

**DEED**

**TO ESTABLISH THE**

**PUBLIC SECTOR SUPERANNUATION ACCUMULATION PLAN**

**Pursuant to**

**SECTION 10 OF THE**

**SUPERANNUATION ACT 2005**

**TABLE OF PROVISIONS**

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## TRUST DEED

THIS DEED is made on 29 June 2005 by THE COMMONWEALTH OF AUSTRALIA.

WHEREAS section 10 of the *Superannuation Act 2005* (in this Deed called the “Act”) provides that before 1 July 2005, the Minister must, for and on behalf of the Commonwealth, by deed:

- (a) establish a superannuation scheme that:
  - (i) is to be known as the Public Sector Superannuation Accumulation Plan;
  - (ii) may also be known as PSSAP; and
  - (iii) is for the benefit of persons who will be members of PSSAP; and
- (b) establish, and vest in the PSS Board established under section 20 of the *Superannuation Act 1990* (the “Board”), a fund for the purposes of PSSAP; and
- (c) set out the functions and powers of the Board in relation to PSSAP and the PSSAP Fund;

AND WHEREAS section 12 of the Act provides that the Rules for the administration of PSSAP set out in the Schedule to the Deed referred to in section 10 of the Act (in this Deed called the Rules):

- (a) may provide that, when a splitting agreement or splitting order is received by the Board in respect of a superannuation interest under the Act:
  - (i) the non-member spouse is entitled to benefits determined in accordance with the Rules; and
  - (ii) the benefits of the member spouse are reduced in accordance with the Rules; and
- (b) may include any other provision that is related to, or consequential on, provisions referred to in paragraph (a) concerning a splitting agreement or splitting order;

NOW THIS DEED WITNESSES AS FOLLOWS:

### **1 Interpretation**

- 1.1 In this Deed, where the context requires or admits, a reference to the Deed shall include a reference to the Rules, as set out in the Schedule, and the Rules shall form part of the Deed. In the case of an inconsistency between the Deed and the Rules, the Deed shall prevail.
- 1.2 In this Deed, where the context requires or admits, words and expressions defined in the Act have the same meanings when used in the Deed. The headings in this Deed are for the convenience of reference only and shall not affect its interpretation.
- 1.3 In this Deed, “1990 Act” means the *Superannuation Act 1990*.

1.4 In this Deed, “Minister” means:

- (a) the Commonwealth Minister of State for Finance and Administration;
- (b) if 2 or more Commonwealth Ministers administer Departments which have functions in relation to the administration of matters to which the Deed relates, the Minister who administers the Department which has the function in relation to each of those matters; or
- (c) a member of the Executive Council acting for the time being for and on behalf of any of those Ministers; or
- (d) a person, as defined in clause 9, to whom the Minister for Finance and Administration has delegated his powers.

1.5 In this Deed, “APS employee” has the same meaning as in the *Public Service Act 1999*.

1.6 In this Deed, “PSSAP functions” of the Board means the functions set out in subclause 3.1.

1.7 In this Deed, “PSSAP member” means a person who is a member of PSSAP due to the operation of Part 3 of the Act.

1.8 In this Deed, “PSSAP powers” of the Board means the powers set out in subclause 3.2.

## **2 Establishment of the Public Sector Superannuation Accumulation Plan (PSSAP) and the PSSAP Fund**

2.1 There is hereby established from 1 July 2005 a superannuation scheme (to be known as the “Public Sector Superannuation Accumulation Plan” or “PSSAP”) for the benefit of members of PSSAP and non-member spouses entitled to benefits, to be administered in accordance with the Deed by the Board.

2.2 There is hereby established from 1 July 2005, and vested in the Board, a fund for the purposes of PSSAP (to be known as the “PSSAP Fund”).

## **3 Functions and Powers of the Board in relation to PSSAP**

3.1 The functions of the Board in relation to PSSAP and the PSSAP Fund are to administer PSSAP and to manage and invest the PSSAP Fund in accordance with the provisions of the Act and this Deed including, without limiting the generality of the foregoing, the following functions:

- (a) to receive payments from designated employers as provided for in the Act and other superannuation entities in accordance with this Deed;
- (b) to pay benefits to the persons entitled to receive benefits from PSSAP in accordance with the Act and this Deed;
- (c) to provide information about benefits or potential benefits, and available options, to:

- (i) PSSAP members;
  - (ii) non-member spouses; and
  - (iii) potential PSSAP members;
- (d) to provide advice to the Minister on proposed changes to the Act and the Deed; and
- (e) to determine interest rates for the purposes of PSSAP.

3.2 The Board has power in Australia and elsewhere to do all things necessary or convenient to be done for, or in connection with, the performance of its PSSAP functions and, in particular, may:

- (a) give guarantees;
- (b) underwrite or sub-underwrite any form of investment including the underwriting or sub-underwriting of the issue of shares, debentures or units in a unit trust;
- (c) borrow moneys and give security over the whole or any part of the assets of the PSSAP Fund;
- (d) appoint agents and attorneys;
- (e) act as agent for other persons;
- (f) engage consultants and investment managers;
- (g) engage a panel of persons to assist it in determining whether a person is to be retired on the grounds of invalidity;
- (h) establish a Reconsideration Advisory Committee or Committees to examine and report on decisions of the Board and its delegates under the Rules relating to entitlements to benefits of PSSAP members and non-member spouses entitled to benefits;
- (i) effect policies with insurers in the Board's name to provide death and invalidity cover and income protection cover for members in accordance with the Rules;
- (j) take action to control or manage, or to enhance or protect, the value of, any investment made out of the PSSAP Fund, or to enhance or protect, the return on any such investment;
- (k) arrange for the purchase of income products, including retirement income products, by members, non-members and beneficiaries as provided for in the Rules;
- (l) establish a trust for the purpose of investing the PSSAP Fund and manage and administer the trust; and
- (m) charge reasonable fees in relation to the administration of the PSSAP Fund, including arrangements connected with PSSAP members and non-member spouses

choosing particular investment strategies and arrangements connected with splitting of superannuation interests under the *Family Law Act 1975*.

- 3.3 In exercising its PSSAP functions and PSSAP powers, the Board shall comply with the requirements of the *Superannuation Industry (Supervision) Act 1993* and Regulations made under that Act, and have regard to the interests of PSSAP members, their employers and non-member spouses entitled to benefits.
- 3.4 The Board must cause proper records to be kept in respect of:
- (a) contributions paid into the PSSAP Fund; and
  - (b) benefits paid under the Act and this Deed.

**Notes:**

1. Under section 52 of the *Superannuation Industry (Supervision) Act 1993*, this Deed is taken to contain the covenants set out in that section.
2. The Board is established under section 20 of the 1990 Act. Provisions for the appointment of trustees, termination of appointment, acting appointments and disclosure of interests are set out in clauses 4 to 7, respectively, of the Trust Deed made under that Act.

**4 Meetings of the Board of Trustees**

- 4.1 The Board shall hold such meetings as are necessary for the conduct of its affairs in relation to PSSAP and the PSSAP Fund.
- 4.2 The Chairperson may at any time convene a meeting of the Board in relation to PSSAP and the PSSAP Fund and shall, when so requested in writing by another Trustee, convene a meeting of the Board within 30 days of receiving such notice.
- 4.3 The Chairperson shall preside at all meetings of the Board in relation to PSSAP and the PSSAP Fund at which the Chairperson is present. If the Chairperson is not going to be present at a meeting of the Board, the Chairperson may nominate one of the Trustees to be Chairperson for the meeting. In the absence of such nomination, the Trustees shall elect one of the Trustees present at the meeting as a Chairperson for the meeting.
- 4.4 At a meeting of the Board in relation to PSSAP and the PSSAP Fund, 4 Trustees, or acting Trustees, shall constitute a quorum.
- 4.5 All decisions of the Board in relation to PSSAP and the PSSAP Fund must be affirmed by at least 4 votes of the Trustees, or acting Trustees, present in person and voting.
- 4.6 The Board shall keep accurate records of all meetings held by the Board in relation to PSSAP and the PSSAP Fund.

## **5 Operation of the PSSAP Fund**

- 5.1 All contributions and other moneys paid to the Board for the purposes of PSSAP, or as directed by the Board, shall be held in trust by the Board in the PSSAP Fund. The PSSAP Fund shall be managed and invested by the Board in accordance with the Act and the Deed.
- 5.2 The PSSAP Fund shall comprise:
- (a) contributions made by members;
  - (b) contributions made by employers pursuant to the Act and the Deed;
  - (c) any other moneys paid or transferred to the Board pursuant to the Act and the Deed or which become subject to the trusts of the Deed;
  - (d) the income arising or derived from investments held within the PSSAP Fund; and
  - (e) any accretions to or profits on realisation of investments held within the PSSAP Fund.
- 5.3 The Board must pay benefits to or in respect of PSSAP members and the costs, taxes and expenses relating to PSSAP and the PSSAP Fund from the PSSAP Fund in accordance with section 34 of the Act.
- 5.4 The remuneration and allowances of the Chairperson in relation to the Chairperson performing PSSAP functions are to be paid out of the PSSAP Fund.
- 5.5 The remuneration and allowances of the Trustees other than the Chairperson in relation to them performing PSSAP functions may be paid, as determined by the Minister under section 34 of the Act:
- (a) out of the PSSAP Fund; or
  - (b) out of the Consolidated Revenue Fund; or
  - (c) partly out of the PSSAP Fund and partly out of the Consolidated Revenue Fund.

## **6 Investment of the PSSAP Fund**

- 6.1 For the purposes of this clause:
- (a) “invest” means expend moneys with a view to obtaining a present or future financial return (whether by way of income, profit or otherwise); and
  - (b) “profit” includes capital profit.
- 6.2 Moneys standing to the credit of the PSSAP Fund which are, in the opinion of the Board, moneys that are not for the time being required for the purpose of making payments out

of the PSSAP Fund under the Act and the Deed shall, so far as is practicable, be invested by the Board in accordance with the Act and the Deed, but the Board shall so manage the PSSAP Fund that moneys that are from time to time required to pay benefits that are payable out of the PSSAP Fund are available for that purpose.

- 6.3 Moneys that, by virtue of subclause 6.2, are required to be invested by the Board may be invested in any manner and, without limiting the generality of the foregoing, may be invested by the Board jointly with another person or other persons.
- 6.4 The Board must determine an investment strategy and policy of the PSSAP Fund as soon as possible after 1 July 2005 and thereafter regularly review such a strategy and policy, and, where it considers it necessary or desirable, change its existing investment strategy or policy. In determining and reviewing its investment strategy and policy, the Board shall consult with such persons or bodies as it thinks fit.
- 6.5 The Board shall invest moneys standing to the credit of the PSSAP Fund that are available for investment only through an investment manager or managers who undertake to invest, and manage the investment of those funds on behalf of the Board.
- 6.6 The Board shall ensure that any investment manager engaged by the Board in relation to the PSSAP Fund:
- (a) operates within the investment powers of the Board and the investment strategy and policy as determined for the time being by the Board; and
  - (b) reports to the Board on the state of the Board's investments and the investment market at such times and in such manner as the Board determines.

## **7 Requests by Minister for Information**

- 7.1 The Board shall furnish to the Minister such information relating to the general administration and operation of PSSAP and the PSSAP Fund as the Minister may from time to time require.

## **8 Delegation by the Board**

- 8.1 Subject to subclause 8.2, the Board may by an instrument under its seal delegate to:
- (a) a member of the Board; or
  - (b) the Commissioner; or
  - (c) a member of the staff assisting the Commissioner in the performance of his or her functions; or
  - (d) an APS employee in the Department referred to in subclause 1.4; or
  - (e) an officer or employee of the person who is responsible for investing money forming part of a superannuation fund vested in or managed by the Board; or



- (f) any other person who performs duties in connection with the operation of the Deed;  
or
- (g) a committee consisting of 2 or more persons each of whom is a person referred to in any of the above paragraphs; or
- (h) any other person;

all or any of its powers under the Deed other than its power to reconsider its own decisions or decisions made by its delegates.

8.2 The Board may by an instrument under its seal delegate to a Reconsideration Advisory Committee established under the Rules the Board's power to reconsider its own decision or a decision made by its delegate in relation to PSSAP or the PSSAP Fund and to determine the matter by:

- (a) affirming the decision under reconsideration; or
- (b) varying the decision; or
- (c) substituting another decision; or
- (d) setting the decision aside;

and, at its discretion, refunding any fee paid.

8.3 If the Board delegates a power under subclause 8.1, other than paragraph (h), the delegate may, by writing, sub-delegate the power:

- (a) if the delegate is a member of the Board — to:
  - (i) another member of the Board; or
  - (ii) a person referred to in paragraph 8.1(b), (c), (d), (e) or (f); or
- (b) if the delegate is the Commissioner — to a person referred to in paragraph 8.1(c), (d), (e) or (f); or
- (c) if the delegate is a person referred to in paragraph 8.1(c), (d), (e) or (f) — to:
  - (i) another person referred to in the same paragraph; or
  - (ii) a person referred to in another of those paragraphs.

8.4 Section 34AA and paragraphs 34AB(a), (b) and (d) of the *Acts Interpretation Act 1901* apply in relation to a sub-delegation in a corresponding way to the way in which they apply to a delegation.

8.5 Section 34A and paragraphs 34AB(c) and (d) of the *Acts Interpretation Act 1901* apply in relation to a sub-delegation as if it were a delegation.

**9 Delegations by the Minister for Finance and Administration**

- 9.1 The Minister may by signed instrument delegate all or any of his or her powers under the Deed, other than this power of delegation, to:
- (a) the Board; or
  - (b) an APS employee in the Department referred to in subclause 1.4; or
  - (c) the Commissioner or a member of the staff assisting the Commissioner in the performance of his or her functions.

IN WITNESS WHEREOF this Deed has been executed the day and year first hereinbefore written.

SIGNED, SEALED AND DELIVERED

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)

by Senator the Honourable NICHOLAS HUGH MINCHIN

)

Nick Minchin

)

Minister for Finance and Administration

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)

for and on behalf of

)

)

THE COMMONWEALTH OF

)

)

AUSTRALIA, in the presence of:

)

)

)

(name)

)

Chris Keane

)

)

(address)

)

20 Clifton St

)

PROSPECT 5082

)

(description)

)

Adviser

)

## **The Schedule**

### **RULES FOR THE ADMINISTRATION OF THE PUBLIC SECTOR SUPERANNUATION ACCUMULATION PLAN (PSSAP) (THE RULES)**

#### **PART 1 – INTRODUCTION**

#### **Division 1**

#### **Understanding the Rules**

##### **Structure of the Rules**

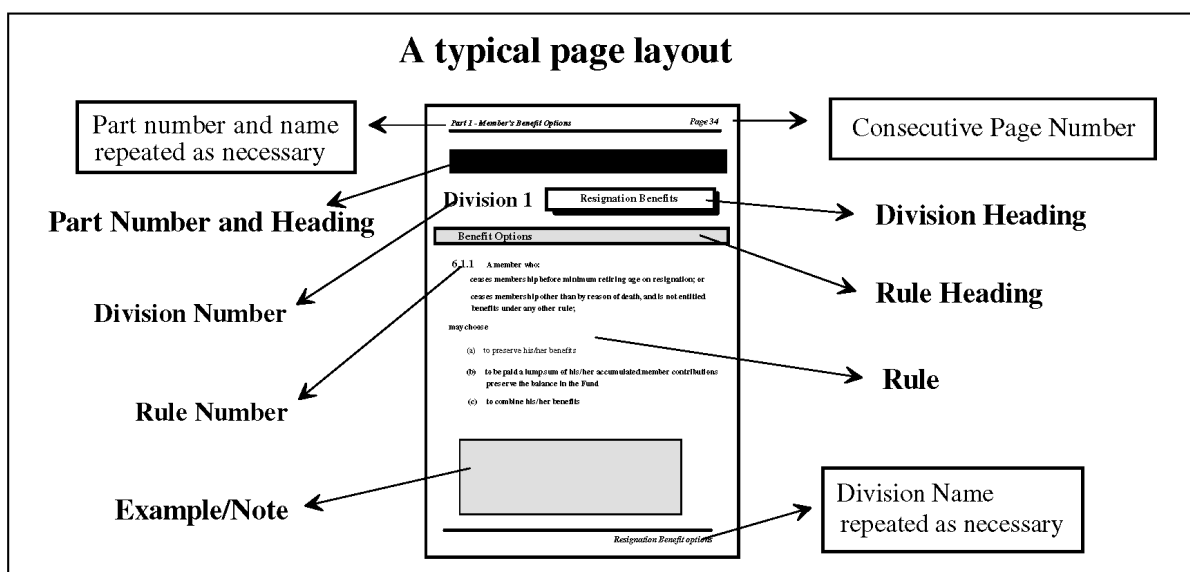
**1.1.1** These Rules are divided into 7 Parts, each dealing with a major aspect of the operation of PSSAP. The Parts and a general guide to each Part are set out below.

<b>Guide to the 7 Parts of the Rules</b>		
<b>Part</b>	<b>Title</b>	<b>Deals With</b>
1	Introduction	The structure of the Rules and defines special terms and phrases, and some concepts, used in the Rules.
2	Membership and contributions	How you become a member of PSSAP. Also covers the payment to the Board of contributions and transfer amounts in respect of an ordinary employer-sponsored member of PSSAP by designated employers and by or on behalf of employees and the transfer of amounts to the plan from other superannuation entities.
3	Benefits and payments	Payment of benefits, roll-over of amounts from PSSAP, invalidity benefits, income protection benefits, transition to retirement products and retirement income products.
4	Insurance	Provision of basic death and invalidity cover, supplementary death and invalidity cover, basic income protection cover and supplementary income protection cover.
5	Other matters	Personal accumulation accounts, investment earnings and losses, superannuation surcharge and member investment choice.
6	Review of decisions	The internal review mechanisms available to have a decision of the Board or its delegate reconsidered in relation to PSSAP.
7	Family Law Superannuation Splitting	Splitting of superannuation between a member spouse and a non-member spouse following a splitting agreement or splitting order under the <i>Family Law Act 1975</i> .

**1.1.2** Each Part is further divided into Divisions addressing unique groupings within the Part and each Division is made up of Rules containing specific provisions. Rules do not necessarily have their own Rule headings.

**1.1.3** The Rules have been numbered so that the first number refers to the Part, the second number refers to the Division number within that Part and the third to the Rule number within that Division. For example, Rule 2.3.1 is the first Rule in Division 3 of Part 2 of the Rules.

**1.1.4** There are several notes within the Rules to help readers understand the more complicated superannuation concepts or to inform them of the need to refer to another area of the Rules. However, these aids (including Part, Division and Rule headings) do not form part of the Rules.



## Division 2

## Words and phrases used in the Rules

### Explanations of certain words and phrases

**1.2.1** Because some words and phrases have a special meaning when used in the Rules they have been explained below or in the Trust Deed. They appear throughout the Rules in **bold print** to remind the reader that they have a special meaning.

<b>accumulated member contributions</b>	<p>in relation to a <b>PSSAP member</b>, means the amount equal to the total of the following amounts:</p> <ul style="list-style-type: none"> <li>(a) <b>employee contributions</b> that have been paid by the <b>PSSAP member</b>;</li> <li>(b) <b>eligible spouse contributions</b> accepted by the <b>Board</b> under Rule 2.3.4 paid on behalf of the <b>PSSAP member</b>;</li> <li>(c) the interest credited (if any) in respect of fund earnings on the person's <b>accumulated member contributions</b> as decided by the <b>Board</b> under Rule 5.2.1</li> </ul> <p>less the total of the following amounts:</p> <ul style="list-style-type: none"> <li>(d) any insurance premium payable under Rule 4.1.6, 4.2.12, 4.3.5 and 4.4.10 paid from the person's <b>accumulated member contributions</b>;</li> <li>(e) the interest debited (if any) in respect of fund losses on the person's <b>accumulated member contributions</b> under Rule 5.2.1;</li> <li>(f) any benefit paid to or in respect of the <b>PSSAP member</b> from their <b>accumulated member contributions</b>, including a benefit paid as a <b>roll-over</b>;</li> <li>(g) any administration costs under Rule 5.4.3 paid from the person's <b>accumulated member contributions</b>.</li> </ul>
<b>accumulation amount</b>	<p>in relation to a <b>PSSAP member</b> means the amount specified in Rule 5.1.4.</p>
<b>additional employer contributions</b>	<p>means, in respect of an <b>ordinary employer-sponsored member</b>, contributions made by the <b>designated employer</b> of that member under Rule 2.2.4.</p>
<b>APS Agency</b>	<p>means an Agency within the meaning of the <i>Public Service Act 1999</i>.</p>

<b>assessment</b>	has the same meaning as in the <i>Superannuation Contributions Tax (Assessment and Collection) Act 1997</i> .
<b>AWA</b>	means an Australian workplace agreement within the meaning of the <i>Workplace Relations Act 1996</i> .
<b>basic death and invalidity cover</b>	means insurance coverage provided in respect of an <b>ordinary employer-sponsored member</b> under Division 1 of Part 4 of the Rules for death and permanent invalidity.
<b>basic employer contributions</b>	means, in respect of an <b>ordinary employer-sponsored member</b> , contributions paid by the <b>designated employer</b> of that member under Rule 2.2.1.
<b>basic income protection cover</b>	means insurance cover provided in respect of an <b>ordinary employer-sponsored member</b> under Division 3 of Part 4 of the Rules.
<b>benefit application</b>	means a written application to the <b>Board</b> requesting the <b>Board</b> to pay a benefit under these Rules.
<b>binding member nomination</b>	means a notice in such form and manner as the Board specifies from time to time that meets the requirements of the <b>SIS Act</b> , given by a <b>PSSAP member</b> to the <b>Board</b> requiring the <b>Board</b> to pay some or all of a <b>PSSAP member's</b> benefit on or after their death to the person or persons mentioned in the notice.
<b>cashied</b>	has the same meaning as in the <b>SIS Act</b> .
<b>certified agreement</b>	means an agreement certified under Division 4 of Part VIB of the <i>Workplace Relations Act 1996</i> .
<b>compensation leave</b>	means any period during which a person is absent full-time from his/her employment due to an incapacity for work resulting from an injury in respect of which compensation is payable under section 19 or 22 of the <i>Safety, Rehabilitation and Compensation Act 1988</i> or any period in respect of which persons not covered by that Act are receiving similar compensation payments.
<b>CSS</b>	means the superannuation scheme established by the <i>Superannuation Act 1976</i> , known as the Commonwealth Superannuation Scheme.

<b>decision</b>	for the purposes of reconsidering decisions of the <b>Board</b> under Part 6 of the Rules, includes: <ul style="list-style-type: none"> <li>(a) making, suspending, revoking or refusing to make an order or determination;</li> <li>(b) giving, suspending, revoking or refusing to give a certificate, direction, approval, consent or permission;</li> <li>(c) issuing, suspending, revoking or refusing to issue an authority or other instrument;</li> <li>(d) imposing a condition or restriction;</li> <li>(e) making a declaration, demand or requirement;</li> <li>(f) retaining, or refusing to deliver up, an article; and</li> <li>(g) doing or refusing to do any other act or thing;</li> </ul> under the Rules.
<b>dependant</b>	has the same meaning as in the <b>SIS Act</b> .
<b>designated employer</b>	in relation to an <b>ordinary employer-sponsored member</b> , has the same meaning as in the <b>Act</b> .
<b>eligible roll-over fund</b>	has the same meaning as in the <b>SIS Act</b> .
<b>eligible spouse contributions</b>	has the same meaning as in the <i>Income Tax Assessment Act 1936</i> or the <i>Income Tax Assessment Act 1997</i> .
<b>eligible termination payment</b>	has the same meaning as in the <i>Income Tax Assessment Act 1936</i> or the <i>Income Tax Assessment Act 1997</i> .
<b>employee contributions</b>	means contributions paid by an <b>ordinary employer-sponsored member</b> under Rule 2.3.1.
<b>employer contribution shortfall</b>	means the amount, if any, reported under Rule 2.2.10.
<b>income protection benefits</b>	means benefits payable under Division 4 of Part 3.
<b>income protection cover</b>	means insurance cover provided in respect of an <b>ordinary employer-sponsored member</b> under Division 3 and Division 4 of Part 4 of the Rules.
<b>insurance premium</b>	means any amounts payable in respect of an <b>ordinary employer-sponsored member</b> for insurance coverage under Part 4 of the Rules.



<b>invalidity retirement</b>	means the termination of the employment of an <b>ordinary employer-sponsored member</b> on the ground that they are unable to perform their duties because of any mental or physical condition.
<b>legal personal representative</b>	has the same meaning as in the <b>SIS Act</b> .
<b>life insurance company</b>	has the same meaning as in the <i>Income Tax Assessment Act 1997</i> .
<b>maternity or parental leave</b>	in relation to an <b>ordinary employer-sponsored member</b> means leave of absence taken: <ul style="list-style-type: none"> <li>(a) in relation to the birth of a child of the person; or</li> <li>(b) because the person's pregnancy ended for reasons other than birth; or</li> <li>(c) in relation to the adoption of a child by the person.</li> </ul>
<b>member-financed benefits</b>	has the same meaning as in the <b>SIS Act</b> .
<b>member spouse</b>	in relation to a superannuation interest in the <b>PSSAP Fund</b> , means the spouse who has the superannuation interest.
<b>non-commutable allocated annuity</b>	has the same meaning as in the <b>SIS Act</b> .
<b>non-commutable allocated pension</b>	has the same meaning as in the <b>SIS Act</b> .
<b>non-commutable annuity</b>	has the same meaning as in the <b>SIS Act</b> .
<b>non-commutable income stream</b>	has the same meaning as in the <b>SIS Act</b> .
<b>non-commutable pension</b>	has the same meaning as in the <b>SIS Act</b> .
<b>non-member spouse</b>	in relation to a superannuation interest in the <b>PSSAP Fund</b> , means the spouse who is not the member spouse in relation to that interest.
<b>non-member spouse interest</b>	means an interest created in the <b>PSSAP Fund</b> for the <b>non-member spouse</b> under Part 7 of the Rules
<b>non-member spouse interest account</b>	means an account created by the <b>Board</b> in respect of a <b>non-member spouse interest</b> under Rule 7.2.1.
<b>ordinary employer-sponsored member</b>	means a person who is an <b>ordinary employer-sponsored member</b> of <b>PSSAP</b> in accordance with Part 4 of the <b>Act</b> .

**Note:** Where an **ordinary employer-sponsored member**, who is employed by two or more **designated employers**, ceases to be the employee of one or more, but not all, of those **designated employers**, the person does not cease to

be an **ordinary employer-sponsored member**. Also, where a person is an **ordinary employer-sponsored member** with one **designated employer** and, upon ceasing to be the employee of that **designated employer**, immediately becomes the employee of another **designated employer**, the person does not cease to be an **ordinary employer-sponsored member**. See Rule 2.1.2.

- ordinary time earnings** has the same meaning as in the *Superannuation Guarantee (Administration) Act 1992*.
- other approved employment** means:
- (a) employment with an organization registered under the *Workplace Relations Act 1996*, the membership of which includes people who are members of the **CSS** or the **PSS** or **PSSAP** or a body consisting of such organizations;
  - (b) if the person is employed in an **APS Agency** – employment that is approved by the Agency Head (within the meaning of the *Public Service Act 1999*) of the Agency on the basis that the engagement of the person in the other employment is in the interests of the Australian Public Service; or
  - (c) if the person is not employed in an **APS Agency** – employment that is approved by the person’s **designated employer** on the basis that the engagement of the person in the other employment is in the interests of the **designated employer**;
- provided the temporary employer agrees to reimburse the **designated employer** for the cost of making **basic employer contributions**.
- pay advice document** means a pay-slip or other document advising an employee about the amount of salary or wages paid for a period of time and includes a document in electronic form.
- pay day** means the day on which a regular salary payment is made by a **designated employer** to an **ordinary employer-sponsored member** and, in the case of an **ordinary employer-sponsored member** who:
- (a) is referred to in Rule 2.2.2(b); and
  - (b) does not receive a salary payment from a **designated employer** due to a period of:
    - (i) unpaid leave of 12 weeks or less; or
    - (ii) **maternity or parental leave**; or
    - (iii) sick leave without pay; or
    - (iv) a period of **compensation leave**; or
    - (v) a period of leave of absence for the purposes of

engaging in **other approved employment**,

also means the day that the **ordinary employer-sponsored member** would otherwise have received a salary payment from the **designated employer**.

<b>permanent incapacity</b>	has the same meaning as in the <b>SIS Act</b> .
<b>personal accumulation account</b>	means the account kept by the <b>Board</b> for each <b>PSSAP member</b> under Division 1 of Part 5 of the Rules.
<b>preservation age</b>	has the same meaning as in the <b>SIS Act</b> .
<b>PSS defined benefits plan</b>	means the plan of the <b>PSS</b> governed by the provisions of section B of the Rules of the Trust Deed, as amended from time to time, made under the 1990 Act.
<b>PSS member</b>	means a person who is a member of the <b>PSS</b> due to the operation of Part 3 of the 1990 Act.
<b>PSS</b>	means the superannuation scheme established by the Trust Deed, as amended from time to time, referred to in section 4 of the 1990 Act.
<b>quarter</b>	has the same meaning as in the <i>Superannuation Guarantee (Administration) Act 1992</i> .
<b>remuneration determination</b>	means: <ol style="list-style-type: none"> <li>(a) any determination made under the <i>Remuneration Tribunal Act 1973</i>; or</li> <li>(b) any determination made under another Act or a law of a Territory in respect of remuneration for a person holding a statutory office or appointed under an Act or law of a Territory, not being a determination of remuneration made under section 24 of the <i>Public Service Act 1999</i> or section 24 of the <i>Parliamentary Service Act 1999</i>.</li> </ol>
<b>roll-over</b>	has the same meaning as in the <b>SIS Act</b> .
<b>roll-over application</b>	means a written application to the <b>Board</b> requesting the <b>Board</b> to <b>roll-over</b> or <b>transfer</b> benefits from the <b>PSSAP</b> to a <b>superannuation entity</b> , an <b>RSA</b> or a <b>life insurance company</b> .
<b>RSA</b>	has the same meaning as in the <b>SIS Act</b> .
<b>shortfall component</b>	means the shortfall component within the meaning of section 64A or 64B of the <i>Superannuation Guarantee (Administration) Act 1992</i> .
<b>SIS Act</b>	means the <i>Superannuation Industry (Supervision) Act 1993</i> and the regulations in force under that Act.

<b>SIS Regulations</b>	means the <i>Superannuation Industry (Supervision) Regulations 1994</i> .
<b>standard risk</b>	in relation to an <b>ordinary employer-sponsored member</b> being assessed by a life office for the provision of <b>supplementary death and invalidity cover</b> or <b>income protection cover</b> under Part 4 of the Rules, means an <b>ordinary employer-sponsored member</b> who does not: <ul style="list-style-type: none"> <li>(a) suffer from any physical or mental incapacity or condition; or</li> <li>(b) engage in any hazardous occupation or pursuit.</li> </ul>
<b>superannuation entity</b>	has the same meaning as in the <b>SIS Act</b> .
<b>superannuation salary</b>	has the meaning given in Rule 2.2.2.
<b>supplementary death and invalidity cover</b>	means insurance cover provided in respect of an <b>ordinary employer-sponsored member</b> under Division 2 of Part 4 of the Rules.
<b>supplementary income protection cover</b>	means insurance cover provided in respect of an <b>ordinary employer-sponsored member</b> under Division 4 of Part 4 of the Rules.
<b>surcharge</b>	has the same meaning as in the <i>Superannuation Contributions Tax (Assessment and Collection) Act 1997</i> .
<b>surchargeable contributions</b>	has the same meaning as in the <i>Superannuation Contributions Tax (Assessment and Collection) Act 1997</i> .
<b>temporary incapacity</b>	has the same meaning as in the <b>SIS Act</b> .
<b>total benefit</b>	in relation to a <b>PSSAP member</b> , means the balance of the member's <b>personal accumulation account</b> at the end of the day before the benefit is paid.
<b>transfer</b>	has the same meaning as in the <b>SIS Act</b> .
<b>transfer amount</b>	means an amount transferred in respect of an <b>ordinary employer-sponsored member</b> to the <b>Board</b> under Rule 2.4.1 less income tax payable by the <b>PSSAP Fund</b> in relation to that amount.
<b>transitional member</b>	means an <b>ordinary employer-sponsored member</b> who has attained their <b>preservation age</b> .
<b>trustee</b>	has the same meaning as in the 1990 Act.

## PART 2 – MEMBERSHIP AND CONTRIBUTIONS

### Division 1

### Membership

#### Becoming a PSSAP member

##### Note:

A person becomes a **PSSAP member** under Part 3 of the Act, which also specifies the duration of the person's **PSSAP membership**. As well as specifying when a person is eligible to become a member of **PSSAP**, that Part empowers the Minister to either declare that a particular person is eligible to become a **PSSAP member** or is not eligible to become a **PSSAP member**.

A **designated employer** is required to pay contributions only in respect of **ordinary employer-sponsored members**. Part 4 of the Act sets out the situations in which a **PSSAP member** is an **ordinary employer-sponsored member** of **PSSAP**.

#### Concurrent memberships

**2.1.1** A person may be an **ordinary employer-sponsored member** in respect of two or more concurrent employments.

**2.1.2** Where an **ordinary employer-sponsored member**, who is employed by two or more **designated employers** at the same time, ceases to be an employee of one or more but not all of those **designated employers**, the person will not cease to be an **ordinary employer-sponsored member**. Also, where an **ordinary employer-sponsored member** ceases to be employed by one **designated employer** but immediately afterwards becomes an employee of another **designated employer**, the person does not cease to be an **ordinary employer-sponsored member**.

**2.1.3** Where a person is an **ordinary employer-sponsored member** in respect of two or more concurrent employments, the **Board** may maintain one **personal accumulation account** for the member.

**Note:** The **Board** must keep a **personal accumulation account** for each **PSSAP member**.  
(See Rule 5.1.1.)

### Division 2

### Contributions by employers

#### Basic contributions by designated employers

**2.2.1** Each **pay day** the **designated employer** of an **ordinary employer-sponsored member** must pay as contributions to the **Board** an amount equal to 15.4% of the **superannuation salary**

of the member on that day. However, the **Board** must reject any contributions paid under this Rule if the **SIS Act** would prevent the **PSSAP Fund** from accepting the contributions or if acceptance of the contributions by the **Board** may jeopardise the status of the **PSSAP Fund** as a complying superannuation fund.

### Superannuation salary

**2.2.2** The superannuation salary of an **ordinary employer-sponsored member** is:

- (a) where the circumstances referred to in Rule 2.2.3 apply – the **ordinary time earnings** of the person; and
- (b) in all other cases the amount that would have been the person’s “fortnightly contribution salary” if they were a **PSS member** who is a member of the **PSS defined benefits plan**.

**2.2.3** The superannuation salary of an **ordinary employer-sponsored member** will be the person’s **ordinary time earnings** if this is specified in:

- (a) a **certified agreement** that applies to the **ordinary employer-sponsored member**;
- (b) an **AWA** that applies to the **ordinary employer-sponsored member**;
- (c) a **remuneration determination** that applies to the **ordinary employer-sponsored member**; or
- (d) an agreement in writing between the **ordinary employer-sponsored member** and their **designated employer** in the case of an **ordinary employer-sponsored member** not covered by an **AWA**, a **certified agreement** or a **remuneration determination**.

### Additional employer contributions

**2.2.4** In addition to the amounts required to be paid by the **designated employer** under Rule 2.2.1, the **designated employer** of an **ordinary employer-sponsored member** may pay additional contributions to the **Board** in respect of that member. However, the **Board** must reject any contributions paid under this Rule if the **SIS Act** would prevent the **PSSAP Fund** from accepting the contributions or if acceptance of the contributions by the **Board** may jeopardise the status of the **PSSAP Fund** as a complying superannuation fund.

**Note:** This Rule allows employers to make contributions for or on behalf of an employee in addition to any amounts the employer is required to pay as **basic employer contributions**. Circumstances where an employer may make additional contributions include, but are not limited to:

- as a result of salary sacrifice arrangements with an employee;
- to avoid an **employer contribution shortfall**;
- to provide additional superannuation cover as specified in an Australian workplace agreement or a certified agreement;
- to provide superannuation contributions in circumstances where contributions would otherwise not be required to be paid. These circumstances differ depending upon whether the **ordinary**

**employer-sponsored member** has their **superannuation salary** based on **ordinary time earnings** or on fortnightly contribution salary. See Rule 2.2.2.

### Method of payment of employer contributions

**2.2.5** The **Board** may from time to time determine the way in which **basic employer contributions** and **additional employer contributions** must be paid to the **Board**.

**2.2.6** The **designated employer** of an **ordinary employer-sponsored member** must pay **basic employer contributions** and any **additional employer contributions** in accordance with any determination of the **Board** under Rule 2.2.5.

### Payments to be paid into the PSSAP Fund

**2.2.7** The **Board** must pay any **basic employer contributions** and any **additional employer contributions** into the **PSSAP Fund**.

### Reporting of employer contributions

**2.2.8** Each **designated employer**, in respect of an **ordinary employer-sponsored member** to whom Rule 2.2.2(a) applies, must inform the member in writing, at least quarterly, of the amount of **basic employer contributions** and **additional employer contributions** paid to the **PSSAP Fund**.

**2.2.9** Within one month of the end of each **quarter**, each **designated employer must**, in respect of an **ordinary employer-sponsored member** to whom Rule 2.2.2(b) applies or has applied at any time during the **quarter**, inform the member and the **Board** in writing of the total amount of **basic employer contributions** and **additional employer contributions** paid to the **PSSAP Fund** in the **quarter** expressed:

- (a) in dollars and cents; and
- (b) as a percentage of the **ordinary time earnings** of the **ordinary employer-sponsored member** for the **quarter**.

**2.2.10** If the percentage reported under Rule 2.2.9(b) is less than 9%, the **designated employer** is required to notify in writing the **ordinary employer-sponsored member** and the **Board** of an **employer contribution shortfall**. The amount of the **employer contribution shortfall** to be notified is the amount, expressed in dollars and cents, by which the reported amount falls short of 9% of the **ordinary time earnings** of the **ordinary employer-sponsored member**.

**2.2.11** For the purposes of Rules 2.2.8 and 2.2.9 an **ordinary employer-sponsored member** is taken to have been informed in writing if the information is included in a **pay advice document** issued to the member.

## Division 3

## Contributions by members

### When employee contributions can be made

**2.3.1** An **ordinary employer-sponsored member** may pay contributions to the **Board** at any time and in any amount:

- (a) except that the **Board** must reject any contributions paid under this Rule if the **SIS Act** would prevent the **PSSAP Fund** from accepting the contributions or if acceptance of the contributions by the **Board** may jeopardise the status of the **PSSAP Fund** as a complying superannuation fund; and
- (b) where the method of payment complies with any **Board** determination under Rule 2.3.5.

**2.3.2** An **ordinary employer-sponsored member** is not required to make **employee contributions**.

**2.3.3** A **PSSAP member** who is not an **ordinary employer-sponsored member** may not make **employee contributions** to the **PSSAP Fund**.

### Eligible spouse contributions

**2.3.4** **Eligible spouse contributions** may be made on behalf of an **ordinary employer-sponsored member** at any time and in any amount:

- (a) except that the **Board** must reject any contributions paid under this Rule if the **SIS Act** would prevent the **PSSAP Fund** from accepting the contributions or if acceptance of the contributions by the **Board** may jeopardise the status of the **PSSAP Fund** as a complying superannuation fund; and
- (b) where the method of payment complies with any **Board** determination under Rule 2.3.5.

### Method of payment of employee contributions and eligible spouse contributions

**2.3.5** The **Board** may determine the way in which **employee contributions** and **eligible spouse contributions** must be paid to the **Board**.

### Payments to be paid into the PSSAP Fund

**2.3.6** The **Board** must pay any **employee contributions** and **eligible spouse contributions** into the **PSSAP Fund**.



**Division 4****Transfer amounts****Amounts that may be transferred or rolled-over into the PSSAP Fund**

**2.4.1** An **ordinary employer-sponsored member** may **transfer** or **roll-over** any or all of the following amounts to the **Board** as a **transfer amount**:

- (a) an amount payable to, or in respect of, the member by a **superannuation entity**, an **RSA** or a **life insurance company**, other than an amount payable because of physical or mental incapacity to perform their duties;
- (b) the amount of any **eligible termination payment** payable to, or in respect of, the person;
- (c) an amount of **shortfall component** payable to, or in respect of, the person in accordance with the *Superannuation Guarantee (Administration) Act 1992*; and
- (d) an amount payable in respect of the person under the *Superannuation (Government Co-contribution for Low Income Earners) Act 2003*,

provided the method of payment complies with Rule 2.4.2.

**Method of payment of transfer amounts**

**2.4.2** The **Board** may determine the way in which **transfer amounts** must be paid to the **Board**.

**Payments to be paid into the PSSAP Fund**

**2.4.3** The **Board** must pay any **transfer amount** into the **PSSAP Fund**.

## PART 3 – BENEFITS

### Division 1

### Benefits

#### Applications for payment of benefits

**3.1.1** A **benefit application** may be made to the **Board** by:

- (a) an **ordinary employer-sponsored member** who:
  - (i) intends to cease to be an **ordinary employer-sponsored member** within one month of making the **benefit application**;
  - (ii) has applied for approval of their **invalidity retirement** under Rule 3.3.1;
  - (iii) is applying for **income protection benefits** under Rule 3.4.1;
  - (iv) is a **transitional member** who is applying for an amount of benefits to be **cash**ed as an income product which may be a **non-commutable allocated annuity**, a **non-commutable allocated pension**, a **non-commutable annuity** or a **non-commutable pension**;
- (b) a **PSSAP member** who, at any time, has ceased to be an **ordinary employer-sponsored member**;
- (c) a **PSSAP member** who is applying for the payment of benefits on compassionate grounds or due to severe financial hardship;
- (d) the **legal personal representative** of a **PSSAP member**; or
- (e) a person claiming to be entitled to the benefit of a deceased **PSSAP member**.

**3.1.2** A **benefit application** must be made in a form acceptable to the **Board** and must include any supporting evidence of entitlement to the benefit required by the **Board**.

#### Payment of benefits to a PSSAP member who has ceased to be an ordinary employer-sponsored member

**3.1.3** If the **Board** receives a **benefit application** from or on behalf of an **ordinary employer-sponsored member** pursuant to Rule 3.1.1(a)(i), the **Board** must, as soon as possible after the person ceases to be an **ordinary employer-sponsored member**, pay to or in respect of the person a lump sum amount of such part of their **total benefit** as requested in the **benefit application**, subject to the **SIS Act**.

**3.1.4** On receiving a **benefit application** from or on behalf of a **PSSAP member** pursuant to Rule 3.1.1(b), the **Board** must pay to or in respect of the member a lump sum amount of such part of their **total benefit** as requested in the **benefit application**, subject to the **SIS Act**.

**Note:** Where part of a benefit is paid to a person under Rule 3.1.3 or Rule 3.1.4, the remainder of the benefit must be retained in the **personal accumulation account** of the **PSSAP member** or **rolled-over** or **transferred** to another superannuation entity. See Rule 3.1.12.

### Compulsory payment of benefits

**3.1.5** Where the **SIS Act** requires a benefit to be paid to a **PSSAP member**, the **Board** must pay as a lump sum the **total benefit** or such part of the **total benefit** as the **SIS Act** requires to or in respect of the person, even if no **benefit application** has been made.

**Note:** This rule only applies where the **PSSAP member** is not deceased. See Rule 3.1.11 for payment of benefits in respect of deceased members.

### Payment of benefits to a PSSAP member on compassionate and financial hardship grounds

**3.1.6** If the **Board** receives a **benefit application** from a **PSSAP member** pursuant to Rule 3.1.1(c), the **Board** may pay the person such part of their **total benefit** as requested in the **benefit application**, subject to the **SIS Act**:

- (a) on a compassionate ground in accordance with a determination of the Australian Prudential Regulatory Authority under the **SIS Act**; or
- (b) on grounds of severe financial hardship in accordance with the **SIS Act**.

### Payment of benefits to ordinary employer-sponsored members

**3.1.7** If the **Board** receives or is taken to have received a **benefit application** from or on behalf of an **ordinary employer-sponsored member** pursuant to Rule 3.1.1(a)(ii) and the **Board** approves the **invalidity retirement** of the **ordinary employer-sponsored member**, the **Board** must, if the person ceases to be an **ordinary employer-sponsored member** following approval of their **invalidity retirement**, pay the person as a lump sum such part of their **total benefit** as the **SIS Act** permits as soon as possible.

**3.1.8** If the **Board** receives a **benefit application** from or on behalf of an **ordinary employer-sponsored member** pursuant to Rule 3.1.1(a)(iii), the member, subject to Rules 3.4.2 and 3.4.5, is entitled to **income protection benefits** in accordance with Rule 3.4.3.

**3.1.9** If the **Board** receives a **benefit application** from a **transitional member** pursuant to Rule 3.1.1(a)(iv) and the **Board** has in place arrangements for members to purchase the income product requested in the application, the **Board**, in accordance with Rule 3.5.1, must, on behalf of the **transitional member**, arrange for the purchase by the member of an income product of the type so requested costing an amount equal to the total benefit set out in the **benefit application**.

### Payment of benefits to a legal personal representative where member not deceased

**3.1.10** On receiving a **benefit application** from the **legal personal representative** of a **PSSAP member** under Rule 3.1.1(d), the **Board** may pay to the **legal personal representative** such part of the **total benefit** as the **SIS Act** permits if the **Board** is satisfied that:

- (a) the **PSSAP member** is under a legal disability; and
- (b) the **PSSAP member** is entitled to the payment of a benefit under the Rules.

### Payment of death benefits

#### 3.1.11 When the **Board**:

- (a) receives an application for benefits from a person claiming to be entitled to the benefit of a person who is a deceased **PSSAP member**; or
- (b) otherwise becomes aware that a **PSSAP member** has died;

the **Board** must determine who is entitled to be paid the death benefits in accordance with Division 2 of this Part and pay the **total benefit** to the person or persons so entitled in such shares as the **Board** determines.

### Preservation of benefits not paid

**3.1.12** Where a part of the **total benefit** is paid to or in respect of a **PSSAP member** under this Division, the remainder of the benefit is retained in the **personal accumulation account** of the **PSSAP member** unless a **roll-over application** or **benefit application** is made in relation to the remainder of the benefit.

### Applications for roll-over or transfer of benefits

#### 3.1.13 A **roll-over application** may be made to the Board by:

- (a) an **ordinary employer-sponsored member** who intends to cease to be an **ordinary employer-sponsored member** within one month of making the **roll-over application**;
- (b) a **PSSAP member** who, at any time, has ceased to be an **ordinary employer-sponsored member**;
- (c) an **ordinary employer-sponsored member** whose **personal accumulation account** contains **accumulated member contributions** or a **transfer amount**; or
- (d) a **transitional member** who has applied for an amount of benefits to be **cash**ed as an income product which may be a **non-commutable allocated annuity**, a **non-commutable allocated pension**, a **non-commutable annuity** or a **non-commutable pension**.

**3.1.14** A **roll-over application** must be made in a form acceptable to the **Board** and must include any supporting evidence of entitlement to the benefit required by the **Board**.

## Preservation or transfer of benefits

**3.1.15** If the **Board** receives a **roll-over application** from an **ordinary employer-sponsored member** who meets the requirements of Rule 3.1.13(a), the **Board** must **roll-over** or **transfer** so much of the person's **total benefit** as requested in the **roll-over application** to a **superannuation entity, RSA or life insurance company** as soon as possible after the person ceases to be an **ordinary employer-sponsored member**.

**3.1.16** On receiving a **roll-over application** from a **PSSAP member** who meets the requirements of Rule 3.1.13(b), the **Board** must **roll-over** or **transfer** so much of the person's **total benefit** as requested in the **roll-over application** to a **superannuation entity, RSA or life insurance company**.

**3.1.17** On receiving a **roll-over application** from an **ordinary employer-sponsored member** who meets the requirements of Rule 3.1.13(c), the **Board** must **roll-over** or **transfer** such part of the person's **total benefit** as requested in the **roll-over application** to a **superannuation entity, RSA or life insurance company** provided the amount **rolled-over** or **transferred** does not exceed the sum of the person's **accumulated member contributions** and any **transfer amount**, adjusted for interest credited (if any) or interest debited (if any) in respect of fund earnings or fund losses on those amounts, respectively, as decided by the **Board**.

**Note:** This Rule allows **ordinary employer-sponsored members** to transfer out any **transfer amounts** paid to the **Board** as well as any **accumulated member contributions**, but not employer contributions, made to **PSSAP**.

**3.1.18** On receiving a **roll-over application** from a **transitional member** under Rule 3.1.13(d), the **Board** must **roll-over** or **transfer** such part of the person's **total benefit** as requested in the **roll-over application** to a **superannuation entity or life insurance company**.

**3.1.19** If no **benefit application** or **roll-over application** is received upon a **PSSAP member** ceasing to be an **ordinary employer-sponsored member** and Rule 3.1.20 does not apply, the **total benefit** is retained in the **personal accumulation account** of the **PSSAP member**.

## Payment of benefits to eligible roll-over fund

**3.1.20** The **Board** may pay a benefit to an **eligible roll-over fund** if:

- (a) a benefit has become payable under Rule 3.1.5 and
  - (i) 90 days have passed since the benefit became payable; and
  - (ii) the person in relation to whom the benefit is payable has not informed the **Board** in writing how he/she wishes the benefit to be paid; or
- (e) the **Board** is unable to locate a **PSSAP member** and the **SIS Act** permits the **Board** to pay the benefit to an **eligible roll-over fund**.

## Division 2

### Death benefits

#### Who is entitled to be paid death benefits

**3.2.1** If, upon the death of a **PSSAP member**, the **Board** is in receipt of a current valid **binding member nomination** in relation to the deceased **PSSAP member**, then the member's **total benefit** will be paid by the **Board** to the person or persons specified in the **binding member nomination**.

**3.2.2** Subject to Rule 3.2.1, in the event of the death of a **PSSAP member**, the **Board** must pay or apply the deceased member's **total benefit** to or for the benefit of one or more, as determined by the **Board**, of the following:

- (a) one or more **dependants** of the deceased **PSSAP member**;
- (b) the **legal personal representative** of the deceased **PSSAP member**.

**3.2.3** If, after making reasonable enquiries, the **Board** upon the death of a **PSSAP member** has not found either a **legal personal representative** or a **dependant** of the deceased **PSSAP member**, the **Board** will pay or apply the deceased member's **total benefit** to or for the benefit of such one or more individuals as determined by the **Board**.

## Division 3

### Permanent invalidity

#### Application for approval of invalidity retirement

**3.3.1** An application for approval of the **invalidity retirement** of an **ordinary employer-sponsored member** may be made to the **Board** by:

- (a) the **ordinary employer-sponsored member** ; or
- (b) the **designated employer** of the **ordinary employer-sponsored member**.

**3.3.2** An **ordinary employer-sponsored member** in respect of whom an application under Rule 3.3.1 is made is taken to have also made a **benefit application**.

#### Invalidity retirement process

**3.3.3** Following receipt of an application to approve the **invalidity retirement** of an **ordinary employer-sponsored member**, the **Board** may approve the person's **invalidity retirement** if it is satisfied that the person has a **permanent incapacity**.

**3.3.4** The **Board** may determine the process it will follow before approving the **invalidity retirement** of an **ordinary employer-sponsored member**.

**3.3.5** The **Board** must advise its **decision** under Rule 3.3.3 to the **ordinary employer-sponsored member** and the **designated employer** of the **ordinary employer-sponsored member**. The advice is to include a statement of the reasons for the **decision**.

## Division 4

## Income protection benefits

### Income protection benefits

**3.4.1** An **ordinary employer-sponsored member** may apply to the **Board** for **income protection benefits** if the **ordinary employer-sponsored member**:

- (a) is unable to work due to a **temporary incapacity**; and
- (b) holds **income protection cover**.

### Assessment of applications for income protection benefits

**3.4.2** Following receipt of an application for **income protection benefits** that meets the requirements of Rule 3.4.1 the **Board** must make a claim against the policy or policies providing the **income protection cover**.

### Payment of income protection benefits

**3.4.3** Subject to the **SIS Act**, any amount paid by a **life insurance company** in response to a claim against a policy providing **income protection cover**:

- (a) must be paid into the **PSSAP Fund** and paid from the **PSSAP Fund** to the **ordinary employer-sponsored member** as a **non-commutable income stream**; or
- (b) must be paid directly to the **ordinary employer-sponsored member** as a **non-commutable income stream**.

**3.4.4** Any amount paid into the **PSSAP Fund** or directly to an **ordinary employer-sponsored member** under Rule 3.4.3 does not form part of the **personal accumulation account** of the **ordinary employer-sponsored member**.

**3.4.5** Nothing in this Deed requires the **Board** to pay **income protection benefits** where:

- (a) an **ordinary employer-sponsored member** does not hold **income protection cover**; or
- (b) a **life insurance company** does not pay any amount in response to a claim by the **Board**.

**Division 5****Retirement income products****Board must arrange retirement income products****3.5.1 The Board:**

- (a) before 1 July 2006 may; and
- (b) from 1 July 2006 must

enter into arrangements with a **life insurance company** to offer income products, including retirement income products, for purchase by persons in receipt of benefits under the Rules.

**3.5.2** A person in receipt of benefits under Division 1 of this Part may use the benefits to purchase income products arranged by the **Board**.



## PART 4 – INSURANCE

### Division 1

#### Basic death and invalidity cover

##### Board to arrange policy

**4.1.1** The **Board** must take out a policy or policies with a **life insurance company** or companies in its name to provide **basic death and invalidity cover** for **ordinary employer-sponsored members**. A **basic death and invalidity cover** policy is to be on the terms and conditions, including the circumstances, agreed between the **Board** and the relevant **life insurance company**.

##### Provision of basic death and invalidity cover

**4.1.2** An **ordinary employer-sponsored member** will be provided with **basic death and invalidity cover** on and subject to the terms and conditions of the policy taken out pursuant to Rule 4.1.1, unless the **life insurance company** does not provide cover in respect of the member under that policy.

##### Claims by the Board

**4.1.3** Where an **ordinary employer-sponsored member** dies or an application for approval of their **invalidity retirement** is made under Rule 3.3.1, the **Board** must make a claim against the policy providing the **basic death and invalidity cover**, unless the **life insurance company** does not provide cover in respect of the member under that policy.

**4.1.4** Any amount paid by a **life insurance company** to the **Board** in response to a claim under Rule 4.1.3 against a policy providing **basic death and invalidity cover** must be paid into the **PSSAP Fund** and is credited to the **personal accumulation account** of the **ordinary employer-sponsored member**.

##### Basic death and invalidity cover premiums

**4.1.5** All premiums for **basic death and invalidity cover** are to be paid by the **Board** from the **PSSAP Fund**.

**4.1.6** Subject to Rule 4.1.7, the premium for **basic death and invalidity cover** provided in respect of an **ordinary employer-sponsored member** is the amount determined by the **Board**, being the same amount as the amount of premium specified in the **basic death and invalidity cover** policy, and must be deducted from the **personal accumulation account** of the **ordinary employer-sponsored member**.

**4.1.7** Where a premium payable for **basic death and invalidity cover** is more than the amount in the **personal accumulation account** of the **ordinary employer-sponsored member**, Rule 4.1.6 shall not apply.

### Cessation of basic death and invalidity cover

**4.1.8** The **basic death and invalidity cover** of an **ordinary employer-sponsored member** ceases on the earliest of:

- (a) the day, or a day after the day, that the **ordinary employer-sponsored member** ceases to be an **ordinary employer-sponsored member**, that is specified in the **basic death and invalidity cover** policy for the purpose of this paragraph;
- (b) the death or **invalidity retirement** of the **ordinary employer-sponsored member**;
- (c) where, under Rule 4.1.7, a premium payable for **basic death and invalidity cover** has not been paid on the day on which the premium became payable and the terms of the **basic death and invalidity cover** policy provide for cover to end if the premiums cease, the day after the day on which the cover ends due to non-payment of the premiums; and
- (d) the date the insurer ceases to provide **basic death and invalidity cover** in respect of the **ordinary employer-sponsored member**.

## Division 2

### Supplementary death and invalidity cover

#### Board to arrange policy

**4.2.1** Subject to the requirements of the **SIS Act**, the **Board** may take out a policy or policies with a **life insurance company** or companies in its name to provide **supplementary death and invalidity cover** for **ordinary employer-sponsored members**. A **supplementary death and invalidity cover** policy is to be on the terms and conditions, including the circumstances, agreed between the **Board** and the relevant **life insurance company**.

#### Applying for supplementary death and invalidity cover

**4.2.2** An **ordinary employer-sponsored member** may apply to the **Board** for **supplementary death and invalidity cover** at any time.

**4.2.3** The **Board** may allow the **ordinary employer-sponsored member** to choose the policy providing the **supplementary death and invalidity cover** if the **Board** has taken out more than one policy.

**4.2.4** An **ordinary employer-sponsored member** who applies for **supplementary death and invalidity cover** must provide any information and undergo any medical examinations the relevant **life insurance company** requires for it to determine whether it is prepared to provide the **supplementary death and invalidity cover**.

### Advice to Board and ordinary employer-sponsored member

**4.2.5** If an **ordinary employer-sponsored member** applies to the **Board** for **supplementary death and invalidity cover**, or applies to vary existing cover, the **Board** must ask the relevant **life insurance company**:

- (a) whether it is prepared to provide the cover for that **ordinary employer-sponsored member** ; and
- (b) if so, the cost of the premium, including any extra cost where the **ordinary employer-sponsored member** was assessed as not being a **standard risk**, on:
  - (i) the date the cover commenced; and
  - (ii) each subsequent birthday of the **ordinary employer-sponsored member**, or other date as specified in the policy.

The **Board** must provide the responses to the questions in paragraphs (a) and (b) from the **life insurance company** to the **ordinary employer-sponsored member**.

### Variation of supplementary death and invalidity cover

**4.2.6** An **ordinary employer-sponsored member** may vary the amount of **supplementary death and invalidity cover** at any time before the cover ceases to be applicable, provided the relevant **life insurance company** is prepared to provide the varied cover.

**4.2.7** Variations in the amount of **supplementary death and invalidity cover** take effect from:

- (a) the date specified in the policy; or
- (b) otherwise, the date determined by the **Board**.

### Cessation of supplementary death and invalidity cover

**4.2.8** The **supplementary death and invalidity cover** of an **ordinary employer-sponsored member** ceases on the earliest of:

- (a) the day, or a day after the day, that the **ordinary employer-sponsored member** ceases to be an **ordinary employer-sponsored member**, that is specified in the **supplementary death and invalidity cover** policy for the purpose of this paragraph;
- (b) the date the **ordinary employer-sponsored member** notifies the **Board** that they no longer wish to have **supplementary death and invalidity cover**;
- (c) the death or **invalidity retirement** of the **ordinary employer-sponsored member**;
- (d) where, under Rule 4.2.13, a premium payable for **supplementary death and invalidity cover** has not been paid on the day on which the premium became payable and the terms of the **supplementary death and invalidity cover** policy

provide for cover to end if the premiums cease, the day after the day on which the cover ends due to non-payment of premiums; and

- (e) the date the insurer ceases to provide **supplementary death and invalidity cover** in respect of the **ordinary employer-sponsored member**.

### Claims by the Board

**4.2.9** Where an **ordinary employer-sponsored member** with **supplementary death and invalidity cover** dies or an application for approval of their **invalidity retirement** is made under Rule 3.3.1, the **Board** must make a claim against the policy providing the **supplementary death and invalidity cover**.

**4.2.10** Any amount paid by a **life insurance company** to the **Board** in response to a claim against a policy providing **supplementary death and invalidity cover** must be paid into the **PSSAP Fund** and is credited to the person's **personal accumulation account**.

### Supplementary death and invalidity cover premiums

**4.2.11** All premiums for **supplementary death and invalidity cover** are to be paid by the **Board** from the **PSSAP Fund**.

**4.2.12** Subject to Rule 4.2.13, the cost of the premium for **supplementary death and invalidity cover** provided in respect of an **ordinary employer-sponsored member** must be deducted from the **personal accumulation account** of the **ordinary employer-sponsored member**.

**4.2.13** Where a premium payable for **supplementary death and invalidity cover** is more than the amount in the **personal accumulation account** of an **ordinary employer-sponsored member**, Rule 4.2.12 shall not apply.

## Division 3

### Basic income protection cover

#### Board to arrange policy

**4.3.1** The **Board** must take out a policy or policies with a **life insurance company** or companies in its name to provide **basic income protection cover** for **ordinary employer-sponsored members**. A **basic income protection cover** policy is to be on the terms and conditions, including the circumstances, agreed between the **Board** and the relevant **life insurance company** but subject to the requirements of the **SIS Act**.

#### Provision of basic income protection cover

**4.3.2** Subject to the terms of the **basic income protection cover** policy taken out pursuant to Rule 4.3.1, **ordinary employer-sponsored members** will be provided with **basic income protection cover** in accordance with arrangements made under Rule 4.3.1 unless:

- (a) the **ordinary employer-sponsored member** has notified the **Board** in writing that they do not wish to be provided with **basic income protection cover**; or

- (b) in accordance with the policy between the **Board** and the **life insurance company**, the company refuses to provide cover in respect of the **ordinary employer-sponsored member**.

### Cessation of basic income protection cover

**4.3.3** The **basic income protection cover** of an **ordinary employer-sponsored member** ceases on the earliest of:

- (a) the day, or a day after the day, that the **ordinary employer-sponsored member** ceases to be an **ordinary employer-sponsored member**, that is specified in the **basic income protection cover** policy for the purpose of this paragraph;
- (b) the date the **ordinary employer-sponsored member** notifies the **Board** that they no longer wish to have **basic income protection cover**;
- (c) the death or **invalidity retirement** of the **ordinary employer-sponsored member**;
- (d) where, under Rule 4.3.6, a premium payable for **basic income protection cover** has not been paid on the day on which the premium became payable and the terms of the **basic income protection cover** policy provide for cover to end when premiums cease, the day after the day on which the cover ends due to non-payment of premiums; and
- (e) the date the insurer ceases to provide **basic income protection cover** in respect of the **ordinary employer-sponsored member**.

### Basic income protection cover premiums

**4.3.4** All premiums for **basic income protection cover** are to be paid by the **Board** from the **PSSAP Fund**.

**4.3.5** Subject to Rule 4.3.6, the premium for **basic income protection cover** provided in respect of an **ordinary employer-sponsored member** is the amount determined by the **Board**, being the same amount as the amount of premium specified in the **basic income protection cover policy**, and must be deducted from the **personal accumulation account** of the **ordinary employer-sponsored member**.

**Note:** The **Board** may make a claim against a policy providing **income protection cover**. See Rule 3.4.2.

Amounts paid by an insurer in response to a claim are paid to the **PSSAP Fund** for payment to the **ordinary employer-sponsored member** or directly to the **ordinary employer-sponsored member** but are not credited to their **personal accumulation account**. See Rules 3.4.3 and 3.4.4.

**4.3.6** Where a premium payable for **basic income protection cover** is more than the amount in the **personal accumulation account** of the **ordinary employer-sponsored member**, Rule 4.3.5 shall not apply.

## Division 4

### Supplementary income protection cover

#### Board to arrange policy

**4.4.1** The **Board** may take out a policy or policies with a **life insurance company** or companies in its name to provide **supplementary income protection cover** for **ordinary employer-sponsored members**. A **supplementary income protection cover** policy is to be on the terms and conditions, including the circumstances, agreed between the **Board** and the relevant **life insurance company** but subject to the requirements of the **SIS Act**.

#### Applying for supplementary income protection cover

**4.4.2** An **ordinary employer-sponsored member** may apply to the **Board** for **supplementary income protection cover** at any time.

**4.4.3** The **Board** may allow the **ordinary employer-sponsored member** to choose the policy providing the **supplementary income protection cover** if the **Board** has taken out more than one policy.

**4.4.4** An **ordinary employer-sponsored member** who applies for **supplementary income protection cover** must provide any information and undergo any medical examinations the relevant **life insurance company** requires for it to determine whether it is prepared to provide the **supplementary income protection cover**.

#### Advice to Board and ordinary employer-sponsored member

**4.4.5** If an **ordinary employer-sponsored member** applies to the **Board** for **supplementary income protection cover**, or applies to vary existing cover, the **Board** must ask the relevant **life insurance company**:

- (a) whether it is prepared to provide the cover for that **ordinary employer-sponsored member**; and
- (b) if so, the cost of the premium, including any extra cost where the **ordinary employer-sponsored member** was assessed as not being a **standard risk**, on:
  - (i) the date the cover commenced; and
  - (ii) each subsequent birthday of the **ordinary employer-sponsored member**, or other date as specified in the policy.

The **Board** must provide the responses to the questions in paragraphs (a) and (b) from the **life insurance company** to the **ordinary employer-sponsored member**.

### Variation of supplementary income protection cover

**4.4.6** The **ordinary employer-sponsored member** may vary the amount of **supplementary income protection cover** at any time before the cover ceases to be applicable, provided the relevant **life insurance company** is prepared to provide the varied cover.

**4.4.7** Variations in the amount of **supplementary income protection cover** take effect from:

- (a) the date specified in the policy; or
- (b) otherwise, the date determined by the **Board**.

### Cessation of supplementary income protection cover

**4.4.8** The **supplementary income protection cover** of an **ordinary employer-sponsored member** ceases on the earliest of:

- (a) the day, or a day after the day, that the **ordinary employer-sponsored member** ceases to be an **ordinary employer-sponsored member**, that is specified in the **supplementary income protection cover** policy for the purpose of this paragraph;
- (b) the date the **ordinary employer-sponsored member** notifies the **Board** that they no longer wish to have **supplementary income protection cover**;
- (c) the death or **invalidity retirement** of the **ordinary employer-sponsored member**;
- (d) where, under Rule 4.4.11, a premium payable for **supplementary income protection cover** has not been paid on the day on which the premium became payable and the terms of the **supplementary income protection cover** policy provide for cover to end if the premiums cease, the day after the day on which the cover ends due to non-payment of premiums; and
- (e) the date the insurer ceases to provide **supplementary income protection cover** in respect of the **ordinary employer-sponsored member**.

### Supplementary income protection cover premiums

**4.4.9** All premiums for **supplementary income protection cover** are to be paid by the **Board** from the **PSSAP Fund**.

**4.4.10** Subject to Rule 4.4.11, the cost of the premium for **supplementary income protection cover** provided in respect of an **ordinary employer-sponsored member** must be deducted from the **personal accumulation account** of the **ordinary employer-sponsored member**.

**Note:** The **Board** may make a claim against a policy providing **income protection cover**. See Rule 3.4.2.

Amounts paid by an insurer in response to a claim are paid to the **PSSAP Fund** for payment to the **ordinary employer-sponsored member** but are not credited to their **personal accumulation account**. See Rules 3.4.3 and 3.4.4.

**4.4.11** Where a premium payable for **supplementary income protection cover** is more than the amount in the **personal accumulation account** of the **ordinary employer-sponsored member**, Rule 4.4.10 shall not apply.



## PART 5 – OTHER MATTERS

### Division 1

### Personal accumulation account

#### Board must keep personal accumulation accounts

**5.1.1** The **Board** must keep a **personal accumulation account** for each **PSSAP member**.

**Note:** A **PSSAP member** includes an **ordinary employer-sponsored member**.

**5.1.2** The **Board** may keep only one **personal accumulation account** for each **PSSAP member**.

**5.1.3** The **personal accumulation account** records the **accumulation amount** of a **PSSAP member**.

#### Accumulation amount

**5.1.4** The **accumulation amount** of a **PSSAP member** is equal to the total of the amounts credited to the **personal accumulation account** of the **PSSAP member** under Rule 5.1.5 less the total of the amounts debited to the **personal accumulation account** under Rule 5.1.6.

**5.1.5** If any or all of the following amounts are paid to the **PSSAP Fund** in respect of a **PSSAP member**, the amounts must be credited to the person's **personal accumulation account**:

- (a) **basic employer contributions**;
- (b) any **additional employer contributions**;
- (c) **employee contributions** that have been paid by the **ordinary employer-sponsored member**;
- (d) **eligible spouse contributions** accepted by the **Board** under Rule 2.3.4 paid on behalf of the **ordinary employer-sponsored member**;
- (e) the interest credited (if any) in respect of fund earnings on the person's **accumulation amount** as decided by the **Board** under Rule 5.2.1;
- (f) any amount paid by a **life insurance company** to the **Board** in respect of the person in response to a claim against a life policy unless the amount is an amount referred to in Rule 3.4.3;
- (g) any **transfer amounts**;
- (h) any amount credited to the person's **personal accumulation account** under Rule 7.2.2.

**5.1.6** If any or all of the following amounts are paid from the **PSSAP Fund** or are payable by or in respect of a **PSSAP member** the amounts must be debited from the person's **personal accumulation account**:

- (a) income tax as determined by the **Board**;
- (b) any **insurance premium** payable under Rule 4.1.6, 4.2.12, 4.3.5 and 4.4.10 paid from the person's **accumulation amount**;
- (c) the interest debited (if any) in respect of fund losses on the person's **accumulation amount** as decided by the **Board** under Rule 5.2.1;
- (d) any benefit paid to or in respect of the **PSSAP member** from their **accumulation amount** including any benefit paid as a **roll-over** or **transfer**;
- (e) any fees, costs and expenses paid from the person's **personal accumulation account** under Rule 5.4.3;
- (f) any **surcharge** payable by the **Board** under Rule 5.3.1 in respect of the **PSSAP member**.

## Division 2

### Crediting of fund earnings and debiting of fund losses

#### Crediting of earnings and debiting of losses

**5.2.1** The **Board** may determine:

- (a) the amounts to be credited or debited to a person's **personal accumulation account** under Rule 5.1.5(e) and 5.1.6(c) that reasonably reflects the after tax earnings or losses derived from the investment of the amount in the account; and
- (b) how much of each amount determined under (a) is in respect of fund earnings or losses on the person's **accumulated member contributions**.

**5.2.2** In determining the amount referred to in Rule 5.2.1 the **Board** must have regard to:

- (a) the charges, costs and expenses incurred in the investment of amounts in all **personal accumulation accounts**; and
- (b) if, under Rule 5.4.1, a **PSSAP member** may choose between two or more investment strategies – the investment strategies chosen by the **PSSAP member** for their **personal accumulation account**.

**Note:** The **PSSAP** is subject to provisions relating to financial management of funds (including solvency and winding up of accumulation funds) set out at Part 9 of the **SIS Regulations**.

## Division 3

### Superannuation surcharge

#### Application of the Superannuation Contributions Tax

**5.3.1** The **Board** must pay from the **PSSAP Fund** any amount of **surcharge** payable in respect of an **assessment of surcharge on surchargeable contributions** for a **PSSAP member** held in the **PSSAP Fund**.

**Note:** As well as covering possible surcharge assessments received in respect of surchargeable contributions made on or after 1 July 2005 (legislation has been introduced in Parliament to abolish the surcharge from 1 July 2005), Rule 5.3.1 will cover surcharge assessments received in relation to surchargeable contributions made before 1 July 2005 and transferred by PSSAP members to the PSSAP Fund.

## Division 4

### Member investment choice

#### Member Investment Choice

**5.4.1** The **Board** may offer **PSSAP members** the opportunity to elect to have amounts held in their **personal accumulation account** invested in accordance with a particular investment strategy.

**5.4.2** The **Board** may determine when and how a **PSSAP member** may make or change an election about their choice of investment strategy.

**5.4.3** The **Board** may determine, in relation to choice of investment strategy, the fees, costs and expenses to be paid from a person's **personal accumulation account**, including, fees, costs and expenses in connection with the investment of contributions, the realisation of those investments, the choice of an investment strategy and changes to an investment strategy.

## Division 5

### Incorrectly paid amounts

#### Board must redirect incorrectly paid amounts and correct the PSSAP Fund

**5.5.1** If any moneys paid to or withdrawn from the **PSSAP Fund**, in the opinion of the **Board**, have been paid to or withdrawn from the **PSSAP Fund** by mistake (whether of law or of fact), the **Board** must take steps to correct the mistake, including:

- (a) in the case of moneys paid by mistake - refunding those moneys to the person who paid them to the **PSSAP Fund** and doing all things necessary to correct the records of the **PSSAP Fund** to reflect such refunding;
- (b) in the case of moneys withdrawn by mistake – taking all reasonable steps to recover the moneys and doing all things necessary to correct the records of the **PSSAP Fund** to reflect such recovery.

Note: Among other things, Rule 5.5.1 covers the situation where an amount transferred to the Board by the Australian Taxation Office under Rule 2.4.1(c) or (d) has been found, upon reassessment by the Commissioner of Taxation, to be more than the correct amount.

### **Board must redirect incorrectly paid amounts and correct personal accumulation accounts**

**5.5.2** If any moneys paid to or withdrawn from the **personal accumulation account** of a **PSSAP** member were, in the opinion of the **Board**, paid into or withdrawn from the **personal accumulation account** by mistake (whether of law or of fact), the **Board** must take steps to correct the mistake, including:

- (a) withdrawing an amount from the **personal accumulation account** or paying an amount to the **personal accumulation account**; and
- (b) doing all things necessary to correct the records of the **PSSAP Fund** to reflect action taken under paragraph (a).

## PART 6 – REVIEW OF DECISIONS

### Division 1

#### Reconsideration Advisory Committees

##### Establishing Reconsideration Advisory Committees

**6.1.1** The **Board** will establish one or more Reconsideration Advisory Committees comprising people with such qualifications as the **Board** determines and may refer a **decision** of the **Board**, or of a delegate of the **Board**, in relation to **PSSAP** to be reconsidered by a Reconsideration Advisory Committee. A member of a Reconsideration Advisory Committee may be a **trustee**.

**6.1.2** Subject to any **Board** directions, a Reconsideration Advisory Committee will regulate its own affairs.

##### Board responsibilities to Reconsideration Advisory Committees

**6.1.3** Where the **Board** has referred a **decision** in relation to **PSSAP** to a Reconsideration Advisory Committee, the **Board** is to provide the Committee with all relevant evidence and information.

##### Recommendation by Reconsideration Advisory Committees

**6.1.4** Where the **Board** has referred a **decision** in relation to **PSSAP** to a Reconsideration Advisory Committee for review and to make a recommendation to the **Board**, the Committee is to review the **decision** and make a recommendation to the **Board** whether the **decision** should be affirmed, varied, substituted or set aside.

### Division 2

#### Reconsidering delegate's decisions

##### Request for reconsideration

**6.2.1** A person affected by a **decision** in relation to **PSSAP** made by a delegate of the **Board** may request the **Board** to reconsider the original **decision**.

**6.2.2** A request for reconsideration must be made in writing, or any other form acceptable to the **Board**, and must set out the particulars of the **decision** to be reconsidered.

##### Reconsideration of decision of delegate

**6.2.3** Where the **Board** accepts a request to reconsider a **decision** of a delegate of the **Board** in relation to **PSSAP**, the **Board** must:

- (a) if the **Board** has delegated to a Reconsideration Advisory Committee the **Board's** power to determine the matter, refer the request to the Committee for review and to exercise that power and in that event the Committee must review the **decision** and determine the matter in accordance with the delegated power by:
  - (i) affirming the **decision** under review;
  - (ii) varying the **decision**;
  - (iii) substituting another **decision**; or
  - (iv) setting the **decision** aside; or
- (b) itself review the **decision** and decide whether to affirm the **decision**, vary the **decision**, substitute another **decision** or set the **decision** aside, after considering the recommendation of a Reconsideration Advisory Committee, if any, if, at its discretion, it has referred the request to the Committee for review and to make a recommendation in relation to the **decision**.

#### Decision to be notified to affected person

**6.2.4** The **decision** of the **Board** or the Reconsideration Advisory Committee under Rule 6.2.3 on a reconsideration must be notified to the person requesting reconsideration of the original **decision**. The notification is to include a statement of reasons for the **decision**.

### Division 3

#### Reconsidering Board Decisions

#### Request for reconsideration

**6.3.1** A person affected by a **decision** of the **Board** in relation to **PSSAP**, including a **decision** under Division 2 or 4 of this Part, may request the **Board** to reconsider that **decision**.

**6.3.2** A request for reconsideration of a **decision** of the **Board** in relation to **PSSAP** must be made in writing and:

- (a) set out the particulars of the **decision** to be reconsidered;
- (b) specify the grounds for the request;
- (c) include new evidence, being evidence not previously known to the **Board**, supporting the grounds for the request; and
- (d) be accompanied by the fee prescribed under the **Act**.

**6.3.3** The **Board** must not proceed with a request for reconsideration of a **decision** of the **Board** in relation to **PSSAP**:

- (a) that does not include new evidence; or

- (b) if in the opinion of the **Board**, the evidence included in the request does not support the grounds specified for the request;

and the **Board** may refund the fee paid. The **Board** may subsequently proceed with the request if sufficient new evidence is provided.

### Clear decision in favour of person

**6.3.4** If the **Board** accepts a request to reconsider a **decision** of the **Board** in relation to **PSSAP**, the **Board** may decide in favour of the person seeking reconsideration without referring the request to a Reconsideration Advisory Committee or to an Assessment Panel if, after considering:

- (a) the new evidence provided with the request; and
- (b) any other evidence the **Board** considers relevant;

it is satisfied there is no reasonable doubt it should decide in favour of the person.

### Reconsideration of decision of Board

**6.3.5** Where the **Board** accepts a request to reconsider one of its **decisions** in relation to **PSSAP**, the **Board**, unless under Rule 6.3.4 it has decided in favour of the person seeking reconsideration, must:

- (a) if the **Board** has delegated to a Reconsideration Advisory Committee the **Board's** power to determine the matter, refer the request to the Committee for review and to exercise that power and in that event the Committee must review the **decision** and determine the matter in accordance with the delegated power by:
  - (i) affirming the **decision** under review;
  - (ii) varying the **decision**;
  - (iii) substituting another **decision**; or
  - (iv) setting the **decision** aside; or
- (b) itself review the **decision** and decide whether to affirm the **decision**, vary the **decision**, substitute another **decision** or set the **decision** aside, after considering the recommendation of a Reconsideration Advisory Committee, if any, if, at its discretion, it has referred the request to the Committee for review and to make a recommendation in relation to the **decision**;

after first obtaining, if appropriate, the recommendation of an Assessment Panel, and the Committee or the **Board**, as the case requires, may, at its discretion, refund the fee paid.

**Decision to be notified to affected person**

**6.3.6** The **decision** of the **Board** or the Reconsideration Advisory Committee under Rule 6.3.5 must be notified to the person requesting reconsideration of the original **decision**. The notification is to include a statement of reasons for the **decision**.

**Division 4****Board initiated reconsiderations****Board may initiate a reconsideration of a decision**

**6.4.1** The **Board**, on its own motion, may initiate the reconsideration of a delegate's **decision** or a **decision** of the Board in relation to **PSSAP** and may vary the **decision**, substitute another **decision** or set the **decision** aside. The **Board** will advise the person affected of that reconsideration and any changed decision.



## PART 7 – FAMILY LAW SUPERANNUATION SPLITTING

### Division 1

#### Board powers and duties: superannuation interests subject to payment split

##### Powers and duties of the Board: adoption of SIS Regulations

**7.1.1** Subject to this Part, where an interest in the **PSSAP Fund** becomes subject to a payment split under the *Family Law Act 1975*:

- (a) the **Board** shall have the same powers and duties in relation to the interest as a trustee has under Part 7A of the **SIS Regulations** in relation to a relevant accumulation interest;
- (b) a **non-member spouse** in relation to the interest has the same rights in relation to benefits connected with the interest as the **non-member spouse** would have in relation to benefits connected with the interest if Part 7A of the **SIS Regulations** applied in relation to the interest; and
- (c) a **member spouse** in relation to the interest has the same rights in relation to reduction of benefits connected with the interest as the **member spouse** would have in relation to such reduction if Part 7A of the SIS Regulations applied in relation to the interest.

### Division 2

#### Board to establish a non-member spouse interest account where a non-member spouse interest is created

##### Board to establish a non-member spouse interest account

**7.2.1** Where the **Board** creates a **non-member spouse interest**, the **Board** must create an account to which the value of the **non-member spouse interest** is credited (**non-member spouse interest account**).

**Note:** Regulation 7A.20 of the **SIS Regulations** governs the apportionment of the **non-member spouse interest** among unrestricted non-preserved benefits, restricted non-preserved benefits and preserved benefits.

### Board to consolidate non-member spouse interest account and personal accumulation account

**7.2.2** Where the **non-member spouse** is a **PSSAP member** with both a **personal accumulation account** and a **non-member spouse interest account**, the **Board** shall, within 28 days after being requested to do so by the **non-member spouse**:

- (a) increase the amount credited to the **personal accumulation account** of the **PSSAP member** by the amount credited to the **non-member spouse interest account**; and
- (b) thereafter and on the same day reduce to zero the value of the **non-member spouse interest account** and then close the **non-member spouse interest account**.

## Division 3

### Rights and restrictions applying to a non-member spouse interest

#### Board may determine terms and conditions for non member spouse interest

**7.3.1** Subject to the provisions of this Division, the **Board** may, in creating a **non-member spouse interest**, determine terms and conditions for the **non-member spouse interest**.

#### Right of non-member spouse to benefits

**7.3.2** Subject to the **SIS Act**, the rights of a **non-member spouse** or their **legal personal representative** applying for benefits or the **roll-over** of benefits in relation to their **non-member spouse interest** are the same as those of a **PSSAP member** who has ceased to be an **ordinary employer-sponsored member** - or their **legal personal representative** - applying for benefits or the **roll-over** of benefits in relation to an interest in the **PSSAP Fund** of the **PSSAP member**.

#### Right of person claiming death benefits

**7.3.3** Subject to the **SIS Act**, the rights of persons claiming death benefits upon the death of a **non-member spouse** in relation to their **non-member spouse interest** are the same as the rights of persons claiming death benefits upon the death of a **PSSAP member** in relation to the interest in the **PSSAP Fund** of the deceased **PSSAP member**.

#### Board may offer non-member spouse choice of investment strategy

**7.3.4** The **Board** may offer a **non-member spouse** the opportunity to elect to have amounts held in his or her **non-member spouse interest account** invested in accordance with a particular investment strategy.

**7.3.5** The **Board** may determine when and how a **non-member spouse** may make or change an election about their choice of investment strategy.

**7.3.6** The **Board** may determine the administration fees to be paid from a person's **non-member spouse interest account** for changing elections about choice of investment strategy.

**Board may not take out insurance policy for a non-member spouse**

**7.3.7** The Board may not take out policies to provide insurance, including insurance of the kind referred to in Part 4, for a **non-member spouse**.

**Employee contributions not able to be credited to non-member spouse interest account**

**7.3.8** The Board shall not accept **employee contributions**, contributions by an employer or **transfer amounts**, including those referred to at Rule 2.4.1, for the purpose of them being credited to the **non-member spouse interest account**.