

Appendix D

**Energy Industries Superannuation Scheme Divisions  
B, C & D Funding and Solvency Certificate for the  
purpose of Regulation 9.09 of the Superannuation  
Industry (Supervision) Regulations**

**1. Application**

This Funding and Solvency Certificate has been prepared for the Trustee of the Energy Industries Superannuation Scheme in accordance with Guidance Note 461 issued by the Institute of Actuaries of Australia.

This Certificate is effective from 1 July 2006 and expires on 30 June 2011, unless it is replaced earlier or ceases to have effect for other reasons covered in Regulation 9.12(2) of the Superannuation Industry (Supervision) (SIS) Regulations.

**2. Trustee Obligations**

The Trustee is required under the Regulations to -

- (i) As soon as practicable, give a copy of this Certificate to each employer-sponsor who is associated with the Scheme for Superannuation Guarantee purposes.
- (ii) Notify the Scheme's actuary if any of the events listed in Appendix D1 occurs while this Certificate is in force.

**3. Certification**

I certify that as at 30 June 2006 the Scheme was solvent (as defined in Part 9 of the SIS Regulations) ie the Scheme's Minimum Benefit Index was not less than 1.

**Report on the Actuarial Review of the Energy Industries  
Superannuation Scheme as at 30 June 2006**

I also certify that, if the employers make contributions as recommended in section 1 of my Report on the Actuarial Review of the Scheme as at 30 June 2006 then based on the assumptions given in Appendix D3 to this Certificate, the Scheme can be expected to remain solvent (as defined in Part 9 of the SIS Regulations) during the period covered by this Certificate.

**4. Events since the effective date of this Certificate**

I am not aware of any events since the effective date of this Certificate that would affect the Certificate's contents. This certificate has been prepared in conjunction with the actuarial review of the Scheme as at 30 June 2006.

**5. Related Benefit Certificate**

In certifying the Scheme's solvency it is necessary to compare the Scheme's assets with the Minimum Requisite Benefits payable from the Scheme for Superannuation Guarantee purposes. I have taken these benefits to be those described in the Superannuation Guarantee Benefit Certificate prepared by myself dated 23 June 2006. The expiry date of that Certificate is 30 June 2010.

For the period from the expiry of that Benefit Certificate to the expiry of this certificate, I have assumed that the Minimum Requisite Benefits will continue to accrue using the rates and formulae described in that Benefit Certificate.

**6. Explanation for the Trustee**

This Certificate certifies that the Scheme is "solvent" (as defined in the Regulations for Superannuation Guarantee purposes, ie minimum Superannuation Guarantee benefits are covered by the assets). It also certifies that on reasonable assumptions about the future the Scheme is **likely** to remain "solvent" during the period covered by this Certificate.

However, I do not, and cannot, **guarantee** that the Scheme will remain "solvent", even in this limited sense, for the period covered by this Certificate.



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Date: 14 June 2007

## **APPENDIX D1. Notifiable Events**

The following events will cause this Certificate to expire. On expiry a further actuarial review of the Scheme's financial position may be required, followed by issue of a replacement certificate within three months of the expiry of the previous Certificate. The extent of the actuarial review will depend on the reason for the expiry of the previous Certificate.

- (a) Information in the form of that described in Appendix D2 is either:
  - (i) not supplied to the actuary within six months of the Scheme's annual review date; or
  - (ii) supplied to the actuary but is considered by the actuary as being inadequate to enable the actuary to conclude that the Certificate does not need to be revised.
- (b) Any benefit increase after the date of this Certificate other than those certified by the Scheme's actuary as not requiring a revision to the Certificate.
- (c) An amendment to the Scheme's Trust Deed in a way that affects the level or method of calculation of the benefits of the Scheme.
- (d) Any repatriation of surplus to an Employer associated with the Scheme.
- (e) The actuary receives written advice from the Trustee in relation to any other event, not listed in Appendix D2, which the Trustee, after discussion with the actuary, believes has had or will have a significant adverse effect on the Scheme's financial condition and the actuary has concluded that this Certificate should be replaced.

Examples are:

- (i) the transfer of a new Employer into the Scheme or withdrawal of an Employer, or a major redundancy program, which is likely to result in an increase or decrease in total membership of more than 10%;
- (ii) a significant proposed augmentation to benefits not requiring an amendment to the Trust Deed;
- (iii) a significant salary increase between the fund salary date (31 December) and the Scheme review date.

The Trustee must discuss with the Actuary any event, either actual or prospective which the Trustee believes could have a significant adverse effect on the Scheme's financial condition.

## **APPENDIX D2. Information to be monitored**

This information is to be prepared by the Trustee, or by the Scheme's administrator on the Trustee's behalf, with effect from each annual review date of the Scheme.

- Total assets at net market value.
- Total vested benefits.
- Total benefits paid during the year to former members.
- Total employer contributions if any paid during the year (and rate of contribution for each benefit category).
- Number of members and total salaries at the review date, broken down into Scheme benefit categories.
- Determined Rate of interest for the year and interim rate of interest to apply following the review date.
- Investment return for the period since the last review date.
- Whether there has been any major change in investments or investment policy during the year.
- Whether there have been any other major changes to the Scheme during the year.

**APPENDIX D3. Key Assumptions used in Preparing this Certificate**

*Financial assumptions (applicable to the period after the date of this Certificate)*

<b>Investment Earnings (% pa)</b>	<b>Salary Inflation (% pa)</b>	<b>Consumer Price Index (% pa)</b>
7.0	4.0	2.5

A promotional salary scale has also been applied.

Short term financial assumptions were also applied:

Investment earnings 2006/7 14.3%;

Salary inflation 2006/7, 2007/8 and 2008/9 6%pa.

*Other assumptions*

Assumptions have been made regarding the rate at which members are expected to leave the Scheme on account of retirement, death and resignation. These rates are the same as those used for the actuarial review of the Scheme as at 30 June 2006.