



# State Fire Commission Superannuation Scheme Your benefits explained

The State Fire Commission Superannuation Scheme is a defined benefit scheme. Your defined benefit is calculated using a formula which depending upon your reason for ceasing membership considers your:

- ▶ age;
- ▶ salary;
- ▶ scheme join date;
- ▶ accrued retirement multiple; and
- ▶ the balance of your defined benefit account(s).

You can find this important information in the 'Personal detail' and 'Your benefits explained' sections of your Member Benefit Statement each year.

## Withdrawal benefit (resignation before age 55)

If you resign from the Tasmania Fire Service before reaching age 55, your lump sum resignation benefit will be calculated as follows:

Members who joined prior to 1 July 1990	Members who joined on or after 1 July 1990
<p>The greater of:</p> <p><b>1 Formula 1:</b></p> <ul style="list-style-type: none"> <li>▶ your member basic (1) contribution account<sup>1</sup>; plus</li> <li>▶ your member basic (1) contribution account<sup>1</sup> multiplied by 20% for each year and complete months of service to 1 July 2005 (calculated in years and complete months where periods of leave without pay may be excluded);</li> </ul> <p>Or</p> <p><b>2 Formula 2:</b></p> <ul style="list-style-type: none"> <li>▶ two times your member basic (2) contribution account<sup>2</sup>;</li> </ul> <p>Or</p> <p><b>3 Formula 3:</b></p> <ul style="list-style-type: none"> <li>▶ your minimum requisite benefit<sup>3</sup></li> </ul>	<p>The greater of:</p> <p><b>1 Formula 1:</b></p> <ul style="list-style-type: none"> <li>▶ your member basic (2) contribution account<sup>2</sup>; plus</li> <li>▶ your member basic (2) contribution account<sup>2</sup> multiplied by your vesting factor;</li> </ul> <p>Or</p> <p><b>2 Formula 2:</b></p> <ul style="list-style-type: none"> <li>▶ your minimum requisite benefit<sup>3</sup></li> </ul>

<sup>1</sup> Member basic (1) contribution account is the accumulation of your compulsory member contributions without earnings.

<sup>2</sup> Member basic (2) contribution account is the accumulation of your compulsory member contributions together with earnings calculated using the defined benefit earning rate.

<sup>3</sup> See page 3 for more information on the minimum requisite benefit.

Your resignation benefit can be transferred to a complying superannuation fund of your choice, where the employer and fund component of your resignation benefit attributable to service after 1 July 1999 will be classified as preserved and the remainder (if any) will be classified as unrestricted non-preserved. You may also invest all or part of your benefit in your choice of complying super fund; or cash all or part of the unrestricted non-preserved component of your benefit; or

- ▶ cash all or part of the unrestricted non-preserved component of your benefit; or
- ▶ do a combination of both.

Your preserved benefit will remain preserved until you have attained your preservation age and retire from the workforce or you have satisfied another condition of release for the preserved benefits.

Your preservation age is determined by your date of birth:

Date of birth	Preservation age
Before 1 July 1960	55
1 July 1960 to 30 June 1961	56
1 July 1961 to 30 June 1962	57
1 July 1962 to 30 June 1963	58
1 July 1963 to 30 June 1964	59
After 30 June 1964	60

## Retirement benefit (retirement between age 55 and 65)

If you retire from your employment with the Tasmanian Fire Service on or after age 55 but before your 65th birthday, you will be entitled to the payment of a retirement benefit calculated as follows:

The greater of:

### Formula 1:

Your Final Annual Salary multiplied by your accrued retirement multiple;

Where:

Your accrued retirement multiple is the sum of:

- 1 15% for each year of membership<sup>4</sup> before 1 July 1990; and
- 2 20% for each year of membership<sup>4</sup> between 1 July 1990 and 30 June 2005; and
- 3 16% for each year of membership<sup>4</sup> from 1 July 2005.

<sup>4</sup> Membership is calculated in years and complete months (periods of leave without pay may be excluded).

Or

### Formula 2:

Your withdrawal benefit (resignation before age 55) (see calculation on page 1).

Or

### Formula 3:

Your minimum requisite benefit (see calculation on page 3).

Your retirement benefit will be transferred to a complying superannuation fund of your choice. You can access your unrestricted non-preserved benefit at any time. You can access your preserved benefit:

- a if you have reached your preservation age but you are under age 60, and you have permanently retired from the workforce; or
- b if you have attained the age of 60 and have ceased your employment arrangement with your current employer; or
- c at any time in the case of death, terminal illness, permanent incapacity, severe financial hardship or on compassionate grounds.

If you satisfy the condition of release, you can access your entire benefit by:

- a investing all or part of your benefit in your choice of complying super fund; or
- b cashing all or part of your benefit; or
- c doing any combination of the above.

If you do not satisfy the condition of release, the employer and fund component of your benefit that is attributable to service after 1 July 1999 will be classified as preserved and any residual amount will be classified as unrestricted non-preserved. You may:

- a invest all or part of your benefit in your choice of complying super fund;
- b cash all or part of the unrestricted non preserved component of your benefit; or
- c do any combination of the above.

## Late retirement benefit (retirement after age 65)

If you are still working for the Tasmanian Fire Service after your 65th birthday, your retirement benefit will be calculated in accordance with the scheme rules using the formula prescribed for late retirement benefit.

Your late retirement lump sum benefit will be:

- a your retirement benefit as at 65; plus
- b any contributions made to the State Fire Commission Superannuation Scheme by you or the State Fire Commission after your 65th birthday; plus
- c interest on the amounts referred to in a and b above.

## Minimum requisite benefit

Your minimum requisite benefit represents the accumulation of notional Superannuation Guarantee (9.50%) contributions and compulsory member contributions plus earnings calculated using the Defined Benefit Earning Rate and allowing for the effect of administrative charges, insurance costs and tax. Your minimum requisite benefit is designed to ensure your final defined benefit is compliant with the requirements of the Commonwealth's *Superannuation Guarantee (Administration) Act 1992* and the Superannuation Industry Supervision Regulations 1994. Your minimum requisite benefit is equal to the accumulation with interest of:

- 1 your minimum requisite benefit as at 30 June 2013<sup>5</sup>;
- 2 plus for the period of service after 1 July 2013 to the date of benefit calculation:
  - a your salary multiplied by the relevant Superannuation Guarantee rate for each respective quarter; plus
  - b your defined benefit contributions;
- 3 less taxes (contributions tax);
- 4 less expenses (family law fees); and
- 5 less any payments.

<sup>5</sup> You can obtain information about your minimum requisite benefit from your Member Benefit Statement available on the member secure website at [www.rbf.com.au](http://www.rbf.com.au)

## Death and Incapacity cover

You are automatically provided with Death, Permanent Incapacity and Temporary Incapacity cover to age 65 whilst you are a member of the State Fire Commission Superannuation Scheme and an employee of the Tasmanian Fire Service.

Insurance premiums are recovered from the Scheme not from your defined benefit account. You can obtain more information on your insurance cover by calling the RBF Enquiry Line on **1800 622 631**.

### Please note the following important information

The insurance information contained in this fact sheet aims to provide you with important information on the insurance cover arrangements that apply in the State Fire Commission Superannuation Scheme. The terms and conditions relating to the insurance cover are set out in the Insurance Policies issued by the Insurer(s) to the Superannuation Commission who is the policy owner. Every effort has been made to ensure that the information contained in this fact sheet is accurate and up-to-date. The terms and conditions of the relevant Insurance Policies prevail to the extent of any inconsistency.

### When does cover stop?

Your insurance cover will stop on the earliest of the following:

- a** you reach age 65; or
- b** you cease employment with the Tasmanian Fire Service and membership of the State Fire Commission Superannuation Scheme; or
- c** you retire from your employment with the Tasmanian Fire Service due to a Terminal Illness or Permanent Incapacity; or
- d** your death.

### Warning

You should not cease employment with the Tasmanian Fire Service until you know and accept the outcome of your claim for the payment of Terminal Illness, Permanent Incapacity or Temporary Incapacity benefits. If you cease employment before you know the outcome of your claim you will not be eligible for a payment of the insured benefits.

## Temporary Incapacity cover

Your Temporary Incapacity cover provides for the payment of a monthly benefit in the event you are unable to work due to the existence of a sickness or injury that causes you to be Totally Disabled or Partially Disabled (see this page for definitions of Totally Disabled and Partially Disabled).

Your monthly benefit is 75% of your current annual super salary divided by 12. The maximum monthly benefit is \$30,000 per month and you must be less than age 65 to be eligible for the Temporary Incapacity cover.

Subject to satisfactory completion of regular medical and income reviews, your monthly benefit may be paid for up to two years.

### Waiting period

The waiting period is the continuous period of 90 days that you have to be disabled before a monthly benefit is payable. The waiting period that applies to your cover is subject to the following conditions:

- 5** the waiting period starts on the date a medical practitioner examines you and certifies that you are disabled;
- 6** you must be Totally Disabled for at least 14 out of the first 19 consecutive days of the waiting period; and
- 7** if you return to full-time work during the waiting period, the waiting period starts again, unless the return to work happens once and is for no more than five consecutive days.

You will qualify for payment of a monthly benefit after the conclusion of the waiting period if you are suffering from temporary incapacity.

### Totally Disabled

You are Totally Disabled if RBF and the Insurer are satisfied at the conclusion of the waiting period that:

- a** you are unable to perform at least one income producing duty of your occupation;
- b** you are under the regular care of, and following the advice of, a medical practitioner; and
- c** you are not working in any occupation, whether or not for reward.

Income-producing duty means a duty of your occupation immediately before you became Totally Disabled that generates more than 20% of your income.

### Partially Disabled

You are Partially Disabled if RBF and the Insurer are satisfied at the conclusion of the waiting period that:

- a** you have been Totally Disabled for at least 14 days;
- b** you were unable to work in your own occupation at full capacity immediately after you became Totally Disabled because of the illness or injury that caused your total disability;
- c** you are working in your own occupation in a reduced capacity or working in another occupation;
- d** you earn a monthly income that is less than your pre-disability income; and
- e** you are under the regular care of, and following the advice of, a medical practitioner.

## Will my monthly benefit be affected if I have extra income?

Your monthly benefit will be reduced on a dollar for dollar basis by any of the following forms of disability income:

- a** any amount payable under legislation such as workers compensation, or motor accidents compensation;
- b** any income protection benefits payable under other income protection policies;
- c** any income earned by you from personal exertion while disabled, but excluding income you earned from employment with the Tasmanian Fire Service; and
- d** any income you could reasonably be expected to earn in your occupation while disabled.

Your monthly benefit will be reduced on a proportional basis where you return to work with the Tasmanian Fire Service but due to your medical condition you have not yet resumed the full duties of your occupation.

## When does my monthly benefit stop?

The payment of a monthly benefit will stop on the earliest occurrence of the following:

- a** you are no longer temporarily incapacitated; or
- b** the end of the benefit payment period (two years); or
- c** you reach age 65; or
- d** you cease employment with the Tasmanian Fire Service and membership of the State Fire Commission Superannuation Scheme; or
- e** you retire from your employment with the Tasmanian Fire Service following a successful application for the payment of a Terminal Illness or Permanent Incapacity benefit; or
- f** your death.

## Permanent Incapacity benefit

You may qualify for the Permanent Incapacity benefit payment from the State Fire Commission Superannuation Scheme if RBF and the Insurer are reasonably satisfied on the basis of the medical and other evidence that:

- a** you have been absent from work due to ill health from the date of disablement for a period of six months and you are unlikely ever to be able to follow your usual occupation or any other occupation for which you could be reasonably considered qualified by education, training or experience; or
- b** you have suffered the total and irrecoverable loss of use of:
  - a** both hands;
  - b** both feet;
  - c** one hand and one foot;
  - d** the sight of both eyes;
  - e** one hand and the sight of one eye; or
  - f** one foot and the sight of one eye.

If your claim for payment of a Permanent Incapacity benefit is approved you may:

- a** invest all or part of your benefit in a complying super fund of your choice;
- b** cash all or part of your benefit; or
- c** do any combination of the above.

## Terminal Illness

You may qualify for the payment of a Terminal Illness benefit if RBF and the Insurer are reasonably satisfied on the basis of the medical and other evidence that:

- a** two medical practitioners have certified in writing that your medical condition will, despite reasonable medical treatment, be likely to lead to your death within 24 months of the date of certification;
- b** one of the medical practitioner's must be a specialist practicing in the type of condition that you are suffering; and
- c** for each of the medical certificates, the certification period<sup>6</sup> has not ended; and
- d** the registered medical practitioner cannot be a family member, business partner, employee or employer of you or the person insured.

If your claim for payment of a Terminal Illness benefit is approved you may:

- a** invest all or part of your benefit in your choice of complying super fund;
- b** cash all or part of your benefit; or
- c** do any combination of the above.

<sup>6</sup> The certification period is 24 months from the date the medical practitioner certifies that the member has a terminal medical condition.

## How is my Death, Terminal Illness or Permanent Incapacity benefit calculated?

Your Death, Terminal Illness or Permanent Incapacity benefit is the greater of the following amounts:

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The greater of:

### Formula 1:

Five times your Final Annual Salary.

Or

### Formula 2:

Your Final Annual Salary multiplied by your accrued retirement multiple.

Or

### Formula 3:

Your withdrawal benefit (resignation before age 55) (see calculation on page 1).

Or

### Formula 4:

Your minimum requisite benefit.

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## Warning

You should not cease employment with the Tasmanian Fire Service until you know and accept the outcome of your claim for the payment of Terminal Illness, Permanent Incapacity benefits or Income Protection benefits. If you cease employment before you know the outcome of your claim you will not be eligible to be paid the insured benefits because your insurance cover ends on cessation of employment.

## What happens if I die?

If you die and you have not made an election for your benefit to be paid to your estate, your Death benefit will be paid to:

- a** your surviving partner; or
- b** if there is no surviving partner, the person who is your registered carer under Part 2 of the *Relationships Act 2003 (TAS)*; or
- c** if there is no person referred to in **a** or **b** above, to your estate.

Your surviving partner is a person who RBF is satisfied that at the time of your death:

- a** was your partner living with you on a genuine domestic basis and was receiving significant financial support from you; or
- b** if there is no person referred to in paragraph **a**, was your partner and was living with you on a genuine domestic basis; or
- c** if there is no person referred to in the above paragraphs **a** or **b**, was your partner and was not living with you on a genuine domestic basis but was receiving significant financial support from you.

Your partner includes a person of the same or the opposite sex with whom you have a significant relationship as a couple and to whom you may not be married to or related to by family.

## How will my Death benefit be paid to my surviving partner?

If you die as a member of RBF, your Death benefit will be paid according to any valid election in relation to your estate that you have registered with RBF. You can nominate your election using the 'Making a Death benefit election' form. If you have not registered an election in relation to your Death benefit, the benefit will be paid to your surviving partner or registered carer.

If you die your surviving partner can receive a lump sum.

## Can I opt out of the State Fire Commission Superannuation Scheme?

You may elect in writing to RBF to cease membership of the State Fire Commission Superannuation Scheme before ceasing employment with the Tasmanian Fire Service. When completing your application RBF will ask you to complete a Deed of Release. The Deed of Release will:

- 1** forever discharge RBF from any claims and indemnify RBF against all present and future legal liability, claims, or proceedings to, or bought by you;
- 2** advise that:
  - a** you cannot re-join the State Fire Commission Superannuation Scheme at a later date for any reason;
  - b** your Death, Permanent Incapacity and Temporary Incapacity cover under the State Fire Commission Superannuation Scheme will stop from the date you cease membership of the State Fire Commission Superannuation Scheme; and
  - c** you will be responsible for arranging alternative Life and Income Protection insurance cover.

Your withdrawal benefit will be calculated and transferred to your choice of complying superannuation funds. The amount of your benefit will vary according to your age as follows:

- a** if you are less than 55, your benefit will be your withdrawal benefit; or
- b** if you are age 55 to 65, your benefit will be your retirement benefit; or
- c** if you are 65 or more, your benefit will be your late retirement benefit.

If you are under age 65 and still working and employed by the Tasmanian Fire Service the employer and the fund component of your benefit attributable to service after 1 July 1999 will be classified as preserved and any remainder (if any) will be classified as restricted non-preserved.

Your preserved benefit must remain preserved in your super fund until you satisfy a condition of release for the preserved benefits such as retirement from the workforce on or after attaining your preservation age. Any restricted non-preserved amount must also remain preserved until you cease employment with the Tasmanian Fire Service. In addition, all future investment returns and super contributions must be preserved until you satisfy a condition of release for the preserved benefits as required by Commonwealth laws.

Before making any decision to opt out of the defined benefit scheme that provides a guaranteed benefit on retirement you should obtain financial advice tailored to your personal circumstances.

## Need help?

RBF offers a range of services such as personal interviews, seminars and workplace visits to assist you in making informed choices with regard to your super.

An appointment with an RBF Superannuation Consultant can be arranged by phoning the RBF Enquiry Line on 1800 622 631. We can provide you with information regarding your benefits and options.

You can also explore your super options by reading RBF's brochures and fact sheets available on our website at [www.rbf.com.au](http://www.rbf.com.au), or by contacting the RBF Enquiry Line on 1800 622 631 to obtain a free copy.

Your Member Benefit Statement provides an estimate of the amount of your potential Incapacity benefit or Death benefit calculated at 30 June each year. Your Member Benefit Statement is sent to you yearly and is available on the member secure website at [www.rbf.com.au](http://www.rbf.com.au).

If you would like further details about your super benefit and options, please contact the RBF Enquiry Line on 1800 622 631. Our friendly staff are available to answer any enquiries you may have regarding your benefit.

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## Contacting RBF

Contact RBF if you would like additional information or assistance.

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

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Visit: [www.rbf.com.au](http://www.rbf.com.au)

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