

28 June 2019

Ms N Robertson
Premium Employer Service Consultant
ANZ Global Wealth
Level 10, 347 Kent Street
SYDNEY NSW 2000

Dear Nadine

Subject: Rentokil Initial Superannuation Plan – a sub-plan of Retirement Portfolio Service Replacement Funding and Solvency Certificate

Please find enclosed a replacement Funding and Solvency Certificate (FSC) for the Rentokil Initial Superannuation Plan (the Plan) to take effect from 1 January 2019 until 31 December 2023.

This FSC replaces the previous FSC was dated 27 July 2015 and is required to be replaced before 30 June 2019.

The contributions set out in the attached FSC are those expected to provide full Plan benefits, rather than only the Plan's Minimum Requisite Benefits (MRBs).

Under the Superannuation Industry Supervision (SIS) legislation, the Trustee must obtain a replacement FSC by no later than 31 December 2022 (i.e. one-year before the expiry date of this FSC) or earlier if a "notifiable event" occurs.

Superannuation legislation requires the Trustee to provide a copy of the FSC to each Employer contributing to the Plan.

Please do not hesitate to contact us if you have any questions.

Yours sincerely



Tracy Polldore
Fellow of the Institute of Actuaries of Australia

Tracy Polldore

Level 4, 555 Bourke Street
Melbourne
VIC 3000
Australia

T +61 3 8681 9800
D +61 3 9655 5160
F +61 3 8681 9888
E tracy.polldore@willistowerswatson.com
W willistowerswatson.com

Towers Watson Australia Pty Ltd
ABN 45 002 415 349 AFSL 229921

DO: ST |TR: CJP |ER: CJP |CR: TP

**RENTOKIL INITIAL SUPERANNUATION PLAN
a sub-plan of Retirement Portfolio Service**

FUNDING AND SOLVENCY CERTIFICATE

- 1 This Certificate is provided for the purposes of Regulation 9.09 of the Superannuation Industry (Supervision) Regulations (“SIS Regulations”) and has been prepared in accordance with Professional Standard 407 issued by the Institute of Actuaries of Australia. This Certificate has been prepared for OnePath Custodians Pty Ltd, the Trustee of the Rentokil Initial Superannuation Plan, a sub-plan of Retirement Portfolio Service.
- 2 This Certificate takes effect from 1 January 2019 and applies until 31 December 2023, unless one of the following events occurs:
 - a an amount is paid from the Plan to an employer under Section 117 of the Superannuation Industry (Supervision) Act 1993 (“SIS Act”),
 - b this Certificate is replaced by another Funding and Solvency Certificate,
 - c a notifiable event, as specified in the Appendix, occurs,
 - d an employer fails to pay the minimum contributions certified in paragraph 4, or
 - e this Certificate is withdrawn.

This Certificate replaces the previous certificate dated 27 July 2015 which was required to be replaced by 30 June 2019.

This Certificate must be replaced by 31 December 2022.

- 3 Pursuant to Regulation 9.06(2) of the SIS Regulations, the Plan is “solvent” if the net realisable value of the assets of the Plan exceeds the Minimum Requisite Benefits (MRB) of all members of the Plan. The MRB for a member is that part of a benefit being used to meet part or all of an employer’s Superannuation Guarantee obligation and is defined in the Benefit Certificate prepared by Farah Billimoria, FIAA, dated 27 July 2015, which expires on 30 June 2020.
- 4 In my opinion:
 - a at 1 January 2019, the Plan was solvent as defined under Regulation 9.06(2) and 9.15 of the SIS Regulations, and
 - b based on “best estimate” assumptions about the future of the Plan adopted at the last actuarial valuation as at 31 December 2018, the Fund is likely to remain solvent to the expiry of this Certificate provided the Company pays at least the certified minimum contributions as follows:
 - For defined benefit members: nil;
 - For accumulation members: the level of contributions should be equal to the contributions credited to members’ accounts.

In addition, the Company should also remit to the Plan:

- 3% award contributions for all eligible members (including eligible defined benefit members);
- contributions on bonus payments made to members (including defined benefit members) at the Superannuation Guarantee (SG) rate relevant at the date the bonus is paid*;
- any “salary sacrifice” contributions made by members; and
- member contributions from after tax salary.

* The SG rate is 9.5% at 1 January 2019.

The Company contributions above are the same as the regular contributions recommended by the Plan’s Actuary. These contributions may be higher than those expected to be required to provide coverage only of the Plan’s MRB benefits.

Under the SIS Act, contributions deducted from members’ salaries must be remitted no later than 28 days following the end of the month in which they were due.

- 5 In making the statement in 4(b), MRBs after 30 June 2020 are assumed to be calculated in the same manner as the current Benefit Certificate.

A summary of the Plan benefits, membership data and assumptions adopted is set out in the report on the Actuarial Valuation of the Plan as at 31 December 2018, dated 21 June 2019.

- 6 I am not aware of any other occurrence between 1 January 2019 and the date of signing this Certificate which would affect the contents of this Certificate.

Dated this 28th day of June 2019



Tracy Polldore
Fellow of the Institute of Actuaries of Australia

Towers Watson Australia Pty Ltd
Level 4, 555 Bourke Street
Melbourne VIC 3000

Appendix: Definition of Notifiable Events

Notifiable Events are events identified by the Actuary as requiring the solvency of the Plan to be re-examined. If a notifiable event occurs, the Funding and Solvency Certificate ceases to have effect, and a new Certificate must be obtained by the Trustee within three months of the occurrence of the notifiable event.

The Trustee must informally advise the Actuary if any of the events listed below occur and discuss the implications with the Actuary. If, after such discussion, the Trustee believes the event could have a significant adverse effect on the Plan's financial position, which the Actuary considers warrants replacement of this certificate, the Trustee must formally notify the Actuary of the occurrence of the event in writing.

The following are "*notifiable events*":

- a An amendment of the governing rules of the Plan in a way that affects the level, or method of calculation, of the benefits of the Plan;
- b The receipt by the Trustee of the Plan of a written direction from the Regulator under subregulation 9.09(1A) of the SIS Regulations.
- c The replacement of the Benefit Certificate which was current as at the date this Certificate was signed, with a Benefit Certificate which specifies the Fund's minimum requisite benefits on a different basis to that assumed in this Certificate.
- d Any event that the Trustee considers may be a notifiable event because it could have a significant adverse effect on the Plan's financial position, such as lower than expected investment returns, higher than expected individual or average salary increases or significant membership changes.
- e Any other event the Actuary advises in writing to the Trustee as being a notifiable event.
- f Unless advised in writing by the Actuary as not being a notifiable event, the following are also notifiable events:
 - i The net market value of the Plan's assets at the Plan's annual review date is less than 100% of the aggregate defined benefit vested leaving service benefits of members.
 - ii A change in the Fund's investment objectives or policy or the method of determining crediting rates.
 - iii A change to the method of determining the sums insured for insurance purposes whereby the total sums insured and assets of the Plan are inadequate to cover the total death and total and permanent disablement benefits of the Plan.
 - iv The Trustee increases a Member's benefit entitlement under the Trust Deed without the payment of additional Company contributions, if any, recommended by the Actuary.
 - v Expansion of the salary base used for superannuation purposes.
 - vi The provision of improved past-service benefit entitlements to members transferring between categories of Plan membership.
 - vii The payment of transfer values to another plan except where the amount transferred does not exceed the vested benefit(s) of the member(s) concerned.

