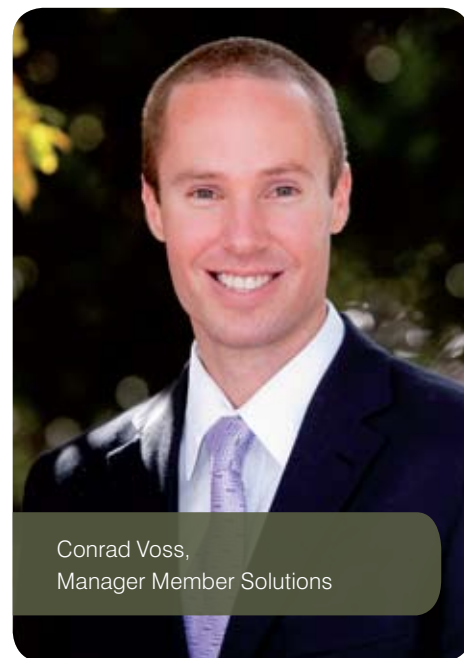
advice, financial products and services.

On 26 April 2010, the Minister for Financial Services, Superannuation and Corporate Law, announced the Federal Government's response to the inquiry. As a result, there will be a number of key reforms which are to apply from 1 July 2012.

These include:

- ▶ the requirement for financial advisers to act in the best interests of their clients and to place the interests of their clients ahead of their own when providing personal advice to retail clients
- ▶ a ban on product provider to adviser commissions (*asset and transaction based upfront and trailing commissions*) and the introduction of a fee for service model charging regime which is product neutral.

As a consumer, this means you only pay when you actually receive a service from your planner. A commission payment structure may be seen to compromise advice and promote laziness by Financial Planners as they are paid whether they service their members or not. Anecdotal information suggests that some financial planning groups are resisting changing to a fee for service model as it may cut their revenue streams and force them work harder to look after their clients.



Conrad Voss,
Manager Member Solutions

RBF Financial Planning has taken the lead by offering members advice on a fee for service basis. Our Financial Planners are not paid commissions or bonuses. Our only motivation is to ensure that you achieve financial peace of mind.

Get in touch with us today on **1800 622 631** and find out how we can help you achieve your financial goals.

RBF Financial Planning Pty Ltd (ABN 17 094 816 412, AFS Licence No 239171) is a wholly owned subsidiary of RBF and operates as a separate legal entity.

Membership Statements



There is nothing for you to do.

Your Membership Statement will be automatically sent to you during September. You will receive your copy of the September RBF Member News at the same time. It will include two summary updates:

- ▶ the superannuation changes announced in the Federal Budget
- ▶ the Henry Review.

Visiting Metro statewide

In March, Stephen Hevey, our Business Relationship Officer conducted workplace seminars at Metro Tasmania in Moonah, Launceston and Burnie.

Employees appreciated the opportunity to learn more about superannuation and talk to Stephen in relation their retirement options.

Choosing where your super is invested

RBF offers Member Investment Choice (MIC) so you can choose the investment options in which your superannuation account is invested.

You have access to MIC if you:

- ▶ are a member of the Tasmanian Accumulation Scheme
- ▶ have an RBF Investment Account
- ▶ have an RBF Allocated Pension or RBF Term Allocated Pension.

When choosing your investment options under MIC, you should take into account your objectives, financial circumstances and needs. You should also consider reducing your exposure to risk by diversifying across a range of investments. Diversification put simply means not 'putting all your eggs into one basket'.

Your MIC choice may depend on your previous investment experiences and your level of understanding. Some people are comfortable with a higher level of risk or volatility in exchange for the possibility of earning a higher level of return; others will be more conservative and invest their money in 'safer' 'defensive' assets.

In deciding which MIC option to choose, you should consider the following:

1. Your investment horizon

You need to consider how long you are investing for. This is called your investment horizon. Generally, the longer your investment horizon, the greater your ability to ride out any fluctuations in the value of your investments.

2. The likelihood of achieving the return you need

You should have a realistic and specific investment goal, for example a certain amount of investments by a certain date. Success in reaching your goal will depend upon the investment returns and the level of risk you take on.

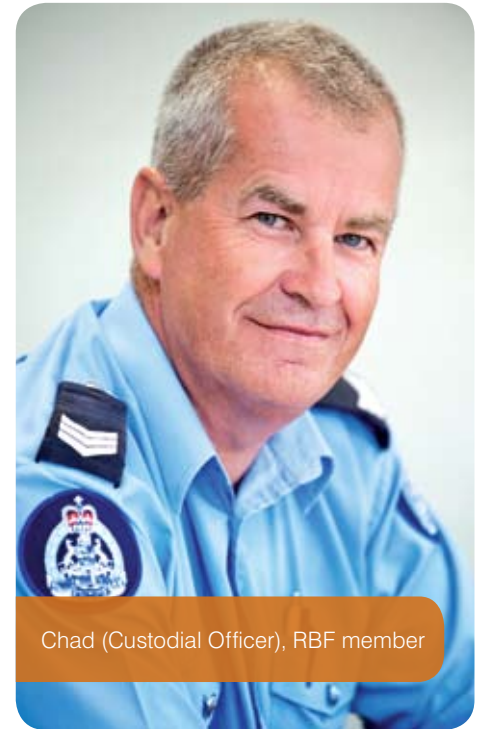
3. Your comfort level with the risk

Briefly, risk is the measure of the uncertainty of the investment return on your investments. Examples of investment risk include:

- ▶ the value of your investment decreasing through negative returns
- ▶ your investments falling short of your investment goal.

Your investment portfolio should allow you to achieve your investment goals without causing you undue worry.

You should choose a MIC option that is consistent with your investment horizon, your investment goal and your comfort level. Remember that past performance is no indication of future performance.



Chad (Custodial Officer), RBF member

If you do not choose a MIC option, your superannuation is invested in RBF's default option – RBF Actively Managed.

RBF staff are available to discuss your MIC options and help you to understand the potential outcomes.

You can change your MIC options as often as you like. You can make your switches online or by mail using the correct RBF form.

- ▶ To switch online you will first need to register at www.rbf.com.au.
- ▶ The *Member Investment Choice – Transfer & Election Form* is available by phoning us on **1800 622 631**.

Supporting employees of Disability Services

A large proportion of Disability Services is moving from the Department of Health and Human Services (DHHS) to the private sector. As a result, many of our members need to make a decision that will have a direct impact on their future.

DHHS and RBF are working together to support all employees affected by the move and provide information to assist them make an informed decision. Louise Pybus, our Business Relationship Officer for DHHS, has facilitated a number of workplace

information sessions and has met with many members personally for one-on-one discussion in relation to their superannuation.

If you are affected by this move and would like to speak to us, please call **1800 622 631**.

Building partnerships for future growth and success

At RBF, we are working hard to continuously improve our services to you. We are focussed on developing products that are of value to you and which will improve our long term competitiveness through being able to maintain lower costs.

To achieve this, the RBF Board decided in 2008 to find an outsourcing partner. Following a thorough review of potential partners, the Board decided in August 2009 on Mercer (Australia) Pty Ltd. By partnering with Mercer, our aim is to make sure we continue to meet your needs in the best possible way. Mercer are the largest Defined Benefit administrator in Australia. They have first rate technology capability

and industry-leading member services.

Our outsourcing partner will ultimately have operational responsibility for administration, eg paying your benefits, member telephone contact and member communication including website, Membership Statements and newsletters. The implementation process is planned for completion by 30 June 2011.

For now though, it's 'business as usual' and you won't notice any change to our services. Our members remain our number one focus and we continue our commitment to supporting your financial peace of mind.

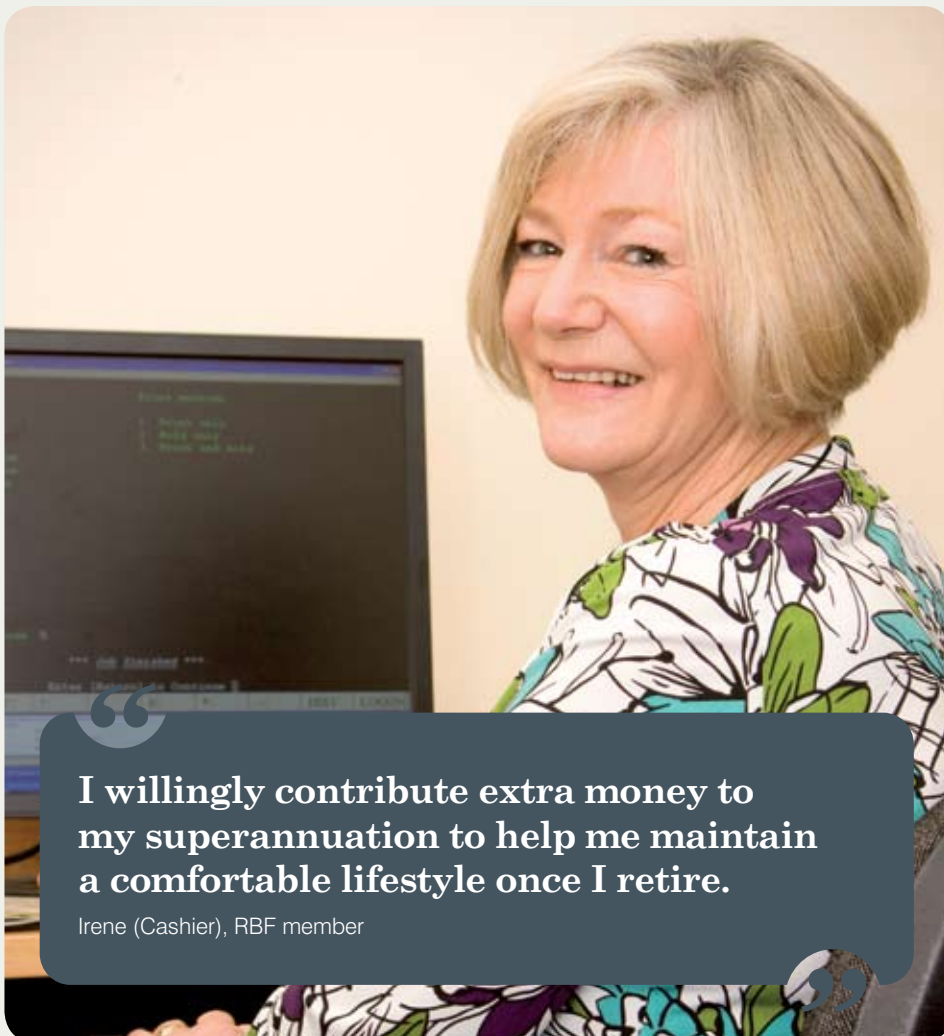
Pension payments will continue without change, telephones will be answered by RBF staff and you can always make personal appointments. There will be no impact on the management of your funds as they will continue to be invested and managed by the same people, using the same investment philosophy and process we currently use.

Mercer must perform to agreed targets and will be accountable to the RBF Board.

If you would like to discuss your superannuation or make an appointment to see us, call **1800 622 631**.

Our Business Relationship Officers can visit your workplace or you can make an appointment in Hobart, Launceston, Devonport or Burnie with our Member Services staff.

Remember, it's 'business as usual'.



I willingly contribute extra money to my superannuation to help me maintain a comfortable lifestyle once I retire.

Irene (Cashier), RBF member

Disclaimer

The RBF Board is the trustee of the RBF. Any general advice contained within this newsletter has been prepared without taking into account your objectives, financial situation or needs. Because of that, you should, before acting on that advice, consider whether it is appropriate for you, having regard for your objectives, financial situation and needs.

Before you make a decision whether to hold an RBF product, obtain a copy of the relevant RBF documentation, available at www.rbf.com.au, and read it carefully. You should also consider talking to a financial adviser.

This newsletter was current at the time of publication but is subject to change without notice. If there are any mistakes or omissions in the information, we reserve the right to correct those errors or omissions. The governing rules of RBF prevail over any misstatement in this newsletter.



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