

**FUNDING AND SOLVENCY CERTIFICATE
SUPERANNUATION INDUSTRY (SUPERVISION) ACT 1993
RETIREMENT PORTFOLIO SERVICE SUPERANNUATION FUND – MAST
SUPERANNUATION PLAN**

- 1 Regulation 9.09(1) of the Superannuation Industry (Supervision) Regulations (the Regulations) requires the trustee of a defined benefit fund to obtain a funding and solvency certificate from an actuary, where the fund is being used to meet an employer's obligations under the Superannuation Guarantee (Administration) Act.
- 2 This Certificate has been prepared for OnePath Custodians Pty Limited, the Trustee of the Retirement Portfolio Service Superannuation Fund – MAST Subplan, pursuant to Regulation 9.09(1). This certificate replaces the certificate by Ms Jackie Downham, FIAA, issued on 29 June 2018 and which was effective from 1 July 2017 to 30 June 2021.

3 Name of Regulated Fund to Which This Certificate Relates:

Retirement Portfolio Service Superannuation Fund – MAST Subplan (the Plan).

4 Date of Effect of This Certificate:

1 January 2020

5 Date this Certificate Ceases to Have Effect:

31 December 2024

6 Notifiable Events

The certificate will also cease to have effect should any of the following events occur, unless the Actuary advises within three months of the occurrence of the event that the certificate should not cease to have effect on this account:

- the Benefit Certificate, applicable from 1 July 2015 and referred to in 7 below, ceases to have effect, except if it ceased to have effect due to its expiry on 30 June 2020 and that it is renewed following its expiry as at 30 June 2020 on substantially the same basis;
- the Trustee becomes aware of any actual or possible misappropriation of assets of the Plan;
- the occurrence of such future events that the Plan's Actuary specifies to the Trustee in writing;
- the Trustee becomes aware that the average of salaries for all defined benefit members have increased by more than 30% over the preceding twelve-month period;
- the Trustee becomes aware that the ratio of assets over Vested Benefits in respect of defined benefits has become less than 98% of the net market value of the Plan's assets at any time since 1 January 2020;
- benefit payments with respect to defined benefits totalling more than 25% of the total vested benefits for defined benefits have been paid from the Plan during a particular quarter, and that the Vested Benefits Index in respect of defined benefits reduces to below 100% at the end of such quarter; or
- a material change in the Plan's investment objectives or strategy, or
- any additional notifiable event(s) advised by the Actuary after the date of issuing this Certificate.

In addition to these notifiable events, the Certificate will automatically expire under SIS legislation if (and when):

- any changes are made to the level or method of calculation of the benefits payable from the Plan, whether by amendment of the Trust Deed of the Plan or otherwise;
- another Funding and Solvency Certificate takes effect in respect of the Plan;
- the Actuary to the Plan withdraws the Certificate by written notice to the Trustee;
- contributions referred to in this certificate are not paid to the Plan;
- any payment of assets made to an employer sponsor under Section 117 of the Superannuation Industry) Supervision Act; or
- APRA directs the Trustee in writing to obtain a new certificate.

Should any of these events occur the Funding and Solvency Certificate must be replaced within three months. The Actuary may be required to carry out calculations before issuing a replacement certificate. Therefore it is important that the Trustee regularly monitor the Plan for the occurrence of such an event and notify the Actuary as soon as possible should such an event occur.

7 Minimum Requisite Benefits (MRBs)

The Certificate relates to the Minimum Requisite Benefits described in the Benefit Certificate effective 1 July 2015 and expiring 30 June 2020 issued by Mr. Tony Miller, FIAA, on 1 July 2015.

For the purposes of this Funding and Solvency Certificate, the MRBs defined in this Benefit Certificate are assumed to continue beyond 30 June 2020 to the expiry of this Funding and Solvency Certificate.

8 Certification

The Certificate is based on:

- the defined benefit membership, defined benefit assets and funding position of the Fund as at 30 June 2019; and
- assumptions and benefits provided by the Fund as described in the Report on the Actuarial Investigation as at 30 June 2019.

We have also considered the change in the membership from 1 July 2019 to 18 March 2020, and also the changes in assets from 1 July 2019 to the date of signing of this certificate.

I certify that:

- the Plan was solvent (as that term is defined in Regulation 9.15(2)) as at 1 January 2020, the effective date of the Certificate.
- on the basis set out in this Certificate, I expect that the Plan will be solvent throughout the period to 31 December 2024, the expiry date of the Certificate, if the following employer contributions are made in respect of the period from 1 January 2020 to 31 December 2024
 - No contributions from 1 January 2020 to 30 June 2020 in respect of defined benefit members, plus
 - At the rate of 7.5% p.a. of Plan Salary in respect of defined benefit members from 1 July 2020 to 31 December 2024, plus

- The amounts required to meet any Superannuation Guarantee, contractual or any other obligations in respect of accumulation liabilities in the Plan.

Member contributions, including salary sacrifice and deemed contributions, are also required to be remitted to the Plan.

These contribution rates are consistent with those recommended in the actuarial investigation report as at 30 June 2019 to the Trustee dated 20 December 2019 and are in excess of those expected to be required to provide coverage only of the Employer funded component of the MRBs.

- 9 I have taken into account the likely impact of investment market performance from 31 December 2019 to the date of signing on the solvency of the Plan.

I am not aware of any occurrence between the effective date and the date of signing that would affect the contents of this Certificate.

- 10 This Certificate has been prepared in accordance with Professional Standard 407 “Solvency Management of Defined Benefit Superannuation Funds” issued by the Institute of Actuaries of Australia in May 2010.



Anthony Chan

Fellow of the Institute of Actuaries of Australia

31 March 2020

Towers Watson Australia Pty Ltd

Level 4, 555 Bourke Street, Melbourne VIC 3000

DR: RX | TR,ER,CR: AC