

Deed of arrangement Terms and conditions

Contributory Scheme only



Introduction

RBF has confirmed that you can purchase or upgrade service or have a service penalty removed. A letter of offer and two copies of a Deed have been sent to you to formalise the arrangement.

The following information explains the key terms and conditions that apply to Contributory Scheme members making an election to purchase non-contributory or past service, upgrade past rate of contributions or remove a service penalty. It is recommended that you read this document and the accompanying Deed carefully.

Together, these documents outline the terms and conditions of the arrangement and your rights and responsibilities. If you have any queries after reading the documents, you are encouraged to contact RBF prior to proceeding with the arrangement.

Commencement date of Deed

The commencement date of the arrangement is the date your Application for purchase and/or upgrade of service form was received by RBF. The commencement date can be found in the Deed.

In some cases, there may be up to a 12 month period between the commencement date and the date you receive a letter of offer. This is due to RBF checking your details such as salary and service history with your employer and finalising calculations.

Expiry date of Deed

The expiry date of the Deed will be the date of the letter of offer plus 30 days. This means you have 30 calendar days from the date on the letter of offer to pay all or part of the total cost of the purchase.

If you do not pay any of the total cost within the 30 day period or you cease to be an employee of the Tasmanian public sector, the Deed will lapse and have no further effect.

For example, if the date on your letter of offer is 1 January 2024, the expiry date of the Deed will be 31 January 2024.

Cost of purchase

To calculate the total cost, RBF has used, as relevant, your salary, service history, age and actuarial factors current at the commencement date.

The total cost of the purchase is outlined in the Deed. The total cost can be paid at any time prior to the expiry date of the deed, which will be date of the letter of offer plus 30 calendar days.

Do I have to proceed with the Deed?

You may choose not to proceed, or to proceed with part or all of the purchase at any time prior to the expiry date of the Deed.

If you intend to proceed with the purchase, the Deed must be signed and returned to RBF within the date of the letter of offer plus 30 calendar days and before you cease employment with your Tasmanian public sector employer. Please note, that if you do not make a payment towards the Deed within the time period above, the Deed will lapse and have no further effect. The deed will also lapse if you are no longer a Tasmanian public sector employee.

Even after you sign the Deed and return the Deed to RBF, you do not have to proceed with the arrangement. However, if you return the Deed with any payment within the date of the letter of offer plus 30 calendar days, the arrangement will proceed.

Please be aware that if you are considering proceeding with a new election at a later date, cost calculations will be based, as relevant, on your salary, service history, age and actuarial factors current at the time of your new election. This may cause the cost to increase.

What payment options do I have?

You may make one payment for the full amount or make partial payments up to the expiry date of the Deed.

Payments received by RBF after the expiry date or when you are no longer a Tasmanian public sector employee, cannot be applied towards the Deed.

Payments may be made by EFT or personal cheque and should be clearly marked as payments against the Deed.

You may also provide RBF with instructions to make payments towards the Deed using funds from a rollover from another super fund. You must arrange the rollover to RBF directly with the other fund. Rollovers from other super funds will not count towards your non-concessional contributions limit.

Remember: Payments can only be accepted where a signed Deed has been returned within the date of the letter of offer plus 30 calendar days and before you cease employment within the Tasmanian public sector.

How will payments be processed?

Following a full or partial payment RBF will advise the period of service that has been purchased or upgraded or how much service penalty is removed.

Part payments will require special calculation by RBF. Where a part payment is received, RBF will determine the maximum number of full days to be upgraded or purchased and will register payment for those days against the Deed. Part days cannot be purchased or upgraded and payments received by RBF after the expiry date cannot be applied towards the Deed.

Where a member has paid for a Deed by EFT or personal cheque, any overpayment will be refunded to the member. Where a member elects to rollover funds from another super fund to pay for a Deed, any overpayment will be retained in the Member Contribution Offset Account as a positive amount within the members Contributory Scheme Account.

If the Deed covers more than one election, partial payments will be applied in the following order unless RBF is otherwise instructed.

- 1 Removal of service penalty;
- 2 Purchase of non-contributory or past service;
- 3 Upgrade past rate of contributions.

What impact will the purchase have on my non-concessional contributions limit?

There is a limit on the non-concessional contributions you can contribute to your super each year.

Before you make a decision to proceed with payment of the Deed, you should understand the impact of the purchase on your non-concessional contributions limit. You are encouraged to discuss contributions limits with RBF before deciding whether to proceed with payment of the Deed.

Any payments received by cheque or EFT towards the purchase will be added to other personal contributions made in that financial year and the total will become your non-concessional contributions for the year. You are not able to proceed with the purchase if this would result in you exceeding your non-concessional contributions cap for the financial year.

If you pay for the Deed with funds rolled over from another super fund, the payment will not count towards your contributions limit for the year. This is because you will be using funds already in super and will not be contributing 'new' money into your super.

For more information on contribution limits please refer to the RBF website at www.rbf.com.au or by calling the RBF Enquiry Line on **1800 622 631**.

How do I proceed with the Deed?

You will have received two copies of the Deed. You need to complete the following seven steps to proceed with the Deed:

- 1 Read the Deed and this information sheet carefully and contact RBF and/or obtain independent advice if you have any questions.
- 2 Read and initial each page of the Deed.
- 3 Nominate one or more of the payment options on the final page.
- 4 You and a witness need to sign the final page.
- 5 Return one original Deed to RBF within the timeframe allowed.
- 6 Retain one original Deed for your safe keeping.
- 7 Provide part or full payment before the deed expires.

Remember: The signed Deed and payment must be returned to RBF before the Deed expires if you wish to proceed. RBF cannot accept payments in relation to the Deed once the Deed has expired or if you cease employment with your Tasmanian public sector employer.

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This fact sheet contains information that is intended to be general in nature and which was prepared without taking into account your personal objectives, financial situation or needs. Because of that, before acting on any information in this fact sheet, please consider whether it is appropriate to your personal circumstances, talk to a financial adviser or other relevant professional and consider the relevant RBF documentation available at www.rbf.com.au before making a decision.

Every care has been taken in providing accurate and up-to-date information in this fact sheet. However, things may have changed since this fact sheet was published and some of the information may no longer be correct. If there are mistakes or omissions in the information, we reserve the right to correct those errors or omissions. The governing rules of RBF will prevail over any misstatement in this fact sheet.

The privacy and confidentiality of your personal information is important to RBF. We hold your personal information securely and use it only for the purposes described in the RBF Privacy Policy, available on the RBF website at www.rbf.com.au. If you would like a copy or if you would like to access or update the personal information we hold about you, please contact our Privacy Officer on **1800 622 631**.

Contacting RBF

Contact RBF if you would like additional information or assistance.

RBF Enquiry Line: 1800 622 631 or
+61 2 8571 6868
(international)

Visit: www.rbf.com.au

Write: RBF, Reply Paid 89418,
PARRAMATTA NSW 2124

Email: rbf.enquiries@treasury.tas.gov.au

Office: Ground Floor,
21 Kirksway Place,
Hobart

Level 3, Henty House
1 Civic Square
Launceston
