

SPEC Super Account Based Pension Worksheet



PRE-RETIREMENT

Step 1

Calculate your Minimum Annual Payment

Your Pension payments must be between the *minimum annual payments* and *maximum annual payment* values each year to ensure your capital is generally drawn down over time.

Please note: **Pre-retirement** Account Based Pension Payments in a year must be equal to or more than the **minimum annual payment** (based on age) and equal to or less than the **maximum annual payment** (10% of your account balance). If you commence your Pension at any date other than 1 July, your **minimum annual payment** for the year will be pro-rata based on the number of days in that year. This amount will be rounded to the nearest \$10.

Each subsequent 1 July your *minimum annual payment* is recalculated on your age and *Account Balance* at the time. You again have the choice of nominating the level of income you receive as long as it is between the *minimum annual payment* and *maximum annual payment* requirement.

Your minimum annual payment calculation:

Working Example

Geoff is 55yo and has a \$215,687 superannuation account balance on 30 June 2009. What is the *minimum annual payment* Geoff must withdraw from his Pre-retirement Account Based Pension?

To calculate the *minimum annual payment* we multiply Geoff's Account Balance by his relevant Payment %.

The following table shows the minimum annual payment percentage for each age group.

Age	Minimum Annual Payment % [#]
Under 65	4%
65-74	5%
75-79	6%
80-84	7%
85-89	9%
90-94	11%
95 or more	14%

Account Balance	Age	Payment %
\$215,687	55yo	4%

EQUALS

$215,687 \times 4\% = \$8,627.48$ * for the year

* This figure is rounded to the nearest \$10 to equal \$8,630. Therefore, the minimum annual amount Geoff can receive from his Account Based Pension in the first year of commencement is \$8,630. This figure changes each year with the changing account balance and as your age changes.

#Reduced Minimum Pension Requirements

For the 2008/09 and 2009/10 financial years the Government has reduced the minimum annual pension payment as a temporary measure. The percentage rates stated in the table (and the working example) above are the normal minimum annual percentage rates for each age group.

For the 2008/09 and 2009/10 financial years only, you may choose to reduce your minimum annual pension payments by 50%. If you wish to take up this option, simply halve the percentage rate for your age group provided in the table above.

CONTINUED OVERLEAF

SPEC Super Account Based Pension Worksheet



PRE-RETIREMENT

Your Calculation

Account Balance	Age	Payment %
\$		

Please Note: Use the above Payment % table to find the appropriate % for your age

MINIMUM ANNUAL PAYMENT EQUALS

Your account balance \$ x Age based percentage %

Minimum Annual Payment= \$

Step 2

Calculate your Maximum Annual Payment

Your *maximum annual payment* each financial year to June 30 must be equal to or less than 10% of your *Account Balance* at the beginning of that financial year.

Your *maximum annual payment* calculation:

Working Example

Geoff is 55 years old and commences his *Pre-Retirement Pension* on 1 July 2009 with a \$215,687 Account Balance. To calculate the *maximum annual payment* for the year we multiply Geoff's Account Balance by 10%.

Account Balance	Maximum %
\$215,687	10%

EQUALS

\$215,687 x 10% = \$21,568.70* for the year

Therefore the maximum amount Geoff can withdraw in the first year of commencement is \$21,568.70. This figure changes each year with the changing account balance..

Your Calculation

Account Balance	Maximum %
\$	10%

MAXIMUM ANNUAL PAYMENT EQUALS

Your account balance \$ x 10% = Maximum Annual Payment

Step 3

Select the amount of your yearly pension payments

Please Note: This value must be between the minimum annual payment and maximum annual payment calculations made above.

Selected Annual Income

= \$...../ year

Please Note: If you commence your Pension during June, the first payment can be deferred until July. If you commence your Pension at any other time than 1 July, the first year's payment must be pro-rata, based upon the number of days to 30 June.

If you would like to commence an Account Based Pension with SPEC Super, please read the SPEC Pension Product Disclosure Statement and complete the attached application form and return it to the Fund.

Return completed form to: SPEC Super PO Box 1109 Milton Qld 4064