



Military Superannuation and Benefits Amendment Trust Deed 2007 (No. 4)

Military Superannuation and Benefits Act 1991

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

Dated 13 October 2007

BRUCE BILLSON
Minister for Veterans' Affairs

1 Name of Trust Deed

This Trust Deed is the *Military Superannuation and Benefits Amendment Trust Deed 2007 (No. 4)*.

2 Commencement

This Trust Deed commences on 1 January 2008.

3 Amendment of Military Superannuation and Benefits Trust Deed

Schedule 1 amends the Schedule to the Military Superannuation and Benefits Trust Deed entitled the 'Military Superannuation and Benefits Rules'.

Schedule 1 Amendments to the Military Superannuation and Benefits Rules

(section 3)

[1] Schedule 1, sub-subparagraph 9 (b) (iii)

omit

5 years

insert

3 years

[2] Schedule 1, subparagraph 10 (c)

omit

5 years

insert

3 years

[3] Schedule 1, after paragraph 10

insert

Application of paragraph 11

11. (1) This paragraph applies if:
- (a) a spouse survives a deceased person; and
 - (b) the spouse's marital relationship with the deceased person:
 - (i) began after the deceased person became a member; and
 - (ii) began after the deceased person reached 60; and
 - (iii) continued for a period (the *period of the relationship*) of less than 3 years up to the time of the deceased person's death.

Rate of spouse's pension

- (2) The rate of spouse pension to which the spouse is entitled is calculated using the following formula:

$$r \times \frac{n}{1095}$$

where:

r means the rate of spouse pension to which the spouse would otherwise be entitled.

n means the number of days in the period of the relationship.

Minimum amount for lump sum payment

- (3) If the annual rate of pension worked out under subparagraph (2) is less than or equal to \$1 407.79, the spouse is instead entitled to a lump sum payment worked out in accordance with this paragraph.

Indexation of the amount mentioned in subparagraph (3)

- (4) On 1 July 2008, the amount mentioned in subparagraph (3) is indexed in accordance with subparagraph (5).
- (5) If the all groups consumer price index number for the weighted average of the 8 capital cities published by the Statistician in respect of the March quarter or September quarter of the half-year immediately before the date of the indexation (**A**) exceeds the highest all groups consumer price index number for the weighted average of the 8 capital cities published by the Statistician in respect of the March quarter or September quarter of any earlier half-year, not being a half-year earlier than the half-year that commenced on 1 July 2007 (**B**), the amount is increased, at the rate calculated in accordance with subparagraph (6).
- (6) The rate is $A - B$ expressed as a percentage of B .
- (7) On 1 January and 1 July in each year following 2008, the indexed amount in force immediately before that date is indexed in accordance with subparagraph (5).

Calculating the lump sum payment

- (8) For the purposes of this paragraph, a lump sum is calculated using the following formula:

$$p \times a$$

where:

p means the annual rate of pension worked out in accordance with subparagraph (2).

a means the spouse's age factor.

- (9) For subparagraph (8), the spouse's age factor is determined by:
- (a) first — identifying the spouse's age in the list of ages in column 1 of table 4A (for males) or table 4B (for females) in Part 4 of Schedule 1 to the *Family Law (Superannuation) (Methods and Factors for Valuing Particular Superannuation Interests) Approval 2003*; and
- (b) second — adopting the figure in column 6 of table 4A (for males) or table 4B (for females) in Part 4 of Schedule 1 to the *Family Law (Superannuation) (Methods and Factors for Valuing Particular Superannuation Interests) Approval 2003*, which is in the same row as the spouse's age identified using sub-subparagraph (a), as the spouse's age factor.