

# Funding and Solvency Certificate

## Name of Plan

Retirement Portfolio Service superannuation fund - Tokio Marine Superannuation Plan (the Plan) (previously known as the OnePath Corporate Super – Tokio Marine Superannuation Plan)

## Trustee

OnePath Custodians Pty Limited (the Trustee)

## Employer

Tokio Marine Management (Australasia) Pty Limited (the Employer)

## Purpose

The purpose of the Certificate is to ensure that Superannuation Guarantee (SG) benefits provided through the Plan are secure or, if their security is jeopardised, corrective action is initiated.

## Recipients

The Trustee of the Plan must ensure that each employer sponsor who has contributed to or is participating in the Plan receives a copy of the Certificate.

## Effective date and expiry date

This Certificate was prepared by Saffron Sweeney in accordance with Professional Standard 407 and will expire on 9 December 2024. It applies for the period 10 December 2019 to 9 December 2024, but must be replaced by 9 December 2023. It replaces the previous Certificate, signed by myself on 21 June 2018.

## Statement in terms of SIS Regulation 9.11(4) (b)

I certify that to my knowledge, no event has occurred since the commencement date of this Certificate which would affect its contents.

## Solvency Certificate

I certify that the Plan is solvent as defined in Regulation 9.06(2) of the Superannuation Industry (Supervision) Regulations as at the commencement date of this Certificate. 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. At 1 July 2019, the net realisable value of assets of the Plan at market value was \$1,078,393, the MRB were \$861,355 and the Vested Benefits were \$1,002,143 (without Employer's consent) – note that these amounts relate to defined benefit liabilities and defined benefit related assets only.

## Minimum Requisite Benefits

For each Member of the Plan, the amount of Vested Benefits is at least equal to the MRB as defined by the Plan's Benefit Certificate dated 21 June 2018 signed by myself and expiring on 21 June 2023.

## Significant changes in experience since 1 July 2019

The assets in the Plan have earned approximately 2.6% from 1 July 2019 to 31 October 2019 and the financial position of the Plan has broadly remained the same. Therefore at the signing date of this Certificate the Plan is solvent.

## Contribution certification

I estimate that the following Employer contributions will be required in respect of all Plan members (excluding periods of frozen membership or leave without pay) during the period of this Certificate (expressed as a percentage paid of salaries) in order for there to be a reasonable expectation that solvency will be maintained both for MRB and all other benefits under the Plan:

Date	SG Account (% pa)	Additional Employer Account (% pa)	DB Reserve (% pa)	Total Employer Contributions (% pa of salaries <sup>1</sup> )
1/7/2019 - 31/3/2020	11.00%	1.00%	0.50%	12.50%
1/4/2020 - 30/6/2024	11.00%	1.00%	5.00%	17.00%
1/7/2024 - 30/6/2025	11.50%	0.75%	4.75%	17.00%
1/7/2025 onwards	12.00%	0.50%	4.50%	17.00%

<sup>1</sup> The SG contribution rate is to be paid based on OTE (excluding bonus) and the balance of the contribution rate is paid on the Superannuation Salary.

Plus:

- Defined Benefit member 5% pa contributions (or 5.88% pa if salary sacrifice) of Superannuation Salary; and
- Due to the small number of Defined Benefit members left in the Plan, I recommend that if the last Defined Benefit member leaves the Plan and there are insufficient assets available to pay their benefit, the benefit is not to be paid until an appropriate contribution to meet the difference is made by the Employer.

The above contribution recommendation has considered the financial position as at 1 July 2019 and subsequent investment performance to 31 October 2019.

The Employer contributions must be paid by the 28<sup>th</sup> day of the second month following the quarter end.

Employer contributions of at least the Superannuation Guarantee rate of Ordinary Time Earnings in respect of Accumulation members and any SG on bonus for Defined Benefit members are also payable to a complying superannuation fund.

## Notifiable Events

This Certificate will cease to have effect if any of the following events occur (unless, after reviewing the details of a specific event which would otherwise be classified as a Notifiable Event, the actuary advises the Trustee in writing that such an event does not constitute a Notifiable Event for the purpose of this Certificate):

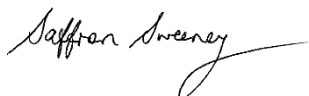
- an amendment to the benefits under the Plan;
- the replacement of the Plan's Benefit Certificate dated 21 June 2018;
- total salaries of all members increase by more than 15% in any one year;
- cumulative investment returns from 1 July 2019 to the end of any review year are more than 20% below the cumulative actuarial assumptions for investment return (5.2% pa) over the same period;
- the Vested Benefits at an annual review date are found, on completion of that annual review, to exceed the market value of the assets at the review date;

- the failure to insure death and total and permanent disablement benefits at least to the extent recommended in the most recent regular triennial actuarial investigation at 1 July 2019.
- the Employer makes contributions to the Plan at a rate less than that recommended by the Actuary;
- the notification to the Trustee by me as the Actuary of the Plan of any circumstance occurring during the currency of this Certificate which is a Notifiable Event as described in sub-regulation 9.13 of the Superannuation Industry (Supervision) Regulations; or
- the notification to the Trustee by me as the Actuary of the Plan of any circumstance which would require a review of the financial position.

## Regulatory requirement

This Certificate has been prepared in accordance with Professional Standard 407 issued by the Institute of Actuaries of Australia to meet the requirements of Part 9 of the Regulations to the Superannuation Industry (Supervision) Act (the Act).

This Certificate has been prepared due a change in the recommended contributions.



Saffron Sweeney  
Fellow of the Institute of Actuaries of Australia

10 December 2019

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