

## PART 6 - MEMBER'S BENEFIT OPTIONS

Note: Where a member had transferred an amount into the PSS scheme, an additional benefit accrual under Part 11 is payable to, or in respect of, the member.

### Division 1

#### Resignation, etc - Benefit Options

##### Benefit options

**6.1.1** A member who ceases membership before **minimum retiring age**, for example on resignation or dismissal, but not by reason of death, and is not entitled to benefits under any other rule, is entitled to a **preserved benefit** of his/her **final benefit accrual**, or, as an alternative, may choose:

- (a) to be paid a lump sum of:
  - (i) all his/her **final benefit accrual** if the **SIS Act** does not restrict payment of any part of that amount; or
  - (ii) that part of his/her **final benefit accrual** that the **SIS Act** permits to be paid in cash and that does not exceed his/her **accumulated member contributions**, leaving the balance in the scheme as a **preserved benefit**; or
- (b) to combine his/her **final benefit accrual** with the benefit accruing under another current period of membership, provided the combined benefit does not exceed his/her **maximum benefit** (see *Rules 5.2.22 and 5.3.22*);

unless the member:

- (A) ceased membership on the sale or transfer by the Commonwealth of all or part of an organisation, business, service, asset or function (see *Divisions 6 and 7 of this Part*); or
- (B) transfers his/her benefit to an **eligible superannuation scheme** (see *Rule 6.8.6*), or joins an **approved superannuation scheme** (see *Rule 6.8.10*) or an **authorised superannuation scheme** (see *Rule 6.8.11*); or
- (C) was a **member** for less than 3 months and he/she has another current period of membership (see *Rule 6.1.3*).

**Note:** Until specific conditions are met, a casual employee is not considered to have ceased membership simply because contributions are not being made (*see Rule 6.1.2*).

**6.1.2** A **casual member** is not regarded as having ceased membership until the earliest of the date:

- (a) he/she has not made contributions for more than 26 consecutive fortnights, provided periods of leave without pay where he/she is not allowed to pay contributions are not counted towards the 26 consecutive fortnights; or
- (b) the **Board** accepts a certification in writing from him/her that he/she has no plans to be re-employed by the Commonwealth or an approved authority within one year of last ceasing such employment; or
- (c) he/she reaches his/her **maximum retiring age**;

but is then deemed to have ceased to be a **member** on the last day of employment by the Commonwealth or an approved authority.

**6.1.3** A **member** who ceases membership before **minimum retiring age** not on death but, for example, on resignation or dismissal, and is not entitled to benefits under any other Rule may choose:

- (a) to be paid a lump sum of his/her **final benefit accrual**, if the **SIS Act** does not restrict payment of any part of that amount; or
- (b) to combine his/her **final benefit accrual** with another current period of membership (*see Rules 5.2.22 and 5.3.22*);

if he/she:

- (A) has another current period of membership; and
- (B) was a **member** for less than 3 months.

**NOTE:**

Resignation or dismissal *after* minimum retiring age is treated the same as voluntary retirement. Benefit options are in Division 2 of this Part.

## Division 2

### Voluntary Retirement, etc - After Minimum Retiring Age

#### Normal benefit options

**6.2.1** A member who ceases membership on voluntary retirement, resignation or dismissal on or after **minimum retiring age** may choose:

- (a) to be paid a lump sum of his/her **final benefit accrual**; or
- (b) to take his/her **final benefit accrual** as a **pension**; or
- (c) to leave his/her **final benefit accrual** in the scheme as a **preserved benefit**; or
- (d) to convert half or more of his/her **final benefit accrual** to a **pension** and be paid the balance as a lump sum; or
- (e) to combine his/her **final benefit accrual** with the benefit accruing under another current period of membership, provided the combined benefit does not exceed his/her **maximum benefit** (see Rules 5.2.22 and 5.3.22);

unless the member:

- (A) ceased membership before age 65 and remains in the workforce (see Rule 6.2.2); or
- (B) ceased membership before:
  - (i) 1 July 1996; and
  - (ii) reaching his/her **maximum retiring age**; and
  - (iii) reaching the qualifying age shown in the Table - *Restricted Access to Full Lump Sum Benefits* in Rule 6.2.3 corresponding to the financial year he/she retires; or
- (C) ceased membership on the sale or transfer by the Commonwealth of all or part of an organisation, business, service, asset or function (see Divisions 6 and 7 of this Part); or
- (D) transfers his/her benefits to an **eligible superannuation scheme** (see Rule 6.8.6), or joins an **approved superannuation scheme** (see Rule 6.8.10) or an **authorised superannuation scheme** (see Rule 6.8.11).

Until specific conditions are met, a casual employee is not considered to have ceased membership simply because contributions are not being made (see

### Benefit options - remains in the workforce

**6.2.2** A member who ceases membership on voluntary retirement, resignation or dismissal on or after **minimum retiring age** and remains in the workforce is entitled only to preserve his/her **final benefit accrual** in the scheme, unless the member:

- (a) ceased membership on or after age 65; or
- (b) ceased membership on the sale or transfer by the Commonwealth of all or part of an organisation, business, service, asset or function (*see Divisions 6 and 7 of this Part*); or
- (c) transfers his/her benefits to an **eligible superannuation scheme** (*see Rule 6.8.6*), or joins an **approved superannuation scheme** (*see Rule 6.8.10*) or an **authorised superannuation scheme** (*see Rule 6.8.11*).

### Benefit options - certain other cases

**6.2.3** A member who, before 1 July 1996, ceases membership on voluntary retirement, resignation or dismissal:

- (i) on or between his/her minimum and maximum retiring ages; and
- (ii) before reaching the qualifying age in the following Table *Restricted Access to Full Lump Sum Benefits* for the financial year he/she ceased to be a member;

may choose:

- (a) to take his/her **final benefit accrual** as a **pension**; or
- (b) to leave his/her **final benefit accrual** in the scheme as a **preserved benefit**; or
- (c) to be paid a lump sum of all or some of his/her **accumulated member contributions** and/or all or some of his/her **accumulated productivity contributions**; and
  - (i) leave the balance of his/her **final benefit accrual** in the scheme as a **preserved benefit**; or
  - (ii) convert the balance of his/her **final benefit accrual** into a **pension**; or
- (d) to combine his/her **final benefit accrual** with the benefit accruing under another current period of membership, provided the combined benefit does not exceed his/her **maximum benefit** (*see Rules 5.2.22 and 5.3.22*);

unless the member:

- (A) ceased membership before age 65 and remains in the workforce (*see Rule 6.2.2*); or
- (B) ceased membership on the sale or transfer by the Commonwealth of all or part of an organisation, business, service, asset or function (*see Divisions 6 and 7 of this Part*); or

- (C) transfers his/her benefits to an **eligible superannuation scheme** (see Rule 6.8.6), or joins an **approved superannuation scheme** (see Rule 6.8.10) or an **authorised superannuation scheme** (see Rule 6.8.11).

<b>Restricted Access to Full Lump Sum Benefits</b>	
Financial Year Ceased to be a Member	Qualifying Age
1.7.94 to 30.6.95	55
1.7.95 to 30.6.96	50

**6.2.4** A member to whom Rule 6.2.3 applies who is suffering from a **terminal medical condition**, may choose, instead of a benefit under that rule:

- (a) to be paid a lump sum of his/her **final benefit accrual**; or
- (b) to take his/her **final benefit accrual**:
  - (i) entirely as a pension; or
  - (ii) as part pension, by converting half or more of his/her **final benefit accrual** into pension, with the balance paid as a lump sum.

**6.2.5** A **casual member** is not regarded as having ceased membership until the earliest of the date:

- (a) he/she has not made contributions for more than 26 consecutive fortnights, provided periods of leave without pay where he/she is not allowed to pay contributions are not counted towards the 26 consecutive fortnights; or
- (b) the **Board** accepts a certification in writing from him/her that he/she has no plans to be re-employed by the Commonwealth or an approved authority within one year of last ceasing such employment; or
- (c) he/she reaches his/her **maximum retiring age**;

but is then deemed to have ceased to be a **member** on the last day of employment by the Commonwealth or an approved authority.

## Division 3

### Involuntary Retirement Benefit Options

#### Benefit options - before minimum retiring age

**6.3.1** A member who, before 1 July 2000, ceases membership on **involuntary retirement** before **minimum retiring age** is entitled to a **preserved benefit** of his/her **final benefit accrual**, or, as an alternative, may choose to:

- (a) be paid a lump sum of that part of his/her **final benefit accrual** that is permitted to be paid in cash under the **SIS Act**, or a lump sum less than that amount, and:
  - (i) leave the balance of his/her **final benefit accrual** in the scheme as a **preserved benefit**; or
  - (ii) **roll-over** the balance of his/her **final benefit accrual**; or
  - (iii) if the balance is 50% or more of his/her **final benefit accrual**, convert the balance into a **pension**; or
- (b) take his/her **final benefit accrual** as a **pension**;
- (c) **roll-over** his/her **final benefit accrual**; or
- (d) combine his/her **final benefit accrual** with the benefit accruing under another current period of membership, provided the combined benefit does not exceed his/her **maximum benefit** (see *Rules 5.2.22 and 5.3.22*);

unless he/she transfers his/her benefits to an **eligible superannuation scheme** (see *Rule 6.8.6*), or joins an **approved superannuation scheme** (see *Rule 6.8.10*) or an **authorised superannuation scheme** (see *Rule 6.8.11*).

**6.3.2** A member who, on or after 1 July 2000, ceases membership on **involuntary retirement** before **minimum retiring age** is entitled to a **preserved benefit** of his/her **final benefit accrual** or may choose any one of the options in Rule 6.3.1. The lump sum under Rule 6.3.1(b) is limited to that part of his/her **final benefit accrual** that does not exceed his/her **accumulated member contributions** and that the **SIS Act** permits to be paid in cash. A **preserved benefit** or the choice of options is not available if the **member** transfers his/her benefits to an **eligible superannuation scheme** (see *Rule 6.8.6*), or joins an **approved superannuation scheme** (see *Rule 6.8.10*) or an **authorised superannuation scheme** (see *Rule 6.8.11*).

**Benefit options - after minimum retiring age**

**6.3.3** A member who ceases membership on **involuntary retirement** on or after **minimum retiring age** may choose:

- (a) to be paid a lump sum of his/her **final benefit accrual**; or
- (b) to take his/her **final benefit accrual** as a **pension**; or
- (c) to leave his/her **final benefit accrual** in the scheme as a **preserved benefit**; or
- (d) to convert half or more of his/her **final benefit accrual** to a **pension** and be paid the balance as a lump sum; or
- (e) to combine his/her **final benefit accrual** with the benefit accruing under another current period of membership, provided the combined benefit does not exceed his/her **maximum benefit** (see Rules 5.2.22 and 5.3.22);

unless he/she transfers his/her benefits to an **eligible superannuation scheme** (see Rule 6.8.6), or joins an **approved superannuation scheme** (see Rule 6.8.10) or an **authorised superannuation scheme** (see Rule 6.8.11).

**IMPORTANT NOTE:**

The term **involuntary retirement** used in these rules does not include some loss of employment situations that might usually be thought of as involuntary retirement, retrenchment or redundancy.

For example, cessation of membership on the sale or transfer of Commonwealth assets or functions is **NOT** regarded as **involuntary retirement** under these rules. Similarly, members who are dismissed from their employment or forfeit their office are **NOT** entitled to involuntary benefits.

The definition of **involuntary retirement** in Part 1 - INTRODUCTION - should be checked to ensure benefits are payable under this Division, especially where **temporary employees** are involved.

Special conditions govern whether **involuntary retirement** is regarded as having occurred when a **fixed-term employee's** term of appointment/employment expires and is not renewed, or is terminated. Division 4 sets out these conditions.

## Division 4

### Eligibility of Fixed-term Employees for Involuntary Retirement Benefits

#### Eligibility for involuntary retirement benefit - appointment or employment not renewed

**6.4.1** A member appointed or employed as a **fixed-term employee** is entitled to involuntary retirement benefits when the term of his/her appointment or employment ends if:

- (a) his/her employment status immediately prior to the appointment or employment now ended met the description in one of the categories in the Table - *Previous Employment Status of Fixed-term Employee* below; and
- (b) he/she was eligible to be re-appointed to, or re-employed in, the office or position; and
- (c) he/she desired to be re-appointed or re-employed; but
- (d) he/she was not re-appointed or re-employed.

The **fixed-term employee** is deemed to have retired involuntarily for the purposes of the Rules if he/she meets these criteria, unless:

- (A) his/her appointment or employment document, or
- (B) the terms or conditions of appointment or employment,

provide that involuntary retirement benefits for the purposes of the **PSS scheme** are not applicable.

### Table - Previous Employment Status of Fixed-term Employee

#### Employment status immediately preceding the appointment or employment now ended

Was a Secretary, officer or employee under the *Public Service Act 1922*;  
 - but was not a fixed-term employee.

Was an employee of the authority or body that either:  
 . appointed him/her as a fixed-term employee to the subsequent employment; or  
 . is liable to pay the remuneration of the holder of the statutory office;  
 - but was not a fixed term employee.

Was a fixed-term employee who would have been deemed under the Rules to have retired involuntarily when that appointment or employment ended had he/she not been appointed to the subsequent fixed term employment

(Note: Includes a statutory office holder appointed for a fixed term);

- but was not a fixed-term employee appointed or employed:
  - . by an approved authority; or
  - . by the Commonwealth under an Act other than the *Public Service Act 1922*; or
  - . as a person to whom Division 3 of Part IV of the *Public Service Act 1922* applied; or
  - . as an approved person for the purposes of Part IV of the Commonwealth Legal Aid Act 1977; or
  - . as a person who was a member under a declaration under paragraph 6(1)(j) of the *Superannuation Act 1990*.

Was a fixed-term employee appointed or employed by the Commonwealth under the same law as that under which he/she was appointed or employed in the subsequent fixed term employment, and who would have been deemed under the Rules to have retired involuntarily when the previous appointment or employment ended if he/she had not been appointed to the subsequent fixed term employment or statutory office;

- but was not a statutory office holder appointed for a fixed term and was not appointed or employed under the *Public Service Act 1922*.

Was a person appointed or employed by the Commonwealth under the same law as that under which he/she was employed in the subsequent employment;

- but was not a fixed-term employee and was not appointed or employed under the *Public Service Act 1922*.

Was a fixed-term employee of the same authority or body that:

- . appointed him/her to, or employed him/her in, the subsequent employment; or
- . that is liable to pay the remuneration of the holder of the statutory office;  
 and who would have been deemed under the Rules to have retired involuntarily when the previous appointment or employment ended if he/she had not been appointed to the subsequent fixed term employment or statutory office.

**6.4.2** A **fixed-term employee** who is not a person who had held an appointment or been employed under one of the categories in the Table - *Previous Employment Status of Fixed-term Employee* in Rule 6.4.1. immediately before being appointed to his/her latest office or employment, is not entitled to **involuntary retirement** benefits when the term of the appointment or employment ends unless:

- (a) the document by means of which the person was appointed or employed as a **fixed-term employee** provides to the contrary; or
- (b) the terms or conditions of the appointment or employment provide to the contrary; and
- (c) the Minister approved the inclusion of the provision to the contrary in the appointment or employment document, or the terms or conditions of employment, or approved the appointment or employment on the basis that such a provision applied; and
- (d) he/she was eligible for re-appointment or re-employment, and desired to be re-appointed or re-employed, but was not re-appointed or re-employed.

**6.4.3** If the relevant approval by the Minister is not obtained under Rule 6.4.2, the provision granting the entitlement to **involuntary retirement** benefits is ineffective, but all other provisions of the document or the terms or conditions of the appointment or employment remain effective.

#### Eligibility for involuntary retirement benefit where appointment is terminated

**6.4.4** A **fixed-term employee** who ceases to be a **member** because his/her appointment or employment is terminated before the expiration of the term of that appointment or employment, is deemed to have retired involuntarily unless:

- (a) the document by means of which the person was appointed as a **fixed-term employee** provided that, in that event, he/she was not to be deemed to have retired involuntarily; or
- (b) it was a term or condition of the appointment or employment that, in that event, he/she was not to have been deemed to have retired involuntarily for the purposes of the Rules..

#### Date of cessation in certain circumstances

**6.4.5** For the purposes of this Division, a person who ceases to hold a fixed term Commonwealth office within the meaning of Part IV of the *Public Service Act 1922* because:

- (a) the office is abolished; or
- (b) the period for which the appointment was made expires; or

- (c) the appointment is terminated before the end of the period for which it was made;

and in respect of whom a direction under subsection 87ZCA(1) of the *Public Service Act 1922* has been made, is not taken to have ceased membership for such a reason until the date specified in that direction, and any entitlement to **involuntary retirement** benefits commences from that date.

**6.4.6** For the purposes of this Division, a person who ceases to hold an office of **Secretary** under a fixed-term appointment under the *Public Service Act 1922* because:

- (a) the office is abolished; or
- (b) the period for which the appointment was made expires; or
- (c) the appointment is terminated before the end of the period for which it was made;

and in respect of whom a direction under subsection 37(6) of the *Public Service Act 1922* has been made, is not taken to have ceased membership for such a reason until the date specified in that direction and any entitlement to **involuntary retirement** benefits commences from that date.

#### Other provisions

**6.4.7** In the case of a person who has ceased to be a **member** on more than one occasion, the Rules in this Division have effect in relation to the last such occasion only.

**6.4.8** Where the document by means of which a person is appointed to an office or a position, or the terms or conditions of such an appointment, contain references to Rules in Division 2 of Part 4, made prior to the date of the Ninth Amending Deed, the references are taken to be references to the Rules with corresponding intent in this Division.

#### Savings provisions

**6.4.9** A **member** is deemed to have retired involuntarily when his/her fixed term **statutory office** that began before 15 March 1994 ends if, although eligible for re-appointment to the **statutory office** and desiring to be so re-appointed, he/she is not re-appointed.

**6.4.10** A **member** who is not the holder of a **statutory office** is deemed to have retired involuntarily when his/her fixed term appointment or employment ends if:

- (a) although eligible for re-appointment to, or re-employment in, the position or office, and desiring to be so re-appointed, he/she is not re-appointed; and
- (b) he/she would have been deemed to have retired involuntarily under the Rules that were in force before 15 March 1994.

**6.4.11** A **member** classed as a **temporary employee** immediately before 15 March 1994:

- (a) who would have been classed as a **fixed-term employee** if the Rules in this Division had been in force; and
- (b) who ceases to be a **member** after that date because the position or office ceases to exist, whether it is abolished or otherwise, is not deemed to have retired involuntarily.

Note: The date of effect of the Rules in this Division is 15 March 1994.

## Division 5

### Invalidity Retirement Benefit Options

#### Benefit options - before age 60

**6.5.1** A member who ceases membership on **invalidity retirement** before age 60 is entitled to his/her **invalidity benefit accrual** in the form of a **pension** or, as an alternative, may choose:

- (a) to be paid a lump sum of all or some of his/her **accumulated member contributions** and to convert the balance of his/her **invalidity benefit accrual** into a **pension**; or
- (b) to be paid a lump sum of his/her **final benefit accrual**, provided the **Board** is satisfied he/she is suffering from a **terminal medical condition**;

unless he/she is a **limited benefits member** (See Rule 6.5.3).

#### Benefit options - after age 60

**6.5.2** A member, including a **limited benefits member**, who ceases membership on **invalidity retirement** on or after age 60 may choose:

- (a) to be paid a lump sum of his/her **final benefit accrual**; or
- (b) to take his/her **final benefit accrual** as a **pension**; or
- (c) to leave his/her **final benefit accrual** in the scheme as a **preserved benefit**; or
- (d) to convert half or more of his/her **final benefit accrual** to a **pension** and be paid the balance as a lump sum; or
- (e) to combine his/her **final benefit accrual** with the benefit accruing under another current period of membership, provided the combined benefit does not exceed his/her **maximum benefit** (see Rules 5.2.22 and 5.3.22);

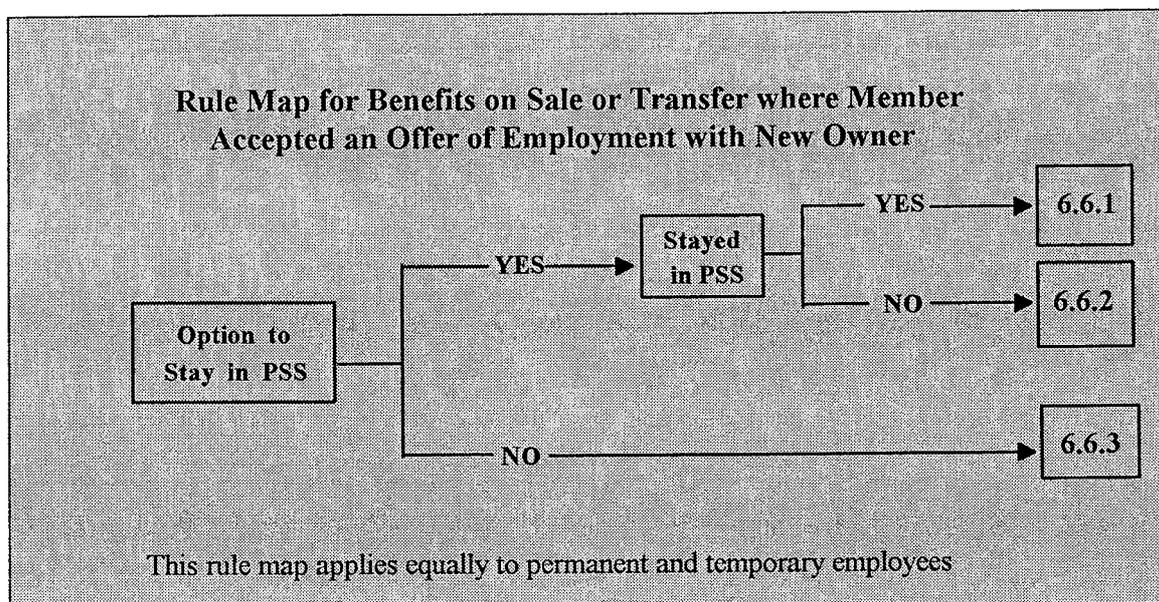
unless he/she transfers his/her benefits to an **eligible superannuation scheme** (see Rule 6.8.6), or joins an **approved superannuation scheme** (see Rule 6.8.10) or an **authorised superannuation scheme** (see Rule 6.8.11).

#### Benefit option - limited benefits member

**6.5.3** A **limited benefits member** who ceases membership on **invalidity retirement** before age 60 is entitled to be paid a lump sum of his/her **final benefit accrual**.

## Division 6

### Sale or Transfer of Assets Benefit Options - Employment Continues with New Owner



#### Benefit options - PSS membership continues

**6.6.1** A **member** who continues to be a **member** on the sale or transfer by the Commonwealth of all or part of an organisation, business, service, asset or function is not entitled to any benefits until he/she ceases membership. When the **member** ceases membership he/she will be entitled to benefits under whichever Rule is applicable to him/her at that time.

#### Benefit options - PSS membership ceases

**6.6.2** A **member** who ceases membership on the sale or transfer by the Commonwealth of all or part of an organisation, business, service, asset or function and:

- (a) continues in employment with the new owner or transferee; and
- (b) could have continued to be a **member** of the scheme after the sale or transfer;

may choose:

- (i) to preserve his/her **final benefit accrual** in the scheme; or
- (ii) to combine his/her **final benefit accrual** with the benefit accruing under another current period of membership, provided it will not cause him/her to exceed his/her **maximum benefit** (see Rules 5.2.22 and 5.3.22);

unless he/she transfers his/her benefits to an **eligible superannuation scheme** (see rule 6.8.6), or joins an **approved superannuation scheme** (see rule 6.8.10) or an **authorised superannuation scheme** (see rule 6.8.11).

**6.6.3** A **member** who ceases membership on the sale or transfer by the Commonwealth of all or part of an organisation, business, service, asset or function and:

- (a) continues in employment with the new owner or transferee; and
- (b) was not allowed to continue to be a **member** of the scheme after the sale or transfer;

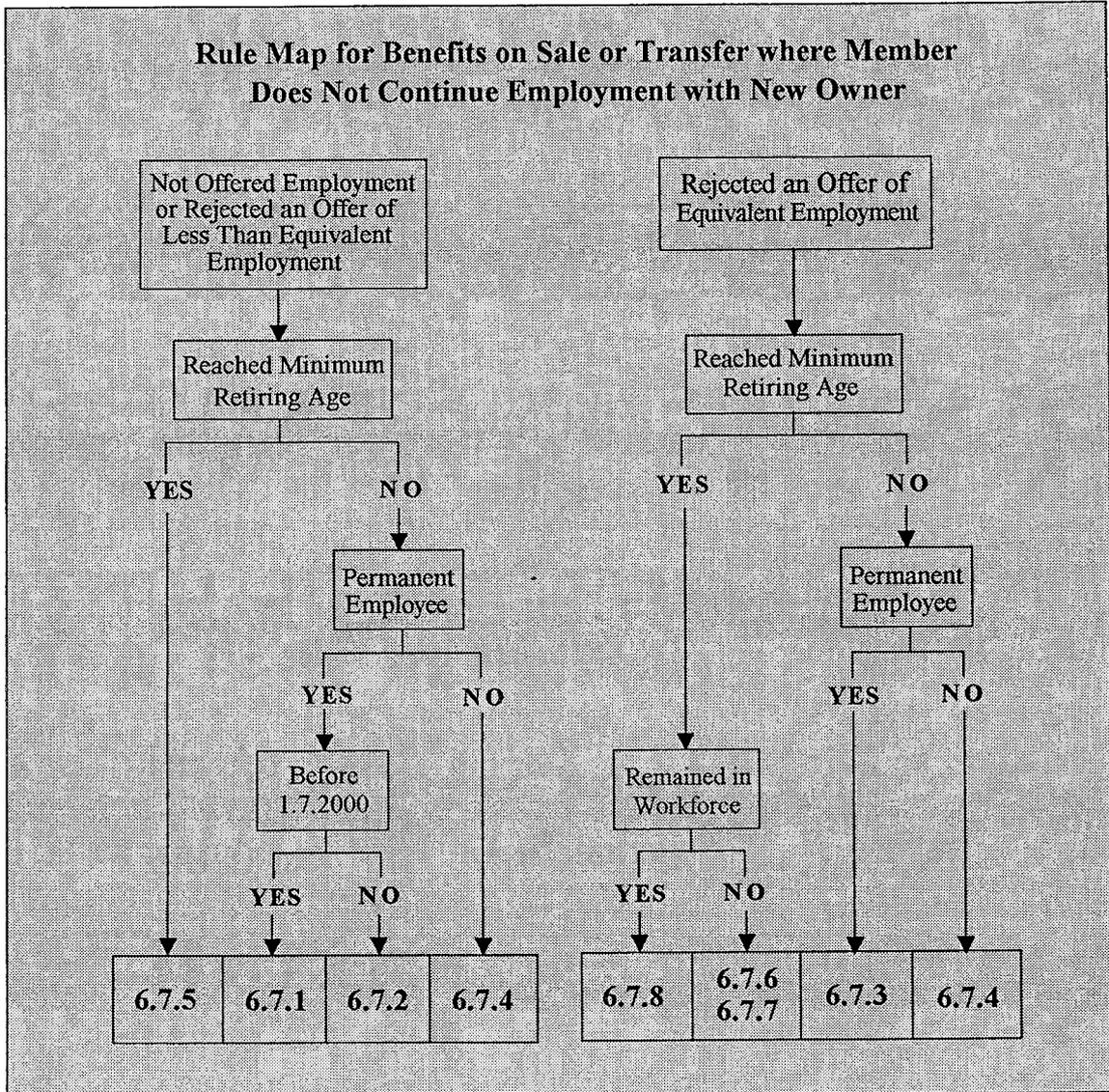
may choose:

- (i) to take his/her **final benefit accrual** as a **pension**; or
- (ii) to leave his/her **final benefit accrual** in the scheme as a **preserved benefit**; or
- (iii) to **roll-over** his/her **final benefit accrual**; or
- (iv) that part of his/her **final benefit accrual** that does not exceed his/her **accumulated member contributions** and that the SIS Act permits to be paid in cash, or a lump sum less than that amount, and:
  - (A) leave the balance of his/her **final benefit accrual** in the scheme as a **preserved benefit**; or
  - (B) **roll-over** the balance of his/her **final benefit accrual**; or
  - (C) convert the balance of his/her **final benefit accrual** into a **pension**; or
- (i) to combine his/her **final benefit accrual** with the benefit accruing under another current period of membership, provided the combined benefit does not exceed his/her **maximum benefit** (see Rules 5.2.22 and 5.3.22);

unless he/she transfers his/her benefits to an **eligible superannuation scheme** (see rule 6.8.6), or joins an **approved superannuation scheme** (see rule 6.8.10) or an **authorised superannuation scheme** (see rule 6.8.11).

# Division 7

## Sale or Transfer of Assets Benefit Options - Employment Does Not Continue with New Owner



**Benefit options - before minimum retiring age - permanent employees**

**6.7.1** A member, being a permanent employee who:

- (a) before 1 July 2000 and before **minimum retiring age**, ceases membership on the sale or transfer by the Commonwealth of all or part of an organisation, business, service, asset or function; and
- (b) was not offered employment with the new owner or transferee; or

- (c) rejected an offer of less than **equivalent employment** made by the new owner or transferee;

is entitled to a **preserved benefit** of his/her **final benefit accrual** or, as an alternative, may choose:

- (A) to take his/her **final benefit accrual** as a **pension**; or
- (B) to **roll-over** his/her **final benefit accrual**; or
- (C) to be paid that part of his/her **final benefit accrual** that the **SIS Act** permits to be paid in cash, or a lump sum less than that amount, and:
  - (i) leave the balance of his/her **final benefit accrual** in the scheme; or
  - (ii) **roll-over** the balance of his/her **final benefit accrual**; or
  - (iii) convert the balance of his/her **final benefit accrual** into a **pension**; or
- (D) to combine his/her **final benefit accrual** with the benefit accruing under another current period of membership, provided the combined benefit does not exceed his/her **maximum benefit** (*see Rules 5.2.22 and 5.3.22*);

unless he/she transfers his/her benefits to an **eligible superannuation scheme**.

**6.7.2** A member, being a **permanent employee** who;

- (a) on or after 1 July 2000 and before **minimum retiring age**, ceases membership on the sale or transfer by the Commonwealth of all or part of an organisation, business, service, asset or function; and
- (b) was not offered employment with the new owner or transferee; or
- (c) rejected an offer of less than **equivalent employment** made by the new owner or transferee;

is entitled to a **preserved benefit** of his/her **final benefit accrual** or may choose any one of the options in Rule 6.7.1. The lump sum under Rule 6.7.1(D) is limited to that part of his/her **final benefit accrual** that the **SIS Act** permits to be paid in cash and that does not exceed his/her **accumulated member contributions**. A **preserved benefit** or the choice of option is not available if the **member** transfers his/her benefit to an **eligible superannuation scheme**.

**6.7.3** A member, being a **permanent employee**, who:

- (a) ceases membership before **minimum retiring age** on the sale or transfer by the Commonwealth of all or part of an organisation, business, service, asset or function; and
- (b) rejected an offer of **equivalent employment** made by the new owner or transferee;

may choose:

- (A) to leave his/her **final benefit accrual** in the scheme as a **preserved benefit**; or

- (B) to be paid a lump sum of his/her **final benefit accrual** if the **SIS Act** does not restrict payment of any part of that amount; or
- (C) to be paid a lump sum of that part of his/her **final benefit accrual** that the **SIS Act** permits to be paid in cash and that does not exceed his/her **accumulated member contributions**, leaving the balance in the scheme as a **preserved benefit**; or
- (D) to combine his/her **final benefit accrual** with the benefit accruing under another current period of membership, provided the combined benefit does not exceed his/her **maximum benefit** (see *Rules 5.2.22 and 5.3.22*);

unless the **member** transfers his/her **final benefit accrual** to an **eligible superannuation scheme** under Division 8 of this Part.

#### Benefit options - before minimum retiring age - temporary employees

**6.7.4** A **member**, being a **temporary employee**, who:

- (a) ceases membership before **minimum retiring age** on the sale or transfer by the Commonwealth of all or part of an organisation, business, service, asset or function; and
- (b) does not continue employment with the new owner or transferee;

may choose:

- (A) to leave his/her **final benefit accrual** in the scheme as a **preserved benefit**; or
- (B) to be paid a lump sum of his/her **final benefit accrual** if the **SIS Act** does not restrict payment of any part of that amount; or
- (C) to be paid a lump sum of that part of his/her **final benefit accrual** that the **SIS Act** permits to be paid in cash and that does not exceed his/her **accumulated member contributions**, leaving the balance in the scheme as a **preserved benefit**; or
- (D) to combine his/her **final benefit accrual** with the benefit accruing under another current period of membership, provided the combined benefit does not exceed his/her **maximum benefit** (see *Rules 5.2.22 and 5.3.22*);

unless the **member** transfers his/her **final benefit accrual** to an **eligible superannuation scheme** under Division 8 of this Part.

#### Benefit options - after minimum retiring age - permanent or temporary employees

**6.7.5** A **member**, being either a permanent or temporary employee, who:

- (a) ceases membership on or after **minimum retiring age** on the sale or transfer by the Commonwealth of all or part of an organisation, business, service, asset or function; and
- (b) was not offered employment with the new owner or transferee; or
- (c) rejected an offer of less than **equivalent employment** made by the new owner or transferee;

may choose:

- (A) to be paid a lump sum of his/her **final benefit accrual**; or
- (B) to take his/her **final benefit accrual** as a **pension**; or
- (C) to preserve his/her **final benefit accrual** in the scheme; or
- (D) to convert half or more of his/her **final benefit accrual** to a **pension** and be paid the balance as a lump sum; or
- (E) to combine his/her **final benefit accrual** with the benefit accruing under another current period of membership, provided the combined benefit does not exceed his/her **maximum benefit** (see Rules 5.2.22 and 5.3.22);

unless the **member** transfers his/her **final benefit accrual** to an **eligible superannuation scheme** under Division 8 of this Part.

**6.7.6** A **member**, being either a permanent or temporary employee, who:

- (a) ceases membership on or after **minimum retiring age** on the sale or transfer by the Commonwealth of all or part of an organisation, business, service, asset or function; and
- (b) rejected an offer of **equivalent employment** made by the new owner or transferee;

may choose:

- (i) to be paid a lump sum of his/her **final benefit accrual**; or
- (ii) to take his/her **final benefit accrual** as a **pension**; or
- (iii) to preserve his/her **final benefit accrual** in the scheme; or
- (iv) to convert half or more of his/her **final benefit accrual** to a **pension** and be paid the balance as a lump sum; or
- (v) to combine his/her **final benefit accrual** with the benefit accruing under another current period of membership, provided the combined benefit does not exceed his/her **maximum benefit** (see Rules 5.2.22, 5.3.22);

unless the **member**:

- (A) ceased membership before:
  - (i) 1 July 1996; and
  - (ii) reaching his/her **maximum retiring age**; and
  - (iii) reaching the qualifying age shown in the Table - *Restricted Access to Full Lump Sums* in Rule 6.7.7 corresponding to the financial year he/she retires; or
- (B) ceased membership before age 65 and remains in the workforce (see Rule 6.7.8); or
- (C) transfers his/her **final benefit accrual** to an **eligible superannuation scheme** under Division 8 of this Part.

6.7.7 A **member**, being either a permanent or temporary employee, who:

- (a) before 1 July 1996, ceases membership on or after **minimum retiring age** on the sale or transfer by the Commonwealth of all or part of an organisation, business, service, asset or function; and
- (b) rejected an offer of **equivalent employment** made by the new owner or transferee; and
- (c) ceased membership before **maximum retiring age**; and
- (d) ceased membership before reaching the qualifying age in the following Table - *Restricted Access to Full Lump Sum Benefits* corresponding to the financial year he/she ceased;

may choose:

- (A) to take his/her **final benefit accrual** as a **pension**; or
- (B) to preserve his/her **final benefit accrual** in the scheme; or
- (C) to be paid a lump sum of all or some of his/her **accumulated member contributions** and/or all or some of his/her **accumulated productivity contributions**; and
  - (i) leave the balance of his/her **final benefit accrual** in the scheme as a **preserved benefit**; or
  - (ii) convert the balance of his/her **final benefit accrual** into a **pension**; or
- (D) to combine his/her **final benefit accrual** with the benefit accruing under another current period of membership, provided the combined benefit does not exceed his/her **maximum benefit** (*see Rules 5.2.22, 5.3.22*);

unless the **member**:

- (E) remains in the workforce (*see Rule 6.7.8*); or
- (F) transfers his/her **final benefit accrual** to an **eligible superannuation scheme** under Division 8 of this Part.

<b>Restricted Access to Full Lump Sum Benefits</b>	
Financial Year Ceased to be a Member	Qualifying Age
1.7.94 to 30.6.95	55
1.7.95 to 30.6.96	50

**Benefit options - after minimum retiring age - remains in the workforce**

**6.7.8** A **member**, being either a permanent or temporary employee, who:

- (a) ceases membership on or after **minimum retiring age** on the sale or transfer by the Commonwealth of all or part of an organisation, business, service, asset or function; and
- (b) rejected an offer of **equivalent employment** made by the new owner or transferee; and
- (c) remains in the workforce;

is entitled only to preserve his/her **final benefit accrual** in the scheme, unless the **member**:

- (A) ceased membership on or after age 65; or
- (B) transfers his/her **final benefit accrual** to an **eligible superannuation scheme** under Division 8 of this Part.

## Division 8

### Transfers to Other Superannuation Schemes

#### Agreements relating to eligible superannuation schemes

**6.8.1** The Minister and the **Board** may agree that a superannuation scheme is an **eligible superannuation scheme** able to receive transfers of **final benefit accruals** and **preserved benefits** in respect of former members who join the scheme if:

- (a) the scheme is established:
    - (i) by, or under a law of, or under the authority of, the Commonwealth, of a State or of a Territory; or
    - (ii) under the authority of a municipal corporation, another local governing body, or a public authority constituted by or under a law of the Commonwealth, of a State or of a Territory; or
    - (iii) under the authority of a company or other body corporate in which one or more of the governments, bodies and authorities in subparagraphs (i) and (ii) has a controlling interest; and
  - (b) the scheme is a regulated superannuation fund or an exempt public sector superannuation scheme for the purposes of the **SIS Act**; and
  - (c) the trustee of the scheme (or the person who manages the scheme if there is no trustee) has undertaken in writing that the scheme will:
    - (i) accept transfers of **final benefit accruals** and **preserved benefits** paid from, and pay similar transfer amounts to, the **PSS scheme** or any other **eligible superannuation scheme**; and
    - (ii) provide equitable benefits in return for a transferred amount; and
    - (iii) except in respect of a former member who is retrenched before 1 July 2000, not to pay to the former member the whole or any part of:
      - (A) the employer component of an amount transferred from the **PSS scheme**, or
      - (B) the employer component, or the part that represents that component, of any other amount transferred from the **PSS scheme** to another **eligible superannuation scheme** and subsequently transferred to the scheme;
- unless preserved benefits under the **SIS Act** would be payable in the same circumstances; and
- (iv) not to pay the employer components described in paragraphs 6.8.1(c)(iii)(A) and (B) to any other scheme that is not an **eligible superannuation scheme**; and

- (v) not pay a former member who is retrenched before 1 July 2000 that part of the transferred amount that is or would be compulsorily preserved under the **SIS Act** until the conditions for payment of compulsorily preserved amounts under that Act and regulations are met; and
- (d) the trustee of the scheme (or the person who manages the scheme if there is no trustee) has confirmed that the governing rules of the scheme do not conflict with the undertaking under paragraph (c).

**6.8.2** The Minister and the **Board** may agree that a superannuation scheme which does not comply with the conditions in Rule 6.8.1 is an **eligible superannuation scheme** if they are satisfied that there are special circumstances that make this desirable.

**6.8.3** An agreement relating to the declaration of an **eligible superannuation scheme** which has been made by the Minister and the **Board** may be:

- (a) terminated at any time by the Minister and the **Board**; and
- (b) may be expressed to have taken effect on a day prior to the date of the agreement but not earlier than 1 July 1990.

**6.8.4** An agreement, or its variation or termination, in relation to an **eligible superannuation scheme** must be notified in the annual report of the **Board** under section 28 of the *Superannuation Act 1990*.

### Savings provisions

**6.8.5** A declaration in relation to an **eligible superannuation scheme** made under the Rules of the **PSS scheme** in force prior to 1 July 1994 is to be taken to be an agreement made under the Rules as amended in the Eighth Amending Deed dated 28 June 1994.

### Transfer to an eligible superannuation scheme - member

**6.8.6** A **member** who ceases membership, except on invalidity retirement, and becomes a member of an **eligible superannuation scheme** may choose, within such period as the **Board** allows, to transfer his/her **final benefit accrual** to that **eligible superannuation scheme** providing:

- (a) the scheme is not also an **approved superannuation scheme** and the person becomes a member of the scheme within a period determined by the Minister under sub-section 33C(2) of the *Superannuation Act 1990*; or
- (b) the scheme is not also an **authorised superannuation scheme** and the person becomes a member of the scheme within a period determined by the Minister under sub-section 33G(2) of the *Superannuation Act 1990*.

### Transfer to an eligible superannuation scheme - preserved benefit member

**6.8.7** A **preserved benefit member** who becomes a member of an **eligible superannuation scheme** may choose to transfer his/her **preserved benefit** to the **eligible superannuation scheme** unless he/she has been paid all or some of his/her **accumulated member contributions** (other than a refund of an Excess Contribution Multiple). Where such a choice is made, the **preserved benefit** is payable to the **eligible superannuation scheme** under Rule 8.1.1 provided the requirements of Rule 6.8.8 are satisfied.

### Condition of transfer to an eligible superannuation scheme

**6.8.8** A choice made under Rule 6.8.6 or 6.8.7 to transfer benefits to an **eligible superannuation scheme** has no effect (and the Rules are to be applied as if the choice had not been made) if the administrators of the **eligible superannuation scheme** do not accept the benefit.

### Election to join the Judges' superannuation scheme

**6.8.9** A **member** who ceases membership on electing to have the *Judges' Pensions Act 1968* apply is entitled to a **preserved benefit** of the sum of his/her **accumulated member contributions** and **accumulated productivity contributions** and is not entitled to any other benefit under these Rules.

### Joining an approved superannuation scheme

**6.8.10** A **member** who ceases membership on joining an **approved superannuation scheme** within a period determined by the Minister under sub-section 33C(2) of the *Superannuation Act 1990* is not entitled to be paid any benefits under these Rules. Amounts determined by the Minister in agreement with the **Board** for the purposes of Section 33D of the *Superannuation Act 1990* are transferred to the **approved superannuation scheme** in respect of the **member**.

### Joining an authorised superannuation scheme

**6.8.11** A **member** who ceases membership on joining an **authorised superannuation scheme** within a period determined by the Minister under sub-section 33G(2) of the *Superannuation Act 1990* is not entitled to be paid any benefits under these Rules. He/she becomes entitled to a **preserved benefit** of his/her **final benefit accrual**.

## What's the difference between the schemes ?

### Eligible superannuation schemes

Basically, a scheme providing benefits for people in public employment that -

- \* accepts benefits from, and pays benefits to, the PSS scheme
- \* provides similar benefits to the PSS scheme for the whole of the benefit transferred (not just the member financed benefit), and
- \* guarantees the transferred employer financed benefit will be preserved until genuine retirement from the workforce

may be declared by the Board to be an eligible scheme.

Eligible schemes usually accept transfers to or from the scheme at an individual member level and promote greater mobility within what is generally known as 'the public sector'. For example, the QLD State Public Sector Superannuation scheme has been declared an eligible scheme although not all 'public sector schemes' are eligible schemes.

### Approved superannuation schemes

A scheme established by a Commonwealth agency to provide benefits for its employees may be approved by the Minister for Finance (under section 33C of the *Superannuation Act 1990*) to receive accrued entitlements of those PSS members who, within a specified period, transfer to that scheme. Importantly, a scheme can only be granted 'approved' status where it will provide benefits in respect of the amount(s) transferred, ie, recognises previous PSS membership.

The assets and liabilities of the PSS Fund representing the contributions and interest of transferring members are paid direct to the scheme. The Commonwealth also pays an employer financed element direct to the scheme as necessary to meet the cost of benefits as transferred members leave the agency. Benefits are not paid to the member from the PSS scheme.

Transfers to an approved scheme are usually a one-time-only bulk transfer.

### Authorised superannuation schemes

A scheme established by a Commonwealth agency to provide benefits for its employees may be declared an authorised scheme by the Minister for Finance (under section 33G of the *Superannuation Act 1990*) and PSS members who are employees of the agency may, again within a specified period, transfer to that scheme. However these schemes DO NOT recognise previous PSS membership and therefore accrued PSS entitlements ARE NOT transferred.

Instead transferring members have their PSS benefits preserved in the PSS scheme.

Transfers to an authorised scheme are usually a one-time-only bulk transfer.

## Division 9

### Treatment of Excess Contribution Multiples

#### When Excess Contribution Multiple included in the benefit accrual multiple

**6.9.1** If a **member**, other than a **maximum benefits member**, retires or dies, the whole of his/her Excess Contribution Multiple (if any), or that part needed to reach his/her maximum benefit, is included in his/her Benefit Accrual Multiple.

**6.9.2** If a **member** transfers his/her benefits to an **eligible superannuation scheme** under Division 8 of this Part, the whole of his/her Excess Contribution Multiple (if any) is included in his/her Benefit Accrual Multiple, and none of the subsequent rules in this Division apply.

#### When all or part of an Excess Contribution Multiple refunded

**6.9.3** If:

- (a) a **member** resigns; or
- (b) a **maximum benefits member** retires or dies;

none of his/her Excess Contribution Multiple (if any) is included in his/her Benefit Accrual Multiple.

**6.9.4** Where all or part of a former member's Excess Contribution Multiple is not included in his/her Benefit Accrual Multiple, a lump sum is payable to, or in respect of, the former member. The lump sum is calculated by multiplying the amount of the excluded Excess Contribution Multiple by the former member's **final average salary**.

**6.9.5** If a lump sum is payable in respect of a **deceased member** under Rule 6.9.4, payment is to be made to the person to whom the balance of the former member's benefit is to be paid. The **Board** may apportion the amount where payment is to be made to two or more persons.

#### Effect of lump sum on accumulated member contributions and maximum benefit status

**6.9.6** If a lump sum is payable under this Division, the **accumulated member contributions** of the former member are to be reduced by the amount of that lump sum.

**6.9.7** A **member** who reaches his/her **maximum benefit** by the inclusion of all or part of his/her Excess Contribution Multiple is not regarded as a **maximum benefits member** for the purposes of this Division.

