



Military Superannuation and Benefits Amendment Trust Deed 2007 (No. 2)

I, BRUCE BILLSON, Minister for Veterans' Affairs, make this Trust Deed under subsection 5 (1) of the *Military Superannuation and Benefits Act 1991*.

Dated 22 May 2007

BRUCE BILLSON
Minister for Veterans' Affairs

1 Name of Determination

This Determination is the *Military Superannuation and Benefits Amendment Trust Deed 2007 (No. 2)*.

2 Commencement

This Determination commences on the day after it is registered.

3 Amendment of Military Superannuation and Benefits Trust Deed

Schedule 1 amends the Military Superannuation and Benefits Trust Deed made under the *Military Superannuation and Benefits Act 1991*.

Schedule 1 Amendments

(section 3)

[1] Rules, paragraph 87 (1) (b)

omit

the age of 55.

insert

his or her preservation age.

[2] Rules, Schedule 1, Part 1, definition of *DFRDB member*

substitute

DFRDB member means a person who is a contributing member within the meaning of subsection 3 (1) of the 1973 Act.

[3] Rules, Schedule 1, Part 1A, sub-subparagraph 1B (a) (ii)

omit

bon fide domestic basis

insert

bona fide domestic basis

[4] Rules, Schedule 3, paragraphs 1, 2, 3 and 4

substitute

1. The lump sum maximum benefit limit, in relation to a member, is the product of the member's final average salary and the member's lump sum maximum benefit multiple.
2. In paragraph 1:
lump sum maximum benefit multiple means the number obtained by dividing, by the member's final average salary:
 - (a) in relation to a member whose salary is less than \$25 000 — \$200 000;
or
 - (b) in any other case — the sum of:
 - (i) 8 times \$39 970 or, if the member's final average salary is less than \$39 970, 8 times the member's final average salary; and
 - (ii) 6 times the part (if any) of the member's final average salary that exceeds \$39 970 but does not exceed \$74 220; and

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- (iii) 3 times the part (if any) of the member's final average salary that exceeds \$74 220.
 - 3. The pension maximum benefit limit, in relation to a member, is the product of the member's final average salary and the member's pension maximum benefit multiple.
 - 4. In paragraph 3:
pension maximum benefit multiple means the number obtained by dividing, by the member's final average salary:
 - (a) in relation to a member whose salary is less than \$25 000 — \$250 000; or
 - (b) in any other case — the sum of:
 - (i) 10 times \$39 970 or, if the member's final average salary is less than \$39 970, 10 times the member's final average salary; and
 - (ii) 7 times the part (if any) of the member's final average salary that exceeds \$39 970 but does not exceed \$74 220; and
 - (iii) 4 times the part (if any) of the member's final average salary that exceeds \$74 220.

[5] Rules, Schedule 6, paragraph 2

substitute

- 2. Service referred to in subparagraph 1 (a) does not include:
 - (a) service during a period:
 - (i) prescribed in Schedule 2 in respect of which, under subrule 4 (4), salary is taken not to be paid to the member; or
 - (ii) that was a period of leave of absence without pay granted to the member in respect of which the Department did not pay contributions to the Fund in relation to the member; or
 - (iii) in respect of which the person accrued an employer benefit that was paid to the person as a lump sum, was converted into a pension or became applicable to the person as a preserved benefit; or
 - (b) if the member is not an invalidity retiree who is entitled to an invalidity benefit — service during a period:
 - (i) that occurred after the member has been notified that his or her total benefit has equalled or exceeded his or her lump sum maximum benefit limit and in respect of which the member, in pursuance of rule 5, did not pay contributions to the Fund; or
 - (ii) that occurred after the member has been notified that his or her total benefit has equalled or exceeded his or her pension maximum benefit limit.

[6] Rules, Schedule 8, Part 1, subparagraph 1 (j)

omit

member.

insert

member; or

[7] Rules, Schedule 8, Part 1, after subparagraph 1 (j)

insert

(k) an invalidity retiree who:

(i) is an MBL member; and

(ii) is classified, or is taken to be classified, as Class C under rule 22.

[8] Rules, Schedule 8, Part 3, paragraph 6

substitute

6. This Part applies in relation to a person who:

(a) is any of the following:

(i) a transferred (refunded contributions) person;

(ii) a 1973 Scheme (refunded contributions) re-entrant;

(iii) a 1991 Scheme re-entrant;

(iv) a foreign service member; and

(b) either:

(i) has not less than 7 years aggregated service; or

(ii) is an invalidity retiree, other than an invalidity retiree to whom Part 5 applies.

Note Part 5 applies to an invalidity retiree who is an MBL member and who is classified, or is taken to be classified, as Class C under rule 22.

[9] Rules, Schedule 8, Part 5, paragraph 11

substitute

11. The employer benefit, in relation to:

(a) an MBL member who is not an invalidity retiree; or

(b) an MBL member who:

(i) is an invalidity retiree; and

(ii) is classified, or is taken to be classified, as Class C under rule 22;

is calculated in accordance with whichever formula in this Part is applicable to the member.

[10] Rules, Schedule 8 , Part 5, paragraph 12, definition of *LSMBMC*

substitute

LSMBMC means the person's lump sum maximum benefit multiple, worked out in accordance with paragraph 2 of Schedule 3, on ceasing contributions; and

[11] Rules, Schedule 8, Part 5, paragraph 12, definition of *LSMBMR*

substitute

LSMBMR means the person's lump sum maximum benefit multiple, worked out in accordance with paragraph 2 of Schedule 3, on retirement; and

[12] Rules, Schedule 8, Part 5, paragraph 13, definition of *PMBMC*

substitute

PMBMC means the person's pension maximum benefit multiple, worked out in accordance with paragraph 4 of Schedule 3, on ceasing contributions; and

[13] Rules, Schedule 8, Part 5, paragraph 13, definition of *PMBMR*

substitute

PMBMR means the person's pension maximum benefit multiple, worked out in accordance with paragraph 4 of Schedule 3, on retirement; and