Report

to

The Trustee of LESF Super

concerning

Actuarial Review Defined Benefit Component

as at

1 November 2015

Prepared by:
Dennis Barton

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Providing solutions as actuaries, economists, mediators and statisticians.

Mr Robert Barletta
Account Executive
The Trust Company (Superannuation) Limited
Level 20, 357 Collins Street
Melbourne, VIC 3000, Australia
By email RBarletta@ttcsl.com.au

Dear Mr Barletta,

Actuarial Review Defined Benefit Component

1. Please find enclosed my report concerning the above.

2. I have supplied an electronic copy of the report and will separately supply a bound copy of it.

3. I thank you for the opportunity to assist you in this matter. If you need any further information, clarification or presentation of this report, please do not hesitate to contact me.

Yours sincerely,

Dennis E Barton
Director

Report to

The Trustee of LESF Super

concerning

Actuarial Review

as at

30 June 2015

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1 INTRODUCTION AND SUMMARY

1.1 Instructions

1. I have been asked to report on the Defined Benefit component arising from the former Macmahon Employees Superannuation Fund of LESF Super (the Fund) within the scope of Division 9.5 of the Superannuation Industry (Supervision) Regulations as at 1 November 2015 (the Valuation Date).

1.2 Summary of Data and Results

2. At the Valuation Date, the Fund had only one member, whose relevant information is summarised in the following table.

Item	Value
Age	60.2 years
Past service	28.3 years
Future service	4.8 years
Salary $	82,016
Normal retirement multiple	3.97 times FAS
Annual benefit accrual	12.0% FAS
Annual contribution	4.0% FAS
Final average salary (FAS) $	80,974
Annual increase in salary since last valuation	1.24%
Annual increase in FAS since last valuation	4.41%

3. The Defined Benefit section assets and the sole remaining member's future personal contributions are more than sufficient to fund her benefits. Thus no employer contribution is needed.

4. The following table shows the valuation balance sheet for the Defined Benefit section of the Fund.

Item	$
Assets	398,027
Present value of future contributions member contributions	15,447
Present value of future after tax employer contributions	0
Total assets	413,474
Present value of future benefits	342,329
Present value of surcharge	-207
Present value of insurance premiums	684
Present value of administration expenses	1,197
Surplus	69,471

The following chart and table shows the extent to which vested benefits are and will be, under the base assumptions, covered by the net assets of the Defined Benefit section of the Fund. It

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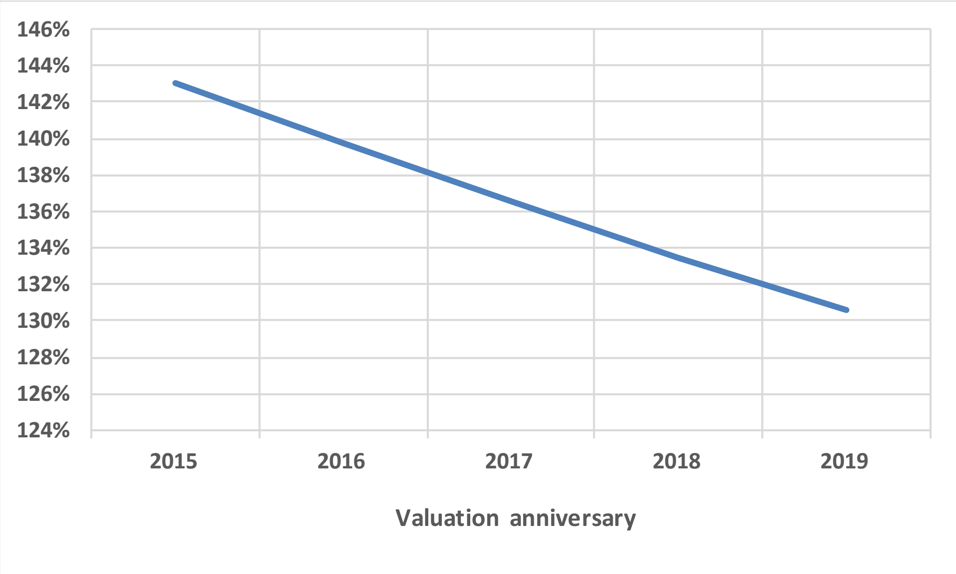
is normal to also show the coverage of discounted accrued benefits, but in this case the discounted accrued benefits are always equal to vested benefits. The reason is that the member is entitled to a Minimum Requisite Benefit under Superannuation Guarantee legislation which at all times exceeds the Final Average Salary related benefit. For the same reason, the vested benefits coverage encompasses other measures of coverage including retrenchment and actuarial value of accrued benefits.



Date	Vested coverage
1-Nov-15	143.08%
1-Nov-16	139.72%
1-Nov-17	136.53%
1-Nov-18	133.51%
1-Nov-19	130.63%

1.3 Significant Assumptions

5. In my calculations, I have assumed: -

a. an after tax earning rate of 6.0% per annum;

b. salary and final average salary increases at 5% per annum;

c. insurance premiums of $1.77 per mille;

d. administration costs of 0.31% of salary at the end of each financial year;

e. retirement at age 65 and

f. no allowance for any exit before that age.

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1.4 Sensitivity Analysis

6. Later in this report, I examine the sensitivity of the coverage of vested benefits to changes in the financial assumptions.

1.5 Comments

7. As the crediting rate for October 2015 was not determined at the time of preparing this report, I have based my calculations on zero investment earnings in that month. This only directly affects the Valuation Date assets of the Defined Benefit section. The value that I have ascribed to those assets will need to be adjusted to reflect the month's investment earning rate. The surplus will need to be increased or decreased to reflect the dollar increase or decrease in assets. Coverages will need to be increased in proportion to movements in the assets.

8. The Defined Benefit section of the Fund is in a sound financial position, needing no further employer contributions. Previously, it has been appropriate for the Defined Benefit assets to be invested in the Macmahon "Balanced Growth" investment option. As the sole Defined Benefit member is slightly more than five years from retirement age, I consider it now prudent that the funds be invested, as they are, in the "Conservative". After June 2017, I suggest funds should progressively be moved to the "Cash" option.

9. The essence of a Defined Benefit arrangement is the existence of a large number of members over which to spread the risks and costs of this type of benefit. Clearly, this is not the case now with only one remaining member. I recommend that the Trustee seek to persuade the member to switch to the accumulation section.

10. Implicit in my assumption concerning the cost of administration of the Defined Benefit section is an assumption that the cost of the Defined Benefit administration will be borne by all members of the Fund and that the Defined Benefit section will only be charged the standard salary based administration fee. While this cost could come from the Defined Benefit section for a year or so, it adds impetus to my recommendation of paragraph 9 above.

2 BACKGROUND

2.1 Previous Reports

11. Clause 19.6 of the Trust Deed requires an actuarial report every three years. I reported on the valuation as at 30 June 2012 in a report dated 24 May 2013 and again on the valuation as at 30 June 2015 in a report dated 14 April 2016 (the Previous Report).

2.2 Legislation

12. The fund is subject to Commonwealth Superannuation and Taxation legislation.

3 INFORMATION SUPPLIED AND USED

3.1 Constituent Documents

13. The fund is constituted under a Trust Deed dated 30 June 1964 as amended from time to time. There was no amendments since the previous review.

3.2 Financial Information

14. It is usual in reporting on Defined Benefit funds to record the financial experience of the fund. However, in this case, where there remains only one Defined Benefit member, I do not consider it appropriate or necessary to do this.

15. I have determined the value of the assets of the Defined Benefit section of the Fund at the Valuation Date by: -

a. adjusting the assets of the Defined Benefit section as at 30 June 2015 to allow for three members (the Exited Members) who had left the Defined Benefit section of the fund at that date, but had not been paid their due benefits then;

b. adding known member and after tax employer contributions and

c. adjusting for interest as described in paragraph 7 above.

16. I have deducted the benefits in respect of the Exited Members in the following calculation of the Defined Benefit section's available assets as at June 2015.

Item	$
Defined Benefit assets as reported	1,203,014
Benefits payable	
Cunnold	317,092
Perry	311,246
McKay	170,129
Total	798,467
Net assets available	404,547

3.3 Investment Information

17. I was instructed that the Defined Benefit section of the Fund was invested in the "Balanced Growth" investment option, the second most aggressive available before transfer to LESF Super. Since transfer, it has been invested in the "Conservative" option.

3.4 Defined Benefit Membership Information

18. I was supplied with a spreadsheets showing details of the Defined Benefit member at the Valuation Date. I held, from the information provided in the context of the Previous Report, information on this member as at 30 June 2015.

3.5 Defined Benefit Balances

19. I was instructed that the balance of the Defined Benefit account at 30 June 2015 was $1,203,014. This comprises the net market value of the Defined Benefit assets before allowance for funds owed Exited Members. I am aware, from benefit calculations that I performed for the three Exited Members at the time of their exit from the Defined Benefit section, of the amounts due to those members at their respective due dates. I subsequently adjusted these amounts to reflect interest that they were due up to the 30 June 2015.

3.6 Contributions and Salary Information

20. I was supplied with the dates and amounts of contributions made by and in respect of the remaining member during the current financial year. I was also advised that the remaining member's salary remained unchanged since June 2015. I already had available information on her salary in the three years to June 2015.

3.7 Insurance

21. I was instructed that the future service component of Defined Benefit death and disablement benefits is insured at a premium rate of $1.77 per thousand dollars insured.

3.8 Administration

22. I was instructed that the annual allowance for administration expenses applied by the Fund is 0.31% of salary. I recognise that the expenses of the Defined Benefit section are greater than that amount, particularly as they are now relate to only one member, but have adopted the Fund's expenses ratio to reflect the fact that Defined Benefit expenses are not specifically charged to the Defined Benefit section.

4 RECONCILIATIONS

23. I was not supplied with any information with which to reconcile the Defined Benefit information supplied.

5 BENEFITS AND CONTRIBUTIONS

24. The Trust Deed provides for several categories of membership. Included in these are Defined Benefit members whose benefits and contributions are contained in Rules appropriate to that category. Benefits and contributions specific to categories are as follow.

Category	Benefit multiple for contributory service	Member contribution rate
B (contributory)	12.0%	4.0%
B (non contributory)	5.0%	0.0%
C (contributory)	14.0%	5.0%
C (non contributory)	6.5%	0.0%
D(contributory)	17.5%	5.0%
D (non contributory)	11.0%	0.0%

25. The sole member is a Category B contributory member.

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5.1 Benefits for Defined Benefit Members

5.1.1 Normal Retirement

26. A member retiring at the Normal Retirement Age (65 for both sexes) is entitled to a benefit of:

a. a final average salary related benefit of
*Final Average Salary (the average of salaries at the last three years) * service (calculated in years and days) * the appropriate benefit multiple*
and

b. an accumulation benefit being the sum of
- **i.** Voluntary contributions with interest,
- **ii.** Category G accounts,
- **iii.** Category S accounts,
- **iv.** Rollovers less
- **v.** Surcharges.

5.1.2 Early Retirement

27. On retirement within ten years of Normal Retirement Age, members are entitled to benefits calculated in a way identical to normal retirement benefits.

5.1.3 Late Retirement

28. On retirement after the Normal Retirement Age, members are entitled to the normal retirement benefit determined at the time they attained Normal Retirement Age accumulated at interest since then. While not mentioned in the Trust Deed, these members are also paid the accumulation of contributions by or in respect of them less appropriate taxation and expenses. (This additional payment is the outworking of Section 5.1.7 below.)

5.1.4 Death Benefit

29. On the death of a member before Normal Retirement Age, a death benefit is payable calculated as a normal retirement benefit adjusted: -

a. to apply the length of service that would have applied at the Normal Retirement Age and

b. assume no change in salary.

30. On death of a member after Normal Retirement Age, the late retirement benefit is payable.

31. This benefit is subject to the application of the Minimum Requisite Benefit.

5.1.5 Total and Permanent Disablement Benefit

32. On the total and permanent disablement of a member the death benefit is payable.

5.1.6 Resignation Benefit

33. On the resignation of a member before Normal Retirement Age, he or she is entitled to: -

Dennis Barton

a. a Defined Benefit calculated by –

i. Determining the Defined Benefit applicable to service to the date of resignation as in sub paragraph 26a above

ii. Multiplying this by a simple discounting factor of 100% less .0125% per complete month from resignation to Normal Retirement Age subject to a minimum of 70% and

iii. Further multiplying by a vesting factor of 10% plus 10% for each year of service (calculated by reference to completed months) subject to a maximum of 100%. (For all members the maximum is applicable) and

b. an accumulation benefit being the sum of

i. Voluntary contributions with interest,
ii. Category G accounts,
iii. Category S accounts,
iv. Rollovers less
v. Surcharges.

5.1.7 Superannuation Guarantee Charge Adjustments

34. All benefits are subject to a minimum of the Minimum Requisite Benefits determined under the Benefit Certificate applicable at the relevant time. This gives effect to the requirement that the benefits are not less than those deemed to have accrued from mandatory employer contributions. The Minimum Requisite Benefits are applicable only to notional contributions below the cap applicable from time to time ($50,800 per quarter or $203,200 per annum for 2015 - 16).

6 MEMBERSHIP INFORMATION

35. The following table summarised the membership at the Valuation Date and the time of earlier triennial reports. It clearly documents the decline and aging of membership.

Valuation year	2015	2012	2009	2006
Number of members	1	6	8	13
Average age years	60	54	53	47
Average service years	28	21	17	12
Average salary $	82,016	167,393	153,837	117

7 EXPERIENCE AND ASSUMPTIONS

7.1 Demographic

7.1.1 Experience

36. In view of the single Defined Benefit member, I have not considered it justified to examine the demographic experience as defined by rates of exit.

7.1.2 Assumptions

37. Again by reason of the single Defined Benefit member, I have not made any assumptions concerning death, disablement and resignation of this member. In this context, I note that the future service component of death and disablement benefits is insured (although already covered by assets).

7.2 Financial

7.2.1 Experience

38. During the three years to 30 June 2015, the salary of the current Defined Benefit member increased at an average annual rate of 4.46% compared with 3.20% per annum for Average Weekly Ordinary Times Earnings (AWOTE). Since then her salary has not moved and new data revealed a 0.4% in AWOTE between November 2014 and May 2015.

39. During the three years to June 2015, the average earnings of the "Balanced Growth" option were 11.44% per annum. During the first three months of the 2015 /16 financial year, the Balanced Growth option declined at an annual rate of 9.90%.

7.2.2 Previous Report

40. In the Previous Report, I assumed a base case of: -

a. investment earnings after tax and fees of 6.0% per annum and

b. salary growth of 5% per annum implying

c. earnings 1.0% per annum in excess of salary increases.

7.2.3 Assumptions

41. In the light of my recommendation in the Previous Report to reduce the degree of aggression in the investment of the Defined Benefit funds, I reduced the assumed earnings by 0.5% per annum for that report. I have continued those assumptions for this report.

42. In this valuation, I have assumed base financial assumptions of :

a. investment earnings 6.0% per annum and

b. salary inflation of 5% per annum implying

c. net of tax and fees investment earnings 1.0% per annum in excess of salary increases.

8 SITUATION AT VALUATION DATE

43. Details of the sole member are set out in paragraph 2 above.

Dennis Barton

9 INVESTMENT AND TAXATION

9.1 Investment Policy

44. The investment policy currently adopted for the Defined Benefit section of the Fund is to invest in LESF Super's "Conservative" option, which I recommend continue until June 2017 after which a progressive move to "Cash" should be considered. The Conservative option is invested as to 20% in Australian equities and the balance in defensive assets.

45. Detailed commentary on the investment policy is beyond the scope of this report. However, in my opinion: -

- **a.** the policy is suitable to the Defined Benefit section of the Fund;
- **b.** the Fund complies with the policy and
- **c.** the current "Conservative" option is suitable in the near term.

9.2 Taxation

46. The Fund is subject to: -

- **a.** tax of 15% on employer or salary sacrifice contributions;
- **b.** tax of 15% on investment earnings including franking credits and intra year capital growth and
- **c.** tax of 10% on capital gains on investments held for more than one year.

47. The Fund claims tax benefits or adjustments in respect of : -

- **a.** administration expenses
- **b.** insurance premiums net of claims and
- **c.** franking credits.

10 METHODOLOGY

48. There are two aspects to my calculations for this report, namely: -

- **a.** determination of the required employer contribution rate and
- **b.** projection of the cover for vested benefits and discounted accrued retirement benefits.

10.1 Required Employer Contribution Rate

49. The required employer contribution rate is normally that rate such that the present value of future contributions is equal to an amount determined as: -

- **a.** the present value of benefits plus
- **b.** the present value of administration expenses plus
- **c.** the present value of insurance premiums less
- **d.** the present value of future member contributions and

Dennis Barton

e. the current Defined Benefit assets of the Fund.

50. Currently, the Defined Benefit assets and the present value of future member contributions exceed the present value of all benefits and expenses of the Defined Benefit section of the Fund, so there is no need for an employer contribution.

51. My calculations of present values follow the conventional discounting process which establishes the present value P of $1 n years hence assuming and interest rate of i to be

$P = 1/(1+i)^n$

52. Present values of a series of payments are calculated assuming the each payment is made in the middle of each year. The process allows for increases in salaries generally by assuming a real discount rate i' calculated as

$i' = (1+i) / (1+j) - 1$

Where

i is the nominal discount rate and

j is the inflation rate

53. Small adjustments are made to reflect that fact that increases are assumed to occur at the end of years, not in the middle.

54. Where benefits involve accumulation accounts, I have used the Valuation Date value of those accounts as their present value on emergence of benefits.

55. I have determined the present value of each member's Trust Deed retirement benefits by projecting the retirement benefit multiple to the Normal Retirement Age and then applying that multiple to the Final Average Salary. I have similarly determined the Minimum Requisite Benefits at Normal Retirement Age. This calculation requires an adjustment in respect of pre 1992 accruals and limitation to the Superannuation Guarantee Charge cap. I have made that adjustment and the limitation is not necessary for the remaining member. I have then adopted as the retirement benefit, the greater of the Trust Deed and Minimum Requisite Benefits.

10.2 Cover for Benefits

56. My calculation of the cover for benefits involves: -

a. projecting the balance of the fund and

b. projecting the member's benefits.

57. The projection of the balance of the fund involves: -

a. accumulating the current balance at the assumed interest rate;

b. adjusting this to reflect contributions, normally both employer (after tax) and member but in this case member only, and interest thereon assuming they are paid in the middle of each year;

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c. further adjustment to reflect payment of projected benefits at Normal Retirement Age (again assuming mid year payment) and

d. allowing for the payment in the middle of each year of administration costs and insurance premiums.

58. The projection of the member's benefits involves: -

a. projection of her Trust Deed benefit multiple;

b. projection of the post 1992 Minimum Requisite Benefit multiple;

c. adjustment of the pre1992 Minimum Requisite Benefit component to reflect projected salary;

d. projecting accumulation balances, including future contributions;

e. applying vesting factors and discounting factors as appropriate to obtain Trust Deed and Minimum Requisite Benefit resignation benefits, allowing as necessary for accumulation accounts. The discounting factors are those required under the Trust Deed or the legislation;

f. determining the maximum of these as the current vested benefit;

g. applying discount factors (but not vesting factors) to the projected accrued Trust Deed benefit multiple and Final Average Salary and adding any projected accumulation balances to obtain the discounted accrued benefit. These discount factors derive from the valuation assumed earning rate, not the Trust Deed or the legislation and

h. adopting as the discounted accrued benefit for testing purposes the greater of the current vested benefit of subparagraph f above and the discounted accrued benefit of sub paragraph g above. In the case of the remaining member, the vested benefit is always the greater.

59. The projection calculations of the sensitivity analysis include the approximation that both Final Average Salary and salary increase at the projected rates. In reality, of course, Final Average Salary movements trail salary changes. However, this approximation is acceptable as the sensitivity analysis is seeking only to give a general indication of the effects of changes in future experience.

11 RESULTS

11.1 Required Employer Contribution Rate

60. I have calculated that no employer contribution is required to fund the member's benefits.

11.2 Valuation Balance Sheets

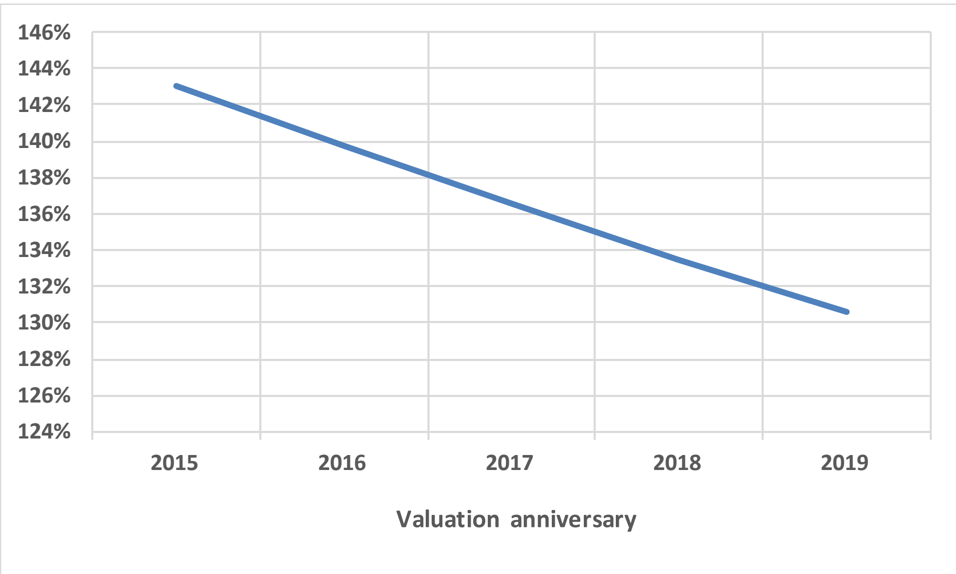
61. The following table shows the valuation balance sheet for the Defined Benefit section of the Fund repeating the table of paragraph 4 above.

Item	$
Assets	398,027
Present value of future contributions member contributions	15,447

Present value of future after tax employer contributions	0
Total assets	413,474
Present value of future benefits	342,329
Present value of surcharge	-207
Present value of insurance premiums	684
Present value of administration expenses	1,197
Surplus	69,471

11.3 Cover for Vested Benefits

62. The following charts and tables, repeated from paragraph 0 above show the cover for the vested benefits until the member reaches Normal Retirement Age.



Date	Vested coverage
1-Nov-15	143.08%
1-Nov-16	139.72%
1-Nov-17	136.53%
1-Nov-18	133.51%
1-Nov-19	130.63%

63. The fact that cover remains well above 100% provides a significant buffer against adverse experience.

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11.4 Cover for Discounted Accrued Benefits

64. As mentioned above, the member's discounted accrued benefits are the same as her vested benefit, so there is no need to record the coverage for discounted accrued benefits. This is also true of other measures of coverage, which when one allows for the effect of the Minimum Requisite Benefit, are identical.

12 INSURANCE

65. The Defined Benefit assets of the Fund exceed the death and disablement benefits for the Defined Benefit member, so no insurance is necessary. I have nevertheless retained allowance for insurance costs in my calculations. My reason is the likelihood that the insurance policy must apply to all members.

13 SENSITIVITY ANALYSIS

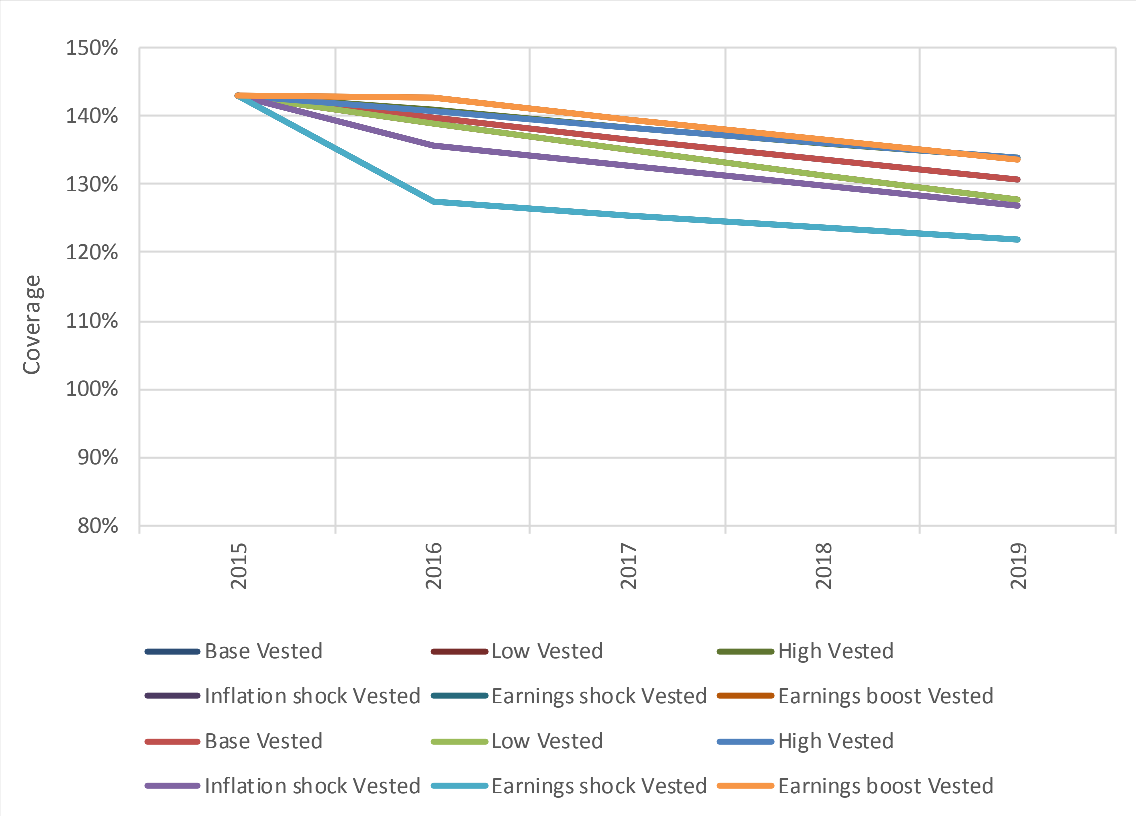
13.1 Bases

66. I have examined the sensitivity of the coverage of vested benefits and discounted accrued benefits to changes in the investment and inflation assumptions as set out below.

	First year earnings	Subsequent earnings	First year salary inflation	Subsequent salary inflation	First year real earnings	Subsequent real earnings
Base	6.0%	6.0%	5.0%	5.0%	1.0%	1.0%
Low	5.0%	5.0%	5.0%	5.0%	0.0%	0.0%
High	7.4%	7.0%	5.0%	5.0%	2.4%	2.0%
Inflation shock	6.0%	6.0%	10.0%	5.0%	-4.0%	1.0%
Earnings shock	-5.0%	6.0%	5.0%	5.0%	-10.0%	1.0%
Earnings boost	10.0%	6.0%	5.0%	5.0%	5.0%	1.0%

67. The parameters of the previous paragraph represent reasonable estimates of likely variations. They are not intended to describe upper or lower bounds of future experience.

68. The charts and tables below shows coverage by assets of minimum vested benefits under the above assumptions for the period to November 2019, when the remaining member reaches Normal Retirement Age.



Date	Base Vested	Low Vested	High Vested	Inflation shock Vested	Earnings shock Vested	Earnings boost Vested
1-Nov-15	143.1%	143.1%	143.1%	143.1%	143.1%	143.1%
1-Nov-16	139.7%	139.0%	140.8%	135.6%	127.4%	142.7%
1-Nov-17	136.5%	135.0%	138.3%	132.8%	125.4%	139.5%
1-Nov-18	133.5%	131.3%	136.0%	129.8%	123.5%	136.4%
1-Nov-19	130.6%	127.7%	133.9%	127.0%	121.8%	133.5%

14 COMPLIANCE

14.1 SIS Regulation 9.31

69. I order to comply with Regulation 9.31 of the Superannuation Industry (Supervision) Regulations, I state, in respect of the Defined Benefit section of the Fund,: -

a. the unaudited value of assets as at 1 November 2015 taken at market value was $398,027;

b. the net assets were sufficient to meet its liabilities in terms of –

i. vested resignation or retirement benefits , which were $284,953 and

ii. discounted accrued retirement benefits, which were $262,463;

c. I recommend no further employer contributions other than any contributions associated with salary sacrifice of the member's contributions;

d. in the event that the Trustee become aware that the coverage of the vested benefits falls below 100%, I recommend that I be advised as soon as possible in order to establish the required employer contribution rate;

e. I believe that the assets at the Valuation Date, future contributions and future earnings are sufficient to meet the liabilities expected to arise over the next three years;

f. all Funding and Solvency Certificates over the investigation period were obtained and I believe that it is likely that an actuary will be able to certify its solvency over the ensuing three years;

g. the fund was not in an unsatisfactory position as defined in Regulation 9.04 of the Superannuation Industry (Supervision) Regulations and is not expected to be in an unsatisfactory position during the next three years and

h. the next actuarial valuation should be conducted as at a date no later than 1 November 2018, but preferably as at 30 June 2018 if the Defined Benefit section is still open at that time.

14.2 Australian Accounting Standard 25

70. In connection with AAS 25, I state: -

a. this Section has been prepared at the request of Trust Company Superannuation Services Ltd in its capacity as trustee of the Macmahon Employees Superannuation Fund in relation to a valuation as at 30 June 2015;

b. accrued Defined Benefits have been determined by application of the benefit accrual rates of the remaining member;

c. the present value of accrued Defined Benefits has been calculated assuming –
i. future investment returns 6.0% per annum (unchanged from June 2015, when it was changed from 6.5% per annum)
ii. future salary increases 5.0% per annum (unchanged) and
iii. all members retire at age 65 (unchanged);

d. all accumulation benefits associated with the Defined Benefit member have been valued at her current balance;

e. the present value of the member's accrued benefits has been subject to a minimum of the member's Minimum Requisite Benefit at the Valuation Date;

f. the present value of accrued benefits for Defined Benefit members is $262,463 increased to the Minimum Requisite Benefit of $284,953;

g. the weighted average term of the Defined Benefit liabilities was 4.82years and

h. this Section complies with the Actuaries Institute Guidance Note 454.

Dennis Barton

14.3 Actuaries Institute

71. This report complies with the Actuaries Institute Guidance Professional Standard 400 except to the extent that I have excluded some matters inapplicable because the Defined Benefit section had only one member.

Dennis E Barton
Fellow of the Institute of Actuaries of Australia

BENEFIT CERTIFICATE

Named of Fund	LESF Super
Name of Commissioning Trustee or Employer	The Trust Company (Superannuation) Ltd
Date of effect	1 November 2015
Date of expiry	31 December 2019
Membership classes	

Category	Benefit multiple for contributory service	Member contribution rate
B (contributory)	12%	4%
B (non contributory)*	5%	0%
C (contributory)*	14%	5%
C (non contributory)*	*6.5%	0%
D(contributory*)	17.5%	5%
D (non contributory)*	11%	0%

Notional Employer Contribution Rate(s)

For the defined benefit member, 117.65% of member contributions where the member has nominated payment by salary sacrifice plus the following proportions of Ordinary Time Earnings

Period ended	Proportion of Ordinary Time Earnings
30 June 2018	9.50%

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Telephone: +61 (08) 9225 5899
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	30 June 2019 10.00% 30 June 2020 10.50% 30 June 2021 11.00% 30 June 2022 11.50% Thereafter 12.00%
Minimum Requisite Benefits	For all members, the accumulation of their accumulation balances at the date of effect and future contributions thereto less tax, administration and insurance at the appropriate declared earning rate. For all defined benefit members who were members at 30 June 1992, an additional benefit calculated as Vest92*(Res92*Sal/Sal92 - MCWI92) For all defined benefit members a further additional benefit calculated as $DF * 1.08*\Sigma(FAS_y *S_y * R_{y)}$ Where Vest92 is the vesting proportion applicable at 30 June 1992 Res92 is the actuarial reserve held at 30 June 1992 Sal is the salary at the date of termination Sal92 is the salary at 30 June 1992 and MCWI92 is member contributions plus interest at 30 June 1992 FAS_y is where financial year y is less than or equal 2012, final average salary and otherwise, final average salary subject to a maximum of 4 times the quarterly SGC contribution cap at the relevant time

	S_y is the number of years (with part years counting proportionately) of membership in financial year y R_y is the Superannuation Guaranteed Charge contribution applicable to financial year y DF = 1 – (FM *.00125) subject to a minimum of 70% and a maximum of 100% FM is the number of complete months from the exit date to age 65
Has each NECR been calculated in accordance with the Institute of Actuaries of Australia's Professional Standard 407 and the Superannuation Guarantee (Administration) Regulations	Yes
Compliance	This certificate and the underlying calculations comply with the Institute of Actuaries of Australia's Professional Standard 403 dated October 2010 and the Superannuation Guarantee (Administration) Regulations
Responsible Actuary	Dennis Edward Barton FIAA Level 10 251 Adelaide Terrace Perth Western Australia
Date signed	21 June 2016

Dennis Barton

- No member in this category

FUNDING AND SOLVENCY CERTIFICATE

Named of Fund	LESF Super
Name of Trustee	The Trust Company (Superannuation) Ltd
Superannuation Industry Supervision Regulation under which issued	9.10 (Not technically insolvent)
Date of effect	1 November 2015
Date of expiry	31 December 2019
Applicable Benefit Certificate	Author Dennis Barton Date 21 June 2015 Expiry 31 December 2019
Post certificate date occurrences taken into account	None
Minimum Benefit Index at effective date	143.1%
Does the Responsible Actuary certify the solvency of the Fund at the Effective Date	Yes
Minimum contributions to secure solvency of the Fund on the expiry date	For the defined benefit member, 0.0% of Ordinary Times Earnings (OTE) plus member contributions where the member has nominated payment by salary sacrifice payable within 28 days of the end of each quarter
Events which would cause this certificate to lapse	Expiry or replacement of this certificate

Dennis Barton

	A change in investment policy not certified by the Responsible Actuary as not causing such lapse Failure of any employer to meet contributions in a timely manner New defined benefit members joining the Fund A change in the rules of the Fund not certified by the Responsible Actuary as not causing such lapse Release of any funds to any employer not certified by the Responsible Actuary as not causing such lapse Payment of any defined benefit not approved by the Responsible Actuary Application of a crediting rate without prior approval of the Responsible Actuary
Actions to restore technical solvency	Not applicable
Is the Responsible Actuary aware of any occurrence since the effective date that would affect the contents of this certificate?	No
Compliance	This certificate complies with the Institute of Actuaries of Australia's Professional Standard 407 dated May 2010
Responsible Actuary	Dennis Edward Barton FIAA Level 8 251 Adelaide Terrace Perth Western Australia
Date signed	21 June 2016