

SEVENTH AMENDMENT
of the
SUPERANNUATION (PSSAP) TRUST DEED

THIS DEED is made on 12 December 2012 by THE MINISTER FOR FINANCE AND DEREGULATION.

WHEREAS section 10 of the *Superannuation Act 2005* (the Act) provides for the Minister to establish a superannuation scheme to be administered by the Board established under section 20 of the *Superannuation Act 1990* (1990 Act) before its repeal by the *Superannuation Legislation (Consequential Amendments and Transitional Provisions) Act 2011*;

AND WHEREAS the body corporate, that was previously constituted as the Board under repealed section 20 of the 1990 Act, is continued in existence under the name Commonwealth Superannuation Corporation (CSC) by section 5 of the *Governance of Australian Government Superannuation Schemes Act 2011*;

AND WHEREAS the Public Sector Superannuation Accumulation Plan (the PSSAP) was established by Trust Deed dated 29 June 2005¹ (the Trust Deed);

AND WHEREAS the Schedule to the Trust Deed contains Rules for the administration of the PSSAP (the Rules);

AND WHEREAS the Trust Deed and the Rules have been amended from time to time by various Deeds;

AND WHEREAS section 11 of the Act provides for the Minister, by instrument in writing, to amend the Trust Deed, and under section 32 requires the consent of CSC to amendments in certain circumstances;

AND WHEREAS CSC has consented to the amendments provided for in this Deed.

NOW THIS DEED WITNESSES as follows:

1. Commencement of amendments

The amendments in this Deed commence on 1 July 2013.

2. Interpretation

Unless a contrary intention appears, a word or phrase in this Deed has the same meaning it has in the Trust Deed and the Rules.

3. Application – MySuper product

The amendments made by clause 4 of this Deed apply in relation to amounts received by CSC on or after the day of commencement of this Deed.

4. MySuper product

4. The Rules are amended as follows:

¹ Section 4 of the Act defines “Trust Deed” to include that deed as subsequently amended. A note listing particulars of the Trust Deed and the amending deeds is set out at the end of this Deed.

4.1 Rule 1.2.1 is amended by deleting the existing definition of “basic death and invalidity cover” and replacing it with the following new definition:

“**basic death and invalidity cover** means insurance coverage provided or offered to **PSSAP members** and **non-member spouses** under Division 1 of Part 4 of the Rules.”

4.2 Rule 1.2.1 is amended by inserting the following definition immediately after the definition of “member spouse”:

“**MySuper product** has the same meaning as in the **SIS Act**.”

4.3 The following new division is inserted immediately after Division 1 of Part 2 of the Rules:

“ **Division 1A** **MySuper product** ”

MySuper product

Note: A **MySuper product** is defined in Rule 1.2.1 as having the same meaning as in the **SIS Act**.

MySuper product – general characteristics

2.1A.1 CSC must ensure that:

- (a) amounts held as a **MySuper product**, in respect of **PSSAP members** and **non-member spouses**, are invested in accordance with a single diversified investment strategy; and
- (b) all **PSSAP members** and **non-member spouses** who hold a **MySuper product** are entitled access to the same options, benefits and facilities in relation to their **MySuper product**; and
- (c) amounts credited to the **personal accumulation account** or **non-member spouse interest account** in respect of a **MySuper product** under Division 2 of Part 5, or Division 3 of Part 7 of the Rules must not stream gains or losses to only some of those members, except to the extent permitted under Rule 2.1A.2; and
- (d) the process used to credit and debit amounts to a **personal accumulation account** or a **non-member spouse interest account** in respect of a **MySuper product** must be the same for each member; and
- (e) **SIS Act** requirements for the provision of a **MySuper product** are complied with in relation to persons holding a **MySuper product** or in relation to amounts held as a **MySuper product**.

2.1A.2 CSC may, for the purposes of Rule 2.1A.1, choose to adopt a single diversified investment strategy that allows gains and losses from different classes of assets of the **PSSAP Fund** to be streamed to different subclasses of the members of the fund who hold a **MySuper product**, in respect of their **MySuper product**, on the basis of the age of those members or some other basis which is permitted as a lifecycle exception within the meaning of the **SIS Act**.

MySuper product – fees

2.1A.3 CSC must ensure that any fees deducted from a **personal accumulation account** or a **non-member spouse interest account** in respect of a **MySuper product** comply with requirements under the **SIS Act** for the provision of a **MySuper product**.

MySuper product – insurance

2.1A.4 If required by the **SIS Act**, CSC must provide **basic death and invalidity cover**, in accordance with Division 1 of Part 4, to all **PSSAP members** and **non-member spouses** who hold a **MySuper product**, in respect of their **MySuper product**.

2.1A.5 CSC must ensure that the **basic death and invalidity cover** provided in respect of a **MySuper product** under Division 1 of Part 4 of the Rules complies with requirements under the **SIS Act** for the provision of a **MySuper product**.”

4.4 Rule 3.1.13 is amended by deleting the existing paragraph (a) replacing it with the following new paragraph:

“(a) a **PSSAP member**, or in respect of a **PSSAP member**, other than in their capacity as a **transitional member** applying under paragraph (b); or”

4.5 Rule 3.5.2 is amended by deleting the existing rule and replacing it with the following new rule:

“**3.5.2** A person in receipt of benefit under Division 1 of this Part may use the benefits to purchase income products arranged by **CSC**, subject to the **SIS Act**.”

4.6 The following new rule is inserted immediately after the note to Rule 4.1.1:

“**4.1.1A** CSC may take out a policy or policies with an **insurance company** or companies in its name to **provide basic death and invalidity cover** for some or all **PSSAP members** and **non-member spouses** (other than **ordinary employer-sponsored members**). **Basic death and invalidity cover** is to be on the terms and conditions, including the circumstances, agreed between **CSC** and the relevant **insurance company** or companies.

Note: Rule 2.1A.4 may require **CSC** to take out such a policy or policies in relation to persons who hold a **MySuper product**, in respect of their **MySuper product**. ”

4.7 The following new rules are inserted immediately after Rule 4.1.2:

“**4.1.2A** Subject to the **SIS Act**, **CSC** may offer **basic death and invalidity cover** to some or all **PSSAP members** and **non-member spouses**, except **ordinary employer-**

sponsored members, subject to the terms and conditions of the policy taken out pursuant to Rule 4.1.1A, unless the **insurance company** does not provide cover in respect of the person under that policy.

4.1.2B Subject to the **SIS Act**, **CSC** may determine the terms and conditions of any **basic death and invalidity cover** provided to persons under Rule 4.1.2A.

Note: Terms and conditions determined by **CSC** under this rule may include the circumstances in which persons can cease to be covered and whether the member may elect to cease cover. Terms and conditions determined by **CSC** under this rule may also include any special requirements that apply in respect of persons who hold a **MySuper product**, consistent with the **SIS Act**.

4.8 The following new rules and note are inserted immediately after Rule 4.1.3:

4.1.3A Where a **PSSAP member** or **non-member spouse** who has been provided with **basic death and invalidity cover** under Rule 4.1.2A dies, or makes an application for a claim against their invalidity cover, **CSC** must make a claim against the policy providing the **basic death and invalidity cover**.

Note: **CSC** may determine the terms and conditions that apply to an application for a claim against an invalidity insurance policy for persons holding invalidity cover under Rule 4.1.2A.

4.1.3B Any amount paid by a **insurance company** to **CSC** in response to a claim under Rule 4.1.3A 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 **PSSAP member** or **non-member spouse interest account** of the **non-member spouse**.”

4.9 Rule 4.1.5 is amended by deleting the existing rule and replacing it with the following new rule:

“All premiums for **basic death and invalidity cover** provided under Rule 4.1.1 and Rule 4.1.1A are to be paid by **CSC** from the **PSSAP Fund**.”

4.10 Rules 4.1.6 and Rule 4.1.7 are amended by deleting the existing rules and replacing them with the following new rules:

4.1.6 Subject to Rule 4.1.7, the premium for **basic death and invalidity cover** provided in respect a **PSSAP member** or **non-member spouse** is the amount determined by **CSC**, 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** or **non-member spouse interest account** of the person.

4.1.7 Where a premium payable for **basic death and invalidity cover** is more than the amount in the **personal accumulation account** or **non-member spouse interest account** of the **PSSAP member** or **non-member spouse**, Rule 4.1.6 shall not apply.”

4.11 Rule 4.1.8 is amended by deleting the existing paragraph (d) and replacing it with the following new paragraphs:

- “(d) the date the insurer ceases to provide **basic death and invalidity cover** in respect of the **ordinary employer-sponsored member**; and
- (e) the date the **ordinary employer-sponsored member** elects to cease **basic death and invalidity cover**, subject to Rule 4.1.9.”

4.12 The following new rules and heading are inserted immediately after Rule 4.1.8:

“**4.1.9** Subject to the **SIS Act**, an **ordinary employer-sponsored member** may elect to cease their **basic death and invalidity cover**, in accordance with terms and conditions determined by **CSC**, which may include the amount of notice that must be given, and whether the member may elect to cease cover.

Note: Where an **ordinary employer-sponsored member** holds a **MySuper product**, the **SIS Act** may limit the circumstances in which **CSC** may not offer this election to cease cover.

4.13 The heading to Rule 7.3.7 and rule 7.3.7 are deleted.

5. Removing restriction of insurance policies to only life insurance companies

5. The Rules are amended as follows:

5.1 Rule 1.2.1 is amended by inserting the following definition immediately after the definition of “enterprise agreement”:

“**general insurance company** has the same meaning as in the *Income Tax Assessment Act 1997*.”

5.2 Rule 1.2.1 is amended by inserting the following definition immediately after the definition of “income protection cover”:

“**insurance company** means either a **life insurance company** or **general insurance company**.”

5.3 Rule 3.4.3, Rule 3.4.5, Rule 4.1.1, Rule 4.1.4, Rule 4.2.1, Rule 4.2.10, Rule 4.3.1 and Rule 4.4.1 are amended by deleting the words “a life”, wherever occurring, and replacing them with the word “an”.

5.4 Rule 4.1.1, Rule 4.2.1, Rule 4.2.4, Rule 4.2.5, Rule 4.2.6, Rule 4.3.1, Rule 4.4.1, Rule 4.4.4, Rule 4.4.5 and Rule 4.4.6 are amended by deleting the words “relevant life”, wherever occurring and replacing them with the word “relevant”.

5.5 Rule 4.1.2, Rule 4.1.3, Rule 4.2.5, Rule 4.3.2 and Rule 4.4.5 are amended by deleting the words “the life”, wherever occurring and replacing them with “the”.

5.6 Rule 5.1.5 is amended by deleting the words “a life insurance” and replacing them with “an insurance”.

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

SIGNED, SEALED AND DELIVERED)

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by)

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Senator the Hon PENELOPE YING YEN WONG)

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Minister for Finance and Deregulation)

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in the presence of:)

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Christine Duke)

(name))

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Witness address)

(address))

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Ministerial Adviser)

(description))

TABLE LISTING TRUST DEED AND AMENDING DEEDS

From 1 January 2005, paragraph 6(d) of the *Legislative Instruments Act 2003* declared disallowable instruments (such as the instruments amending the Trust Deed) to be legislative instruments. Legislative instruments are registered on the Federal Register of Legislative Instruments instead of being notified in the *Gazette*.

Date	Number	Gazette / Registration details
29 June 2005	Trust Deed	F2005L01901, 30 June 2005
25 July 2006	First	F2006L02524, 1 August 2006
21 June 2007	Second	F2007L01942, 28 June 2007
8 April 2008	Third	F2008L01089, 18 April 2008
22 June 2009	Fourth	F2009L02531, 25 June 2009
29 June 2011	Fifth	F2011L01390, 30 June 2011
10 February 2012	Sixth	F2012L00319, 15 February 2012