
Participation Schedule

1 Status of Participation Schedule

This Participation Schedule overrides the provisions of Division F of the Rules, which describes employer-sponsored defined benefit or accumulation arrangements, to the extent of any conflict but is subject to the general provisions of the Rules in Division A.

2 Status of Parts

2.1 Application of Parts

- (a) This Participation Schedule is divided into 4 Parts: the General Part and Parts 1, 2 and 3.
- (b) The General Part applies to Categories C and CA Members.
- (c) Part 1 applies to Categories D and DC Members.
- (d) Part 2 applies to Category C Members.
- (e) Part 3 applies to Category CA Members.

2.2 Overriding effect of General Part

If there is a conflict between a Clause of the General Part and a Clause of Part 2 or Part 3 that Clause of the General Part prevails to the extent of the conflict.

3 Commencement Date

The Commencement Date is the date of the Participation Agreement.

4 Sub-Division Employer

The Sub-Division Employer at the Commencement Date is **Energy Safe Victoria**.

5 Definitions

A word or expression which is defined in the Rules or the Participation Agreement has, when used in this Participation Schedule, the meaning given to it under the Rules or the Participation Agreement, except as follows:

“**Account**” means a separate account established and maintained by the Trustee for the purpose of this Sub-division, including any Division F Employer Benefit Account, Member’s Account or Reserve Benefit Account.

“**Clause**” means a Clause of the Part in which the reference to the Clause is made, unless stated otherwise. For the avoidance of doubt, a Clause does not mean a clause of the Participation Agreement that is not a Clause in the Participation Schedule. “**Clauses**” has a corresponding meaning.

“**General Part** ” means the General Part of this Participation Schedule.

"Member" means a member of the Fund to whom this Participation Schedule applies at the relevant time.

"Part 1" means Part 1 of this Participation Schedule.

"Part 2" means Part 2 of this Participation Schedule.

"Part 3" means Part 3 of this Participation Schedule.

"Part-time Member" means a Member who, in the opinion of the Employer (and with any consent or approval of the Trustee required under Rule A1.10), is employed by the Employer on a basis which requires less than full-time service.

"Pension" means a Benefit payable at an annual rate and expressed in the form of regular instalments, but does not include an annuity into which a cash sum Benefit has been converted or a cash sum Benefit paid by instalments.

"Pensioner" means a person beneficially entitled to receive a Pension.

"Reserve Benefit Account" means a Reserve Account which the Trustee designates under Clause 6.2 of the General Part as being in respect of any liability or potential liability of the Fund for or in respect of Benefits or costs, charges, taxes and expenses of the Fund which the Trustee determines are not attributable to or payable from a Division F Employer Benefit Account.

"Category C Member" means either:

- (a) a member of Division C under the Rules immediately before the Commencement Date who was classified as a member of Category C on and from the Commencement Date; or
- (b) a Member classified as a member of Category C on and after the Commencement Date.

"Category CA Member" means either:

- (a) a member of Division CA under the Rules immediately before the Commencement Date who was classified as a member of Category CA on and from the Commencement Date; or
- (b) a Member classified as a member of Category CA on and after the Commencement Date.

"Category D Member" means either:

- (a) a member of Division D under the Rules immediately before the Commencement Date who was classified as a member of Category D on and from the Commencement Date; or
- (b) a Member classified a member of Category D on and after the Commencement Date.

"Category DC Member" means a member of Division D under the Rules immediately before the Commencement Date who was classified as a member of Category DC on and from the Commencement Date.

General Part

1 New Members

1.1 Admission to Categories and Benefit limitations

(a) **Category C**

After the Commencement Date, a person may only be admitted as a Category C Member in accordance with Clause 1 of Part 2.

(b) **Category CA**

After the Commencement Date, a person may only be admitted as a CA Member as provided in Clause 1 of Part 3.

(c) **Transfers between Parts**

The Trustee may:

- (1) with the consent of the Member, transfer a Category CA Member from Part 3 (as applicable) to Part 1; or
- (2) with the consent of the Member and the Employer, transfer a Category C Member from Part 2 to Part 1,

on such terms and conditions as the Trustee determines.

(d) **Multiple Category and Division membership**

Subject to the provisions of the relevant Parts and Divisions concerning admission to membership, a Member may concurrently be a member of:

- (1) Category C or CA; and
- (2) either or both of Category D and Division E which is the rollover division.

(e) **Members who make Voluntary Contributions**

For the avoidance of doubt, where a Member makes Voluntary Contributions, the Member:

- (1) does not become a Category D Member; and
- (2) remains a Member of either Category C or CA (whichever category is relevant to that Member).

1.2 Additional payments

Subject to the payment of any additional or increased Contribution or Contributions as the Trustee, after obtaining the advice of the Actuary, may consider appropriate and without limiting Rule A10.13, the Trustee may credit a Member, or any person claiming in respect of such a Member, with:

- (a) an addition to the Member's Membership Period;
- (b) an entitlement to an additional or increased Benefit accrual; or
- (c) an entitlement to a Benefit or an additional or increased Benefit,

on a basis agreed between the Trustee and the Employer, after obtaining the advice of the Actuary.

2 Member Contributions

2.1 Deferment of amounts payable by Member

If a Member is on Leave of Absence without pay, the Trustee may permit the deferment of the Contributions and other amounts payable by the Member during the Member's Leave of Absence. Any Contributions or other amounts so deferred, together with interest at the Agreed Rate, shall on resumption of employment be paid by the Member to the Fund as a single amount or by instalments, as determined by the Trustee.

2.2 Reduction, suspension or waiver

- (a) Subject to any conditions determined by the Employer from time to time and approved by the Member concerned (including without limitation conditions upon which Contributions otherwise payable by the Member and interest must be made up by or in respect of the Member and conditions as to how Benefits to be provided in respect of the Member must be adjusted to take account of a reduction, suspension or waiver), and with the consent of the Trustee, the Employer may for any period determined by that Employer reduce, suspend or waive Contributions otherwise payable by the Member.
- (b) Without limiting Clause 2.2(a) of this General Part, the Employer may determine (with the consent of the Trustee) that Contributions which would have been paid by a Member but for the exercise of a discretion as provided in that Clause will be deemed to have been paid by the Member for the purpose of calculating the amount of or determining the eligibility for payment of any Benefit payable pursuant to the Rules or this Participation Schedule the amount of or eligibility for which depends on the amount of the Contributions paid by the Member or the period during which the Member has contributed.
- (c) The Employer must notify the Trustee of any determination by the Employer under Clause 2.2(a) or 2.2(b) of this General Part as soon as practicable.

2.3 Special arrangements concerning salary sacrifice

(a) Salary sacrifice category of Members

The Employer may place any or all of its Employee Members in, and remove them from, a category of Members known as "Salary Sacrifice Members" by notice to the Trustee from time to time in a form acceptable to the Trustee but a notice will not be given retrospective effect unless the Trustee agrees to do so.

(b) Effect of salary sacrifice categorisation

Subject to any conditions imposed by the Trustee (including without limitation any conditions concerning how and when amounts otherwise payable by the Member are to be paid or otherwise made up for), during the period that a Member is a Salary Sacrifice Member, the Contributions otherwise payable by the Member shall be waived or reduced as specified in the notice to the Trustee under Clause 2.3(a) of this General Part but shall be deemed to have been paid by the Member for the purpose of determining the amount of or eligibility for any Benefit payable pursuant to the Rules or this Participation Schedule, the amount of or eligibility for which depends on the amount of Contributions paid by the Member or the period for which the Member has contributed.

(c) Ceasing to be a Salary Sacrifice Member

If a Member:

- (1) is removed from the Salary Sacrifice Membership category under Clause 2.3(a) of this General Part; or
- (2) has not been removed from that category under Clause 2.3(a) of this General Part but has ceased to be an Employee of the Employer which placed the Member in that category,

the Member ceases to be a Salary Sacrifice Member on the date the removal or cessation takes effect.

3 Employer Contributions**3.1 Determination of Employer Contributions**

Subject to Clause 3.3 of this General Part, the Trustee, through the Trustee's application of the Contribution and Funding Policy or otherwise on the advice of the Actuary, shall determine the Contributions payable by the Employer as from:

- (a) the date of each actuarial investigation;
- (b) each date on which any amendment is made to the Rules, which has a significant effect on Benefits or Contributions or rates of Contributions payable by Members; and
- (c) such other dates as may be determined from time to time by the Trustee,

provided that the Contributions payable by the Employer shall not be increased under this Clause 3.1 without the consent of the Employer.

3.2 Surplus Contributions by Employer

Where the advice of the Actuary discloses that the Fund, or any relevant part of the Fund established by the Trustee under the Rules, is more than sufficient to provide the Benefits, the Employers' Contributions shall be reduced in priority to any reduction in Members' Contributions or increase in Benefits.

3.3 Variation in Benefits or Contributions following surplus or deficit

Subject to Clause 3.2 of this General Part, where the report by the Actuary in accordance with Rule A6.1 discloses a surplus or deficit in the Fund or any relevant part of the Fund established by the Trustee under the Rules, the Trustee, after obtaining the advice of the Actuary, may change any or all of:

- (a) the Contributions payable by the Employer;
- (b) the Contributions payable by Members or by any section or class of Members; and
- (c) the amount of Benefits or any section or class of Benefits (including accrued Benefits, Benefits in the course of payment, and any other entitlements (accrued or not) which, but for this Clause, any Member or Beneficiary would otherwise have had), either to Members or Beneficiaries generally or to any section or class of Members or Beneficiaries,

and any changes as aforesaid shall take effect forthwith and shall be binding thereafter upon all persons affected thereby provided that the Contributions payable by the Employer shall not be increased under this Clause 3.3 without the consent of the Employer. The Rules shall thereupon be deemed to be amended accordingly. The foregoing provisions shall have effect notwithstanding the provisions of Rule A12.2.

4 Termination, non-payment or inadequacy of Employer Contributions

4.1 Notice by Employer

Without limiting any power vested in the Employer under any other provision of the Rules, the Employer may by written notice given to the Trustee and either generally or in respect of any person or persons named or described in that notice (or who then or thereafter fall within a group or class of persons described in that notice):

- (a) terminate all or any of its Contributions; or
- (b) suspend all or any of its Contributions to the extent specified in that notice and either indefinitely or for the period specified in that notice,

and any notice given by the Employer under this Clause 4.1 takes effect on the date which is the later of the date that notice is received by the Trustee and the effective date (if any) specified in that notice, but a notice does not affect the Employer's liability in respect of Contributions due and payable from the Employer before the notice takes effect.

4.2 Non-payment or inadequacy of Employer Contributions

If in the opinion of the Trustee the Employer fails for any reason to:

- (a) pay an amount to the Fund as and when required under the Rules or the Contribution and Funding Policy; or
- (b) contribute to the Fund from time to time at a rate which the Trustee, after obtaining the advice of the Actuary, considers needs to be paid by the Employer in order to properly ensure the stability and solvency of the Fund,

the Trustee may:

- (c) determine that while the amount remains unpaid no Benefit shall be paid from the Fund to or in respect of any person whom the Trustee considers to be affected by that failure; and
- (d) without limiting paragraph (c) above, determine that the provisions of this Clause 4 shall apply during and in respect of any period determined by the Trustee as if:
 - (1) the Employer had decided to suspend all of its Contributions to the Fund with effect on a date determined by the Trustee for this purpose; and
 - (2) the Trustee had on that day received a written notice from the Employer of that decision pursuant to Clause 4.1 of this General Part.

4.3 Two year suspension: deemed termination

If the Employer's Contributions have been suspended in respect of a Member for a continuous period of two years, the Trustee shall be deemed to have received a notice of termination of Contributions from the Employer in respect of the Member pursuant to Clause 4.1 of this General Part to take effect as at the end of that period.

4.4 Relevant powers of Trustee

If:

- (a) the Employer has given or is deemed to have given a notice pursuant to Clause 4.1 of this General Part; or
- (b) having been requested by the Trustee to investigate the Fund, the Actuary advises the Trustee that, having regard to the actual and expected income, assets, outgoings and liabilities of the Fund and any other matters the Actuary considers relevant, the Trustee should take action under this Clause 4.4,

then, during and in respect of any period determined by the Trustee, the Trustee after obtaining the advice of the Actuary may:

- (c) refuse to accept Contributions from a Member or other amounts payable to the Fund by or at the direction of a Member and refuse to admit an Employee as a Member; and
- (d) subject to Clause 4.6 of this General Part, adjust any Benefit which is or may become payable to or in respect of any person whom the Trustee considers is affected by the relevant notice or the relevant advice by the Actuary, as the case may be, to the extent and in the manner determined by the Trustee.

4.5 Revocation of notice or remedy of failure or inadequacy

Subject to any conditions imposed by the Trustee and to Clause 4.6 of this General Part, the Employer may:

- (a) revoke or vary a notice given or deemed to have been given by the Employer pursuant to Clause 4.1 of this General Part;
- (b) remedy a failure or inadequacy which has occurred or arisen in terms of Clause 4.2 of this General Part; or
- (c) remedy any deficiency or inadequacy which gave rise to advice by the Actuary under Clause 4.4(b) of this General Part,

and, in that event, the Trustee (after obtaining the advice of the Actuary) may adjust the rights, entitlements and obligations of the persons who, in the opinion of the Trustee, are affected by the revocation, variation or remedy to the extent and in the manner determined by the Trustee.

4.6 Relevant procedures and conditions

(a) Benefit payable when Employer's Contributions suspended

If a Benefit becomes payable to or in respect of a Member during a period when the Employer's Contributions are suspended (but not terminated) in respect of that Member, the Employer must forthwith pay all of its unpaid Contributions in respect of that Member, together with interest thereon at the Agreed Rate.

(b) Form of adjusted Benefits

An adjusted Benefit provided in respect of a person under this Clause 4 may be provided in any manner or form, by way of any arrangements and subject to any conditions determined by the Trustee either generally or in any particular case, and is in lieu of and in full satisfaction of any Benefit which would or might have been or become payable from the Fund but for this Clause 4. Except with the approval of the Employer, an adjustment made pursuant to Clause 4.4 or 4.5 of this General Part must not increase the amount of any Benefit which, in the opinion of the Trustee after obtaining the advice of the Actuary, has accrued in respect of such a Member, or a Beneficiary whose interest in the Benefit is derived from such a Member, immediately prior to the effective date of that adjustment in respect of the period up to that date or improve the basis on which Benefits accrue during or in respect of any period after that date.

(c) Transfers out of Fund

Without limiting Clause 4.6(b) of this General Part and notwithstanding anything expressed or implied to the contrary in Rule A11.2, where all Contributions by and in respect of a Member have terminated pursuant to this Clause 4, subject to the approval of the Employer and to such conditions as the Trustee and the Employer may impose, the Trustee may pay an amount which the Trustee (after obtaining the advice of the Actuary) determines to be equal to that Member's interest in the Fund ("Interest") to a government instrumentality, trustee company, friendly society, life assurance company, bank, superannuation fund, or any other like body ("Payee"), or to any one or more of the foregoing, to hold upon trusts determined by the Trustee (being trusts which in the opinion of the Trustee are sufficiently like those set forth in the Rules) and the payment shall be a complete discharge to the Trustee of all liability in respect of the Interest. The Trustee may authorise the Payee to deduct its proper fees and commissions from the income and capital of the Interest before any distribution is made to any person therefrom. The Trustee shall not be bound or concerned to see to the application of an amount so paid to a Payee.

5 Part-time Members: special conditions

If the Trustee and the Employer agree, the Trustee, after obtaining the advice of the Actuary, may determine and apply special conditions governing the determination and payment of Contributions and Benefits in respect of a Part-time Member or any Member who has at any time ever been a Part-time Member, which special conditions shall prevail over any other provision of this General Part and any other Division of the Rules, except Division F which describes employer-sponsored defined benefit or accumulation arrangements.

6 Benefit Accounts
6.1 Interpretation of this Rule

In this Clause 6, unless otherwise indicated, any reference to:

- (a) a Beneficiary is solely a reference to a Beneficiary who is beneficially entitled to receive a Benefit under Part 2 or 3, as the case may be; and

- (b) a Benefit or to a payment or transfer from the Fund is solely a reference to a Benefit or to a payment or transfer from the Fund in respect of entitlements from Part 2 or 3, as the case may be.

6.2 Reserve Benefit Accounts

The Trustee may:

- (a) designate a particular Account as being in respect of any liability or potential liability of the Fund for or in respect of Benefits or costs, charges, Taxation and expenses of the Fund which the Trustee determines are not attributable to or payable from another Account; and
- (b) allocate to that Account those Beneficiaries (including Members) whose Benefits the Trustee considers to be attributable to that Account.

6.3 Operation of a Reserve Benefit Account

The Trustee may in respect of a particular Reserve Benefit Account:

- (a) allocate to the Account an amount or value of the assets and liabilities of the Fund which the Trustee is not obliged to allocate to another Account;
- (b) allocate any:
 - (1) earnings of the Fund, whether realised or unrealised;
 - (2) costs, charges, Taxation and expenses of the Fund, including without limitation the cost of insuring, reinsuring or self-insuring any part of the Benefits payable on death or Disablement of Members and Beneficiaries; and
 - (3) amounts paid or transferred out of the Fund in respect of a Member or Beneficiary allocated to the Employer's Division F Employer Benefit Account,
 to the Account at such times and on such basis as the Trustee considers appropriate;
- (c) transfer out of the Employer's Division F Employer Benefit Account into the Reserve Benefit Account at any times such amount or amounts as may be agreed between the Trustee and the Employer concerned;
- (d) transfer out of another Reserve Benefit Account (if any) into the Account at any times such amount or amounts as may be determined by the Trustee; and
- (e) transfer any amount out of the Account and into the Employer's Division F Employer Benefit Account or another Reserve Benefit Account (if any) at such times and on such basis as the Trustee considers appropriate.

6.4 Interpretation of Rules: implications of Benefit Accounts

The Trustee may with respect to the Employer, the Employer's Division F Employer Benefit Account and a Reserve Benefit Account, and the persons for the time being allocated to an Account, act under Rule A6, Rule A11, Clause 3 or 4 of this General Part and any other Clause or Rule which the Trustee considers relevant for this purpose as if:

- (a) any particular reference to the Fund was a reference solely to that Account;

- (b) any particular reference to a Benefit or Benefits was a reference solely to a Benefit or Benefits which the Trustee considers to be secured by or attributable to that Account;
- (c) any particular reference to a Member or Beneficiary, or a particular section or class of Members or Beneficiaries, was a reference solely to a Member or a Beneficiary, or a section or class of Members or Beneficiaries, allocated at the relevant time to that Account; and
- (d) in the case of a Member or Beneficiary for the time being allocated to that Account, any particular reference to the amount or value of that Member's or Beneficiary's interest in the Fund was a reference solely to what the Trustee, after obtaining the advice of the Actuary, considers to be the amount or value of the Member's or Beneficiary's interest in the value of that Account.

7 Superannuation guarantee charge

The Benefit payable to or in respect of a Member when taken into account with any other benefit provided for or in respect of the Member from any other superannuation fund to which the Employer contributes in respect of the Member shall not be less than the benefit determined by the Trustee or agreed between the Trustee and the Employer as being sufficient to meet the minimum benefit required to be provided by that Employer to or in respect of that Member in accordance with the Superannuation Guarantee (Administration) Act 1992 provided that before giving effect to a determination by the Trustee or an agreement between the Trustee and the Employer or in the course of doing so the Trustee may require an undertaking from the Employer that it shall make such additional Contributions and at such times as the Trustee shall determine after obtaining the advice of the Actuary.

8 Payment of Pensions

(a) Accrual, payment and termination of Pensions

Without limiting Rule A10.8 or any other Clause or Rule:

- (1) the Trustee shall pay a Pension as from the day following the event, circumstance or determination (as the case may be) which gave rise to its payment;
- (2) a Pension shall terminate on the death of a Pensioner but shall accrue up to and including the day of death; and
- (3) a Pension terminated for any other reason shall terminate on the day before the event, circumstance or determination which gave rise to its termination.

(b) Pensions payable by instalments

Pensions shall be payable by such instalments (which may be equal or unequal) and on such dates as the Trustee determines.

9 Benefit adjustments where the employer refuses to meet taxation costs

Subject to Rule A1.10, if the Employer notifies the Trustee that the Employer will not meet all or part of the costs of any particular Tax by way of its Contributions to the Fund, the Trustee may take any action the Trustee may consider necessary or expedient, including without limitation varying the amount or manner of calculation of any Benefit which is or may become payable from the Fund provided that, except to the extent that the variation is made in order to comply with, or pursuant to, a Relevant Law, no Benefit variation shall be made under this Clause 9 which would, in the opinion of the Actuary, materially diminish the aggregate present value as at 13 August 1997⁴ of the Benefits presently or prospectively payable as at that date to the extent that such Benefits have accrued or are accruing in respect of the period up to that date.

10 Member at or over age 65

If a Part 2 or 3 Member who is an Employee has attained age 65, that Member will be given the option of:

- (a) having:
 - (1) his or her lump sum retirement Benefit in the applicable Part calculated as at the date the Member attained age 65, or such later date determined by the Trustee, transferred to Part 1 or Division E which is the rollover division as selected by the Member and credited to the Member's Account; or
 - (2) his or her pension in the applicable Part commence as at the date the Member attained age 65, or such later date determined by the Trustee; and
 - (3) from the date the Member attained age 65, or such later date determined by the Trustee, future Employer contributions will be made to Part 1 at a rate determined in accordance with Clause 2.1 of Part 1; or
- (b) continuing as a Member of Part 2 or 3 (as applicable) on the same basis as if the Member had not yet attained age 65, or such later age determined by the Trustee, notwithstanding anything to the contrary in the provisions of the applicable Part.

11 Member's Accounts

If the Trustee has established a Member's Account in respect of any Member, the Member's Account Balance will be paid in addition to any other benefit payable under any other Division or Part of this Participation Schedule.

⁴ Date the ATO released a ruling on the calculation of contributions for surcharges purposes for DB schemes.

Part 1

1 Preliminary

1.1 Application of this Part 1

The provisions of this Part 1 apply to Categories D and DC Members.

1.2 Interpretation

In this Part 1, unless the contrary intention appears or context requires otherwise:

“Casual Employee” means at any particular date an Employee in respect of whom –

- (a) A notice to the effect that the Employee is employed or engaged by the Employer on a casual basis has been received by the Trustee from the Employer in a form acceptable to the Trustee either –
 - (i) before that date; or
 - (ii) with the approval of the Trustee, with effect before that date but within such period after that date as the Trustee may allow either generally or in any particular case; and
- (b) the Trustee has not received a further notice from the Employer in a form acceptable to the Trustee to the effect that, while the Employee continues to be an Employee, he or she has ceased to be employed or engaged by the Employer on a casual basis.

“Former Class K Member” means a Former Gas Fund Member who immediately before the Transfer Date:

- (a) was a “Class K Member” in terms of the Former Gas Fund Deed; or
- (b) was a “Class D Member” or a “Class F Member”, and had a “Voluntary Contribution Account Balance”, under the Former Gas Fund Deed.

“Former Gas Fund Deed” means the provisions of the trust deed governing the Gas and Fuel Superannuation Fund immediately before the Transfer Date.

“Insurance Contract” means the policy or policies issued from time to time to the Trustee by the Insurer in respect of a Member.

“Member” means a Member to whom this Part 1 applies.

“Temporary Disability” has the meaning given to that or any similar term under the Insurance Contract.

“Total and Permanent Disability” has the meaning given to that or any similar term under the Insurance Contract.

“Transfer Date” means 1 July 1997⁵.

⁵ Date the Gas and Fuel Fund transferred to Equisuper.

2 Contributions

2.1 Employer Contributions

- (a) Subject to such conditions as the Trustee determines, an Employer may make any Contributions in respect of a Member as the Employer may determine.
- (b) The Employer may by written notice to the Trustee terminate its Contributions in respect of any Member or any class of Member named in that notice. Subject to the approval of the Employer and to such conditions as the Trustee and the Employer may impose, upon termination of contributions the Trustee may pay the relevant Member's Member's Account Balance to an Approved Benefit Arrangement or transfer the Member's Member's Account Balance to Division E which is the rollover division.

2.2 Member Contributions

Subject to such conditions as the Trustee and the Employer determine, a Member may make any Contributions the Member determines.

3 Members' Accounts

3.1 Trustee must maintain Accounts

The Trustee must establish and maintain within the Fund a separate Member's Account for each Member. The Trustee may maintain sub-accounts within a Member's Account for any purpose, for any period and upon any conditions the Trustee considers appropriate.

3.2 Credits and debits to Accounts

Without limiting Rule A10.11, at such times as the Trustee determines the Trustee must:

- (a) credit to a Member's Account any Contributions made by or in respect of the Member under Clause 2 of this Part 1; and
- (b) debit to a Member's Account the amount of any insurance premiums payable in respect of the Member under the Insurance Contract.

4 Insurance of Benefits

4.1 Application for insurance cover

(a) Who may apply

Subject to this Clause 4.1:

- (1) a Member; or
- (2) the Employer in respect of a Member who is its Employee, or a class of Members who are its Employees,

may apply to the Trustee for the Trustee to seek to secure insurance cover against death or disability or both in respect of that Member or that class of Members, as the case may be, and the Trustee may, at the application of a Member, or as required by the Insurer, terminate, change or reinstate a Member's insurance cover.

(b) Conditions of application

Any application under Clause 4.1(a):

- (1) must be in a form approved by the Trustee;
- (2) must be accompanied or supplemented by any information required by the Trustee;
- (3) is generally subject to any conditions imposed by the Trustee or the Insurer under Clause 4.2 (including without limitation any particular conditions imposed in respect of Casual Employees),

and the Trustee may refuse to accept an application, accept an application in respect of all or part of the insurance cover applied for, or accept an application subject to any conditions the Trustee may impose.

4.2 Trustee to seek insurance**(a) Contract of insurance**

If and to the extent that the Trustee accepts an application for insurance cover under Clause 4.1, the Trustee (subject to any conditions imposed under that Clause) must, if it is reasonably possible, obtain insurance from an Insurer for the cover applied for and accepted under a contract of insurance on terms and conditions acceptable to the Trustee, except that:

- (1) the Trustee may determine to obtain a certain level of insurance in respect of death or disability or both in relation to a particular Member or class of Members determined by the Trustee without the need for any application in respect thereof; and
- (2) the Trustee must (if reasonably possible) obtain insurance cover in respect of each Former Class K Member as at the Transfer Date of an amount and in respect of the contingencies at least as favourable as the corresponding cover that applied in respect of the Member immediately before the Transfer Date under the Former Gas Fund Deed.

(b) Period of cover

Unless the Trustee determines otherwise, the cover provided in respect of a Member in respect of any contingency shall cease thirty days after the earliest of:

- (1) the Member's 65th birthday;
- (2) the date the Member ceases to be an Employee; or
- (3) the date the Member ceases to be a Member.

5 Benefits**5.1 Circumstances of payment****(a) Death or Total and Permanent Disability**

Subject to the Relevant Law if:

- (1) a Member dies while an Employee; or
- (2) a Member ceases to be an Employee because of Total and Permanent Disability,

there will be payable to or in respect of the Member a Benefit equal to:

- (3) the Member's Account Balance at the time the Benefit is paid; and
- (4) where insurance cover is in force in respect of the Member under the Insurance Contract, any proceeds of insurance payable in respect of the Member, together with any interest on those proceeds on the basis the Trustee determines for any period between the date of their receipt by the Trustee and the date the Benefit is paid.

(b) Attainment of age 65

Subject to the Relevant Law, if a Member attains age 65 while an Employee and the Member requests payment of the Benefit or, in the absence of such a request, the Trustee decides to pay the Benefit, there will be payable to the Member a Benefit equal to the Member's Account Balance at the time the Benefit is paid.

(c) Temporary Disability

Subject to the Relevant Law, if:

- (1) a Member suffers Temporary Disability while an Employee; and
- (2) insurance cover is in force in respect of the Member under the Insurance Contract,

there will be payable to the Member an income Benefit determined in accordance with and subject to the terms and conditions upon which the insurance proceeds are payable to the Trustee.

(d) Cessation of employment

Subject to the Relevant Law, if a Member ceases to be an Employee in circumstances where no Benefit is payable under the other paragraphs of this Clause 5.1, there will be payable to the Member a Benefit equal to the Member's Account Balance at the time the Benefit is paid.

(e) Other circumstances permitted by Relevant Law

The Trustee may pay to or in respect of a Member all or any part of the Member's Account Balance under this Part in circumstances other than those provided for in this Clause 5.1 if permitted under the Relevant Law, except that the Trustee shall not be required to consider the exercise of its powers under this Clause 5.1(e) in any particular case and shall not be required to give any person any reason for failing to do so.

5.2 Payment of Benefits

(a) Death Benefits

A Benefit payable on the death of a Member is payable in accordance with Rule A10.12 of the Fund Rules.

(b) Application for Benefits on disability

An application for the insured portion of a Total and Permanent Disability Benefit provided for in Clause 5.1(a)(4) of this Part 1 cannot be made more than 12 months after the Member concerned ceases to be an Employee or any longer period determined by the Trustee, having regard to the terms of the Insurance Contract.

Part 2

1 Preliminary

1.1 Application of this Part 2

- (a) The provisions of this Part 2 apply to Category C Members; and
- (b) If there is a conflict between a Clause in the General Part and any Clause of this Part 2, that Clause in the General Part prevails to the extent of the conflict.

1.2 Persons eligible to become Category C Members

For the purposes of Clause 1.3 of this Part 2, only Eligible Employees are eligible to become Category C Members and, for this purpose, “Eligible Employee” means an Employee who the Employer and the Trustee approve for the time being for membership of this Category or who falls within a class of Employees so approved.

1.3 Application to join this Part 2

Every person on becoming an Eligible Employee shall:

- (a) make written application to join this Part in the form required by the Trustee;
- (b) submit evidence of age and any evidence of health required by the Trustee;
- (c) provide any other information reasonably required by the Trustee; and
- (d) declare in writing that, on acceptance of such application, that person shall be bound by the terms and conditions of the Rules.

On acceptance of an applicant’s application by the Trustee, the applicant shall become a Category C Member on a date determined by the Trustee, not being earlier than the date the applicant became an Eligible Employee (as determined by the applicant’s Employer) unless an earlier date is approved by the applicant’s Employer.

1.4 Deemed non-contributory membership

Notwithstanding the foregoing provisions of this Clause 1, with the approval of the Employer of the Employee (given either generally or specifically) and subject to such conditions as that Employer may impose, the Trustee may deem an Eligible Employee who has not applied or properly applied for membership to have been admitted as a non-contributory Member to whom this Part 2 applies with effect on a date determined by the Trustee, not being earlier than the date on which that person first became eligible to apply for membership of the Fund. Without limiting the generality of the foregoing, where an Eligible Employee dies after first becoming eligible to apply for membership under this Part 2 without having applied for membership, the Trustee may with the approval of the Employer concerned retrospectively deem that Eligible Employee to have become such a Member notwithstanding that such decision is taken after the date of death.

1.5 Definitions

In this Part 2, unless the contrary intention appears or the context requires otherwise:

“**Accrued Benefit Multiple**” means in relation to a Member at any particular date the multiple which is the sum of:

- (a) in respect of a Category C Member, the multiple determined according to the following formula:

$$\frac{1}{100} [\text{MP}_{01} \times 9 + \text{MP}_{31} \times 15 + \text{MP}_{61} \times 21]$$

PLUS

$$\frac{1}{100} [\text{MP}_{02} \times 7.75 + \text{MP}_{32} \times 13 + \text{MP}_{62} \times 18.5]$$

Where “MP₀₁”, “MP₃₁” and “MP₆₁” mean the number of years (and any fraction of an incomplete year) of the Member’s Membership Period after 1 September 1987 and prior to 1 July 1993 during which the Member’s rate of Contributions to the Fund was or was deemed to be respectively 0%, 3% or 6% of Remuneration; and

“MP₀₂”, “MP₃₂” and “MP₆₂” mean the number of years (and any fraction of an incomplete year) of the Member’s Membership Period after 30 June 1993 during which the Member’s rate of Contributions to the Fund was or was deemed to be respectively 0%, 3% or 6% of Remuneration;

- (b) in the case of a Former Division B Member or a Previous Fund Member, such multiple as may be determined by the Trustee, after obtaining the advice of the Actuary, having regard to such matters as the Trustee considers relevant.

“Accrued Death Multiple” means in relation to a Member at any particular date the multiple which is the sum of:

- (a) the multiple determined according to the following formula:

$$\frac{1}{100} [\text{MP}_0 \times 9 + \text{MP}_3 \times 15 + \text{MP}_6 \times 21]$$

Where “MP₀”, “MP₃” and “MP₆” mean the number of years (and any fraction of an incomplete year) of the Member’s Membership Period after 1 September 1987 during which the Member’s rate of Contributions to the Fund was or was deemed to be respectively 0%, 3% or 6% of Remuneration; and

- (b) in the case of a Former Division B Member or a Previous Fund Member, such multiple as may be determined by the Trustee, after obtaining the advice of the Actuary, having regard to such matters as the Trustee considers relevant.

“Accrued Retirement Benefit” means in relation to a Member at any particular date the product of the Member’s Accrued Benefit Multiple and the Member’s Final Average Remuneration.

“Adjusted Total Contributions” means in relation to a Member the sum of:

- (a) the total Contributions (not including any Contributions by the Member under Division D or Part 1) which would have been made by the Member to the Fund if the Member’s Remuneration had always been equal to the Member’s Final Average Remuneration as at the date he or she ceases to be an Employee; and
- (b) in the case of a Previous Fund Member, such amount as may be determined by the Trustee, after obtaining the advice of the Actuary, having regard to the period of membership of and contributions to the applicable Previous Fund and such other matters as the Trustee considers appropriate.

“Compensation and Rehabilitation Act” means an act or regulation of Australia, any State or Territory thereof or of any country, as the case requires, under which a claim can be made by or in respect of an Employee for compensation for the Employee’s illness, injury or death and includes any payment made in respect thereof under any enactment of a national compensation, rehabilitation or like arrangement in respect thereof having government support or recognition.

“Contribution Review Date” means such date or dates in any year as the Trustee, after consulting the Employer of a group or class of Members, may determine either generally or in respect of that group or class of Members, being the date as at which a Member’s rate of Contributions may be varied as provided in Clause 2 of this Part 2.

“Disablement” means in relation to a Member a state of physical or mental health caused through bodily injury, illness, disease or infirmity (none of which had been incurred or inflicted for the purpose of obtaining a Benefit) which the Trustee, after obtaining the advice of a legally qualified and registered medical practitioner, determines has rendered the Member temporarily or permanently incapable of performing the Member’s duties to the Employer and requires the termination of the Member’s employment with the Employer or the cessation of or reduction in the Member’s Remuneration for the time being.

“ERBF” means the SEC Employees’ Retirement and Benefit Fund.

“Final Average Remuneration” means in relation to a Member the average of the Member’s annual rate of Remuneration during the two years of the Member’s Membership Period (or the actual Membership Period, if less) immediately preceding:

- (a) in the case of a Member suffering Temporary Total Disablement, the Date of Disablement; or
- (b) in any other case, the date the Member ceased to be an Employee,

provided that, in the case of a Member who immediately before last becoming a Member of the Fund was a member of the ERBF, for the purposes of this definition the Member’s Membership Period shall include the most recent uninterrupted period during which the Member was or was deemed to be a member of the ERBF under the provisions governing that fund.

“Former Division B Member” means a Member who was formerly a Member under Division B of the Rules but who, with the approval of the Trustee, has elected to become a Member under this Category C in lieu of Division B.

“Gratuity Benefit” means in relation to a Relevant Pre-1974 Member a lump sum equal to two per centum (2%) of the Member’s Final Average Remuneration for each complete year (and pro rata for each additional complete month), if any, during the most recent uninterrupted period of the Member’s employment as a wages Employee between:

- (a) the later of the date the Member last became a wages Employee and the date the Member attained age 21; and
- (b) the earlier of the date the Member first became a member of the ERBF and the date the Member first became a Member of the Fund.

“Ill Health” means in relation to a Member a physical or mental state of health (not amounting to Permanent Total Disablement) caused through bodily injury, illness, disease or infirmity (none of which has been incurred or inflicted for the purpose of obtaining a Benefit) which the Member’s Employer, after obtaining the advice of a

legally qualified and registered medical practitioner, determines to have rendered the Member unable to continue as an Employee of that Employer.

“Maximum Benefit” means in relation to a Member the Benefit determined as the product of:

- (a) $A + (8.4 - A) \times 18.5/21$ where A is the Member’s Accrued Benefit Multiple as at 30 June 1993; and
- (b) the Member’s Final Average Remuneration.

“Member” means a Member to whom this Part 2 applies.

“Membership Period” means in relation to a Member the most recent continuous period expressed in years (including any fraction of a year calculated in complete months) during which the Member was both a Member and an Employee provided that a Member’s Membership Period shall include:

- (a) any additional Membership Period granted pursuant to the Rules or this Participation Schedule; and
- (b) any period during which the Member’s Contributions are suspended or deferred but in respect of which such Contributions are subsequently paid by or in respect of the Member,

provided further that a Member’s Membership Period shall not include:

- (c) any period during which the Member’s Contributions are suspended or deferred but are not subsequently paid by or on behalf of the Member;
- (d) except where the Rules or this Participation Schedule expressly provide otherwise or the Member’s Employer and the Trustee otherwise agree, any period during which a Member is not receiving or deemed to be receiving Remuneration; and
- (e) any other period excluded pursuant to the Rules or this Participation Schedule.

“Permanent Total Disablement” means Disablement of a degree that, in the opinion of the Trustee after obtaining the advice of a legally qualified and registered medical practitioner, the Member is unlikely ever again to be able to undertake any form of remunerative work.

“Previous Fund” means in relation to a Member:

- (a) the ERBF; and
- (b) any other superannuation fund or like arrangement which the Trustee deems to be a Previous Fund.

“Previous Fund Member” means a Member who immediately before last becoming a Member under this Part 2 or Division C was a member of a Previous Fund.

“Relevant Pre-1974 Member” means a Member who became a wages employee of the State Electricity Commission of Victoria before 12 August 1974 and who did not immediately join the ERBF.

“Remuneration” means in relation to a Member at any particular date the amount derived by the Member from services rendered to the Employer as an Employee, provided that:

- (a) a Member’s Remuneration includes whichever of the following apply in respect of the Member, namely award salary or wage, permanent shift premium, experience payment, State incremental payment, State over award payment,

permanent leading hand allowance and (not before 1 September 1987) 50% of permanent weekend penalty;

- (b) except where the Member's Employer expressly determines otherwise and notifies the Trustee, a Member's Remuneration does not include any allowance, penalty, loading, bonus or special payment or increment which is not expressly included under paragraph (a) hereof;
- (c) in the case of a Member who is on Leave of Absence without Remuneration or at a reduced rate of Remuneration, the Member's Remuneration during that Leave of Absence shall be an amount equal to the rate of the Member's Remuneration immediately prior to the commencement of that Leave of Absence; and
- (d) if a Member's Remuneration is reduced and the Employer agrees that the reduction shall not be taken into account for the purposes of the Rules and this Participation Schedule, the Member's Remuneration from time to time shall be the greater of:
 - (1) the Member's rate of Remuneration immediately before that reduction; and
 - (2) the actual rate of the Member's Remuneration,

provided always that the Remuneration of a particular Member or class of Members for the purposes of the Rules and this Participation Schedule shall be such other amount or rate as the Employer notifies to the Trustee either in special circumstances determined by the Member's Employer or in circumstances where the Member and the Member's Employer agree to the Member being placed in a category of Members for whom Remuneration shall be such other amount or rate.

"Retirement Age" means the age of sixty-five (65) years.

"Superannuation or Pension Act" means an act or regulation of Australia, any State or Territory thereof or of any country, as the case requires, under which persons are entitled to receive payments whether by lump sum or periodical payments or both.

"Temporary Total Disablement" means Disablement (not being Permanent Total Disablement) of a degree that, in the opinion of the Trustee, the Member is unable for the time being to undertake any form of remunerative work and during which time the Member is not receiving any Remuneration and is regarded as being on Leave of Absence.

1.6 Special conditions

(a) Medical classification of Former Division B Members

Any Former Division B Member whose membership under Division B was subject to special terms and conditions shall become a Member under this Part 2 subject to like terms and conditions as applied in respect of the Member prior to becoming a Member under this Part 2, unless the Trustee and the Member's Employer otherwise agree after obtaining the advice of the Actuary.

(b) Benefit limitations

- (1) Subject to this Clause 1, the Trustee, after obtaining the advice of the Actuary, may admit a person as a Member subject to special conditions as to Contributions and/or Benefits as it may determine, and may remove or amend any such special condition.

- (2) The Trustee shall advise every Member of any special conditions it has imposed on the Member's Contributions and/or Benefits.
- (3) Where a Member becomes a Member on or after 11 July 1975 and ceases to be an Employee by reason of death or Disablement before the Trustee has advised whether any special conditions are imposed as to Benefits to be provided for and in respect of the Member, the Trustee may reduce the Benefit payable to or in respect of the Member but not below the Benefit which would have been payable to the Member if the Member had voluntarily ceased to be an Employee in good health.
- (4) Where the Trustee, after obtaining the advice of a legally qualified and registered medical practitioner, determines that the death or Disablement of a Member resulted from a cause not associated with the reason for the imposition on the Member of special conditions as aforesaid and was caused neither directly nor indirectly by the Member nor by a person with the intent of becoming entitled to receive a Benefit as a result thereof, the Benefits payable to or in respect of that Member shall be such as would have been payable had no such special condition been imposed.

(c) **Adjustments for Governmental Entitlements**

Notwithstanding anything expressed or implied to the contrary in any other provision of this Part 2, where a person is receiving, entitled to receive or, in the opinion of the Employer, could reasonably become entitled to receive any benefit under a Compensation and Rehabilitation Act or a Superannuation or Pension Act (in this Clause 1.6(c) called a "Governmental Entitlement"), then unless the Employer and the Trustee otherwise agree, the Trustee must adjust the amount, form and conditions of payment of any Benefit otherwise payable to or in respect of that person in such manner and to such extent as the Trustee considers appropriate, having regard to the applicable Governmental Entitlement.

(d) **Offsets for direct payments by Employers**

If the Employer shall make any payment to or in respect of a Member, not from the Fund, and which it shall have declared to have been made in whole or in part in substitution for a payment of the same amount from the Fund, and such payment results in the Trustee being relieved of liability therefore under the Rules or this Participation Schedule, the Trustee shall reduce the Benefit payable to or in respect of the Member by the amount of the said payment and the Employer's Contributions shall also be reduced by the amount of the said payment in the Fund Year in which it was made (or during any later period the Employer determines).

(e) **Death and Disablement Benefit limitations**

The Trustee may determine that the Benefit payable on the death or Disablement of a Member shall be insured in whole or in part with an insurance company. If the Trustee is unable to effect the insurance at premium rates that the insurance company charges for lives with no health impairment whatsoever, not exposed to any special risks, and of the same age and sex as the Member, the Trustee, after obtaining the advice of the Actuary, may impose such limitations or conditions on the Benefit as it determines.

(f) **Benefit to Dependant may be reduced where prior payment made by Employer**

Where an Employer makes an ex-gratia payment to any of the Dependants of a Member, not from the Fund, within six (6) months after the Member's death, the Benefit payable in respect of the Member shall be reduced by an amount not exceeding the amount of such payment unless the Employer and the Trustee otherwise agree, and moneys which would have been payable but for the reduction of a Benefit under this Clause 1.6(f) shall be retained in the Fund for the general purposes thereof.

2 Member contributions

2.1 Contribution options

Subject to the provisions of this Clause 2 and any special membership conditions imposed under Division A or the General Part, a Member shall contribute to the Fund whichever permitted percentage of Remuneration, being 0%, 3% or 6%, is selected by the Member. Unless the Trustee determines otherwise, a Member who does not make such a selection as and when required by the Trustee shall be deemed to have selected a 0% rate of Contributions.

2.2 Variation of Contribution rate

Subject to any conditions imposed by the Trustee, a Member may elect to change the Member's rate of Contributions by nominating another of the permitted Contribution options which the Member wishes to apply from the next following Contribution Review Date but, unless the Trustee determines otherwise, such a notice shall not be valid unless received by the Trustee at least one month prior to the Contribution Review Date from which it is intended to take effect.

2.3 Period during which Member shall make Contributions

Unless otherwise provided by the Rules or this Participation Schedule, a Member shall continue to pay Contributions until the earliest of the date that:

- (a) the Member ceases to be an Employee;
- (b) subject to Clause 10 of the General Part, the Member attains the Retirement Age;
or
- (c) the Member's Accrued Retirement Benefit first equals or exceeds the Maximum Benefit.

2.4 Contributions during Leave of Absence

(a) Member's options

Without limiting Clauses 2.2 and 2.3 of this Part 2, a Member on Leave of Absence may elect to contribute to the Fund during such Leave on either of the bases provided for in Clause 2.4(b) or 2.4(c) of this Part 2 with the consequences provided for therein. Such an election shall be made at the time and in the manner determined by the Trustee but, unless and until a Member makes an effective election to contribute as provided in Clause 2.4(b) of this Part 2, the Member shall be deemed to have elected the basis provided for in Clause 2.4(c) of this Part 2. Any amounts payable to the Fund by a Member pursuant to this Clause 2.4 shall be paid to the Fund at the times and in the manner determined by the Trustee.

(b) Full Contributions basis

- (1) If a Member on Leave of Absence elects to pay Contributions on the basis provided for in this Clause 2.4(b), the Member shall pay to the Fund during such Leave:
 - (A) Contributions determined in accordance with Clauses 2.1, 2.2 and 2.3 of this Part 2; and
 - (B) where the Leave of Absence is not due to Disablement, sickness, injury or the complete or partial - but in either case temporary - closing down of the business of the Employer and such additional Contributions are required by the Employer, additional Contributions at a rate agreed between the Trustee and the Employer, after obtaining the advice of the Actuary.
- (2) Any period of Leave of Absence during which Contributions are so paid by the Member shall be included in the Member's Membership Period for the purpose of determining any Benefit and, in determining any Benefit which becomes payable on the death or Disablement of the Member during such Leave, the prospective period between the date of death or the applicable Date of Disablement, as the case may be, and the date upon which the Member would attain age sixty (60) shall be taken into account on the same basis as would have applied if the Member had not been on such Leave.
- (3) Any of the additional Contributions made by a Member pursuant to Clause 2.4(b)(1)(B) of this Part 2 shall not be taken into account in determining the Member's Adjusted Total Contributions or, except as hereinafter provided, otherwise taken into account in determining the Contributions paid by the Member or the Member's rate of Contributions provided that, where a Benefit becomes payable to the Member pursuant to Clause 3.8 of this Part 2, and if the Employer and the Trustee agree, the Trustee may increase that Benefit by an amount not exceeding the sum of any such additional Contributions made by the Member, with interest calculated thereon at the Agreed Rate.

(c) Limited premium basis

- (1) If a Member on Leave of Absence elects or is deemed to have elected to contribute on the basis provided for in this Clause 2.4(c), the Member shall make payments to the Fund at such rate as the Trustee may determine, after obtaining the advice of the Actuary.
- (2) If such payments are made to the Fund, the period of such Leave shall not be included in the Member's Membership Period for the purpose of determining any Benefit but, in determining any Benefit which becomes payable on the death or Disablement of the Member during such Leave, the prospective period between the date of death or the applicable Date of Disablement, as the case may be, and the date upon which the Member would attain age sixty (60) shall be taken into account on the same basis as would have applied if the Member had not been on such Leave.
- (3) Any such payments made by a Member shall not be taken into account in determining the Member's Adjusted Total Contributions or otherwise

taken into account in determining the Contributions paid by the Member or the Member's rate of Contributions.

2.5 Adjustment for non-payment

If the Contributions or other amounts payable by a Member to the Fund are not paid into the Fund as and when required under the Rules or this Participation Schedule, the Trustee, after obtaining the advice of the Actuary, may adjust the Benefits for and in respect of that Member in such manner and to such extent as the Trustee considers appropriate.

2.6 Member to pay any charges on Contributions

Any charges or expenses in respect of a Member's Contributions shall be payable by the Member, so that all the Member's Contributions shall be received by the Trustee free of all deductions.

2.7 Payment by Employer of Member's Contributions

Without limiting Clause 2.2 or 2.3 of the General Part, if an Employer pays the whole or any part of the Contributions or other payments which under the Rules or this Participation Schedule are payable by a Member, the moneys so paid, where not reimbursed to the Employer by the Member, shall not be considered to be Contributions paid to the Fund by the Member for the purposes of the Rules or this Participation Schedule.

2.8 Deduction of unpaid amounts and interest

Unless the Trustee and the Employer consider in any particular case that it is inappropriate to make such a deduction or that the Benefits to be provided in respect of the Member shall be adjusted in some other manner, on any Benefit becoming payable to or in respect of a Member the Trustee shall deduct therefrom by instalments or as a single amount (as determined by the Trustee) any unpaid Contributions or other amounts which were payable by the Member together with interest thereon at the Agreed Rate.

3 Benefits

3.1 Retirement and Ill Health Benefits

If a Member ceases to be an Employee, other than in the circumstances provided for in Clause 3.3 or 3.5 of this Part 2-

- (a) on attaining the Retirement Age;
 - (b) on or after attaining the age of fifty five (55) years but before the Retirement Age;
or
 - (c) at any time before attaining the age of fifty five (55) years because of Ill Health,
- a lump sum Benefit shall be payable to the Member equal to the Member's Accrued Retirement Benefit as at the date of cessation of employment provided that the Benefit payable to a Member under this Clause 3.1 shall not exceed the Maximum Benefit.

3.2 Employment after Retirement Age

Subject to Clause 10 of the General Part and unless otherwise agreed between the Employer and the Trustee in any particular case, for the purposes of determining and paying Benefits from the Fund under the Rules and this Participation Schedule each Member who is actually an Employee on attaining the Retirement Age shall be deemed to have ceased to be an Employee on attaining that age provided that nothing in this Clause 3.2 shall limit the application of Rule A10.7.

3.3 Death Benefits

If a Member dies while an Employee before the Retirement Age, a lump sum Benefit shall be payable in respect of the Member in accordance with Clause 3.4 of Part 2 of an amount equal to the sum of-

- (a) the product of the Member's Accrued Death Multiple and the Member's Final Average Remuneration as at the date of death; and
- (b) if the Member dies before attaining age 60, an amount determined according to the following formula:

$$\text{FAR} \times \text{FS} \times \frac{1}{100\text{TF}} [(f_0 \times 9 + f_3 \times 15 + f_6 \times 21)]$$

Where:

"FAR" means the Member's Final Average Remuneration as at the date of death;

"FS" means the number of years (and any fraction of an incomplete year) between the date of death and the date the Member would have attained age 60;

"f₀" means the number of years (and any fraction of an incomplete year) during the Averaging Period when the Member's rate of Contributions was or was deemed to be 0%;

"f₃" means the number of years (and any fraction of an incomplete year) during the Averaging Period when the Member's rate of Contributions was or was deemed to be 3%;

"f₆" means the number of years (and any fraction of an incomplete year) during the Averaging Period when the Member's rate of Contributions was or was deemed to be 6%;

"TF" means the sum of f₀, f₃ and f₆; and

"Averaging Period" means the two years of Membership Period most recently preceding the date of death or the actual Membership Period most recently preceding that date, whichever is the lesser,

provided that the Benefit payable in respect of a Member under this Clause 3.3 shall not exceed 8.4 times the Member's Final Average Remuneration as at the date of death.

3.4 Application of death Benefits

Any Benefit payable on the death of a Member shall be paid or applied by the Trustee in accordance with Rule A10.12.

3.5 Permanent Total Disablement Benefits

If a Member ceases to be an Employee before the Retirement Age because of Permanent Total Disablement, there shall be payable to the Member a lump sum Benefit of an amount equal to the sum of:

- (a) the Member's Accrued Retirement Benefit as at the Date of Disablement; and
- (b) if the Date of Disablement precedes the date on which the Member attains age 60, an amount determined according to the following formula:

$$\text{FAR} \times \text{FS} \times \frac{1}{100\text{TF}} [(f_0 \times 9 + f_3 \times 15 + f_6 \times 21)]$$

Where "FAR", "FS", " f_0 ", " f_3 ", " f_6 ", "TF" and "Averaging Period" have the same meanings as in Clause 3.3(b) as if the Member had died on the Date of Disablement,

provided that the Benefit payable in respect of a Member under this Clause 3.5 shall not exceed 8.4 times the Member's Final Average Remuneration as at the Date of Disablement.

3.6 Temporary Total Disablement Benefits

- (a) Subject to this Clause 3.6, if a Member suffers Temporary Total Disablement while an Employee prior to the Retirement Age:
 - (1) an income benefit (hereinafter called a "Disability Income Benefit") shall be payable to the Member, commencing on the Date of Disablement, as provided in this Clause 3.6; and
 - (2) no other Benefit shall be payable to or in respect of the Member from the Fund during payment of the Disability Income Benefit.
- (b) Subject to this Clause 3.6, the annual amount of the Disability Income Benefit shall be equal to one twelfth of the lump sum calculated in accordance with Clause 3.3 of this Part 2 as if the Member had died on the Date of Disablement, and the Benefit shall be payable by fortnightly instalments of one twenty sixth of such annual amount provided that unless the Trustee determines otherwise, no Disability Income Benefit shall be paid if in the Trustee's opinion the Member has received or is receiving any compensation in respect of the circumstances that caused the Member's Temporary Total Disablement.
- (c) The Disability Income Benefit shall terminate on the first to occur of:
 - (1) the death of the Member;
 - (2) the Member attaining Retirement Age; or
 - (3) the date as at which a Benefit becomes payable to the Member on Permanent Total Disablement.
- (d) If:
 - (1) the Member engages in remunerative employment with the Employer or any other person; or
 - (2) in the opinion of the Trustee, after considering the advice of a legally qualified medical practitioner nominated by the Trustee, the Member is or becomes able to engage in any remunerative employment,

the Trustee may reduce or suspend the Disability Income Benefit to such extent and for such period as the Trustee sees fit or may permanently terminate the Disability Income Benefit.

- (e) If the Member continues, or returns to a position, as an Employee of the Employer on the cessation of the Disability Income Benefit, the Member shall continue as a Member and the Rules and this Participation Schedule shall continue to apply to and in respect of the Member.
- (f) If the Member does not continue, or return to a position, as an Employee of the Employer on the cessation of the Disability Income Benefit, there shall be payable to or in respect of the Member from the Fund a Benefit determined in accordance with whichever of the other Clauses in this Part 2 applies, depending upon the circumstances in which the Disability Income Benefit ceased to be payable.
- (g) For the purposes of determining the Member's Accrued Benefit Multiple and any Benefit payable under Clause 3.3(b) or 3.5 of this Part 2, the Member shall be deemed to have contributed during payment of the Disability Income Benefit at the rate of Contributions which applied immediately prior to the Date of Disablement under Clause 2 of this Part 2.
- (h) If during payment of the Disability Income Benefit the Trustee considers it appropriate to do so in order to relieve hardship, the Trustee may pay or apply from the Fund to or for the benefit of such one or more of the Member and the Member's Dependants and in such manner and proportions as the Trustee determines an amount or amounts not exceeding in aggregate the Benefit calculated under Clause 3.8 of this Part 2 as if the Member had voluntarily ceased employment on the Date of Disablement provided that any Benefit which later becomes payable from the Fund in respect of the Member (other than the continuing Disability Income Benefit) shall be reduced to take account of any such hardship payments.
- (i) A Member in receipt of a Disability Income Benefit whilst suffering Temporary Total Disablement shall be regarded as on Leave of Absence without pay. A Member shall not make any Contributions in relation to any period when the Member is suffering Temporary Total Disablement.
- (j) If a Member who is suffering Temporary Total Disablement fails to submit to a medical examination directed by the Trustee, the Member's Disability Income Benefit shall be suspended from the date appointed for the examination and the suspension shall be effective for the period the Trustee shall determine.

3.7 Retrenchment Benefits

If a Member ceases to be an Employee before attaining the age of fifty five (55) years in circumstances which in the opinion of the Employer constitute retrenchment and no Benefit is payable under Clause 3.1 of this Part 2, a lump sum Benefit shall be payable to the Member of an amount equal to the Member's Accrued Retirement Benefit as at the date of cessation of employment provided that unless the Employer and the Trustee otherwise agree, the amount of such Benefit shall be reduced by all or any part of any payment made by the Employer (not from the Fund) to or in respect of the Member if the Employer advises the Trustee in writing before payment of the Benefit that the Employer considers the payment made by it to be in respect of the retrenchment of the Member provided always that the Benefit payable to the Member shall not be less than the Benefit

determined as at the date of cessation of employment in accordance with Clause 3.8 of this Part 2 and shall not exceed the Maximum Benefit.

3.8 Other Benefits on ceasing to be an Employee

- (a) If a Member ceases to be an Employee in circumstances not giving rise to a Benefit in respect of the Member under any preceding Clause in this Part 2, a lump sum Benefit shall be payable to the Member of an amount determined as follows.
- (b) If the Member ceases employment before attaining the age of fifty (50) years, the lump sum Benefit shall be an amount equal to the sum of:
 - (1) the Member's Adjusted Total Contributions in respect of the period since the date (hereinafter called the "Prior Date") five (5) years before the date of cessation of employment with the Employer; and
 - (2) either:
 - (A) in the case of a Member who last became a Member under this Part 2 or Division C on or before the Prior Date, the product of the Member's Accrued Benefit Multiple as at the Prior Date and the Member's Final Average Remuneration as at the date of cessation of employment with the Employer; or
 - (B) in the case of a Former Division B Member who on the Prior Date was a Member under Division B, or a Previous Fund Member who on that date was a member of a Previous Fund, such amount as shall be determined by the Trustee, after obtaining the advice of the Actuary, having regard to such matters as the Trustee considers appropriate,

provided that the Benefit payable to a Member under this Clause 3.8(b) shall not exceed the Maximum Benefit.

- (c) If the Member ceases employment on or after attaining the age of fifty (50) years but before attaining the age of fifty five (55) years, the lump sum Benefit shall be determined in the manner provided in Clause 3.8(b) of this Part 2 except that there shall be substituted for the period of five (5) years in Clause 3.8(b) of this Part 2 the period (in years and complete months) from the date of cessation of employment to the date on which the Member would attain the age of fifty five (55) years provided that the Benefit payable to a Member under this Clause 3.8(c) shall not exceed the Maximum Benefit.
- (d) Notwithstanding anything aforesaid, in the case of a Former Division B Member or a Member who immediately before last becoming a Member under this Part 2 or Division C was a member of the ERBF, the Benefit payable to the Member under this Clause 3.8 shall not be less than the amount which would have been payable to the Member had the Member remained under Division B or the ERBF, as the case may be, and had ceased to be an Employee in the same circumstances as are provided for in this Clause 3.8, based on the provisions applicable to the Member under Division B or the ERBF, as the case may be, immediately before 1 September 1987 but allowing in such calculation for the amounts actually contributed by the Member to the Fund or the ERBF, as the case may be, since 1 September 1987.

3.9 Gratuity Benefits

If a Relevant Pre-1974 Member ceases to be an Employee, other than in the circumstances provided for in Clause 3.8 of this Part 2, the Member's Gratuity Benefit, if any, shall be paid to or in respect of the Member in addition to any other Benefit provided for under the Rules or this Participation Schedule. In the case of death, such Benefit shall be applied in accordance with Clause 3.4 of this Part 2.

Part 3

1 Preliminary

1.1 Application of this Part 3

- (a) The provisions of this Part 3 apply to Category CA Members.
- (b) No person shall be admitted as a Member under this Part 3 after the Transfer Date.
- (c) If there is a conflict between a Clause in the General Part and any Clause of this Part 3, that Clause in the General Part prevails to the extent of the conflict.

1.2 Definitions

In this Part 3 and Appendix Category CA, unless the contrary intention appears or the context requires otherwise:

"Accrued Benefit Multiple" means in relation to a Member at any particular date the multiple which is the sum of:

- (a) the product of 0.22 and the period of the Member's Membership Period falling before the 1987 Change Date;
- (b) the product of 0.21 and the period of the Member's Membership Period falling on or after the 1987 Change Date but before the 1993 Change Date; and
- (c) the product of 0.18 and the period of the Member's Membership Period falling on or after the 1993 Change Date,

provided that in the case of a Member who was at one time a Class G, H or J Member of the Former Gas Fund, the Member's Accrued Benefit Multiple shall be such multiple as may have been agreed to by the Former Gas Fund Trustee and the Corporation and advised to the Member prior to the Transfer Date pursuant to the Former Gas Fund Deed but, in any event, shall be a multiple sufficient to ensure that, where applicable, the Member's Benefit calculated under this Part 3 shall not be less than the Member's Former Gas Fund Deed Benefit.

"Accrued Death Benefit" means in relation to a Member at any particular date the product of the Member's Final Salary and the lesser of 8.4 and the Member's Accrued Death Benefit Multiple.

"Accrued Death Benefit Multiple" means in relation to a Member at any particular date the multiple which is the sum of:

- (a) the product of 0.22 and the period of the Member's Membership Period falling before the 1987 Change Date; and
- (b) the product of 0.21 and the period of the Member's Membership Period falling on or after the 1987 Change Date,

provided that in the case of a Member who was at one time a Class G, H or J Member of the Former Gas Fund, the Member's Accrued Death Benefit Multiple shall be such multiple as may have been agreed to by the Former Gas Fund Trustee and the Corporation and advised to the Member prior to the Transfer Date pursuant to the Former Gas Fund Deed but, in any event, shall be a multiple sufficient to ensure that, where

applicable, the Member's Benefit calculated under this Part 3 shall not be less than the Member's Former Gas Fund Deed Benefit.

"Accrued Retirement Benefit" means in relation to a Member at any particular date the product of the Member's Final Salary and the lesser of the Member's Maximum Benefit Multiple and the Member's Accrued Benefit Multiple.

"Adjusted Total Contributions" means in relation to a Member the sum of:

- (a) the total Contributions (excluding any additional Voluntary Contributions made by the Member to the Former Gas Fund or contributions under Division D or Part 1) which would have been made by the Member to the Fund and (where applicable) the Former Gas Fund if the Member's Salary had always been equal to the Member's Salary as at the date the Member ceases to be an Employee; and
- (b) in the case of a Former Transferred Member, such amount as was advised to the Trustee by the Former Gas Fund Trustee as at the Transfer Date having regard to the corresponding definition in the Former Gas Fund Deed,

provided that, in the case of a Member who was at one time a Class E Member of the Former Gas Fund, the Member's Adjusted Total Contributions shall be such amount as may have been agreed to by the Former Gas Fund Trustee and the Corporation and advised to the Member prior to the Transfer Date pursuant to the Former Gas Fund Deed but, in any event, shall be an amount sufficient to ensure that, where applicable, the Member's Benefit calculated under this Part 3 shall not be less than the Member's Former Gas Fund Deed Benefit.

"Alteration Date" means 29 June 1992.

"Appendix Category CA" means the Appendix Category CA forming part of this Part 3.

"Colonial Gas Member" means a Member who immediately before 1 January 1974 was a contributor to the superannuation fund then known as the Colonial Gas Pension Fund and who agreed in writing to have his or her equity in the Colonial Gas Pension Fund transferred to the Former Gas Fund and who was thereby admitted to the Former Gas Fund.

"Corporation" means GASCOR, formerly known as the Gas and Fuel Corporation.

"Deferral Date" means in relation to a Member the earliest to occur of:

- (a) the death of the Member;
- (b) the date as at which the Trustee declares the Member to have become Disabled;
- (c) the Member's Early Retirement Date;
- (d) the date on which the Trustee is satisfied that the Member is about to leave Australia permanently; and
- (e) such earlier date, if any, as the Employer may determine for any particular purpose and subject to any particular conditions, including without limitation for the purpose of permitting or ensuring the payment of part of any Benefit earlier than would have otherwise been the case.

"Disablement" means inability (which is due to injury, disease or infirmity and which in the opinion of the Trustee will be permanent and continuous) of a Member to continue his or her service with the Employer in the capacity in which he or she was employed immediately prior thereto or in some capacity which in the opinion of the Trustee would be suitable and appropriate having regard to his or her station in life, his or her previous

standing in the service of the Employer and the nature of his or her disability, and “Disabled” has a corresponding meaning.

“Early Retirement Date” means:

- (a) in the case of a Member other than a Member referred to in (b) below, the date ten (10) years prior to the Member’s Normal Retirement Date; or
- (b) in the case of a female Member who last became or is deemed to have become a Class D Member of the Former Gas Fund prior to 1 October 1977, the date fifteen (15) years prior to the Member’s Normal Retirement Date.

“Final Salary” means in relation to a Member at any particular date the annual rate of the Member’s Salary as at that date provided that:

- (a) where, as provided in the corresponding definition in the Former Gas Fund Deed, the Former Gas Fund Trustee considered that exceptional circumstances had arisen in relation to the Salary of the Member and had agreed with the Corporation that the Member’s Final Salary would be increased to an amount not exceeding the highest annual rate of the Member’s Salary whilst the Member had been a member of the Former Gas Fund, the Member’s Final Salary shall not be less than the amount so agreed; and
- (b) where the Trustee considers that exceptional circumstances have arisen in respect of the Salary of the Member since the Transfer Date, the Trustee may agree with the Employer that the Member’s Final Salary shall be increased to an amount not exceeding the highest annual rate of the Member’s Salary during the period since the Member last became a member of the Former Gas Fund.

“Former Class D Member” means a Former Gas Fund Member who immediately before the Transfer Date was a “Class D Member” in terms of the Former Gas Fund Deed.

“Former Gas Fund” means the Gas and Fuel Superannuation Fund.

“Former Gas Fund Deed” means the provisions of the trust deed governing the Former Gas Fund immediately before the Transfer Date.

“Former Gas Fund Deed Benefit” means in relation to a Pre-Alteration Member in any particular circumstance a notional amount determined in respect of the Member in accordance with the provisions of the trust deed governing the Former Gas Fund in force immediately prior to the Alteration Date (“Pre-Alteration Deed”) as if the Pre-Alteration Deed had continued to apply to and in respect of the Member to the entire exclusion of the Rules and this Participation Schedule provided that such notional amount shall be determined having regard to sections 67 and 68 of the Public Sector Superannuation (Administration) Act 1993 (Vic) as though those sections had continued to apply to the Former Gas Fund and the Fund since they first commenced to apply to the Former Gas Fund.

“Former Gas Fund Member” means a person who:

- (a) immediately before the Transfer Date, was a member of the Former Gas Fund; and
- (b) on the Transfer Date was an Employee.

“Former Gas Fund Trustee” means the Trustee or Trustees from time to time of the Former Gas Fund prior to the Transfer Date.

“Former Transferred Member” means a Member who immediately before becoming a member of the Former Gas Fund was a participant in an Approved Benefit Arrangement and in respect of whom an amount was received into the Former Gas Fund from that Arrangement.

“Maximum Benefit Multiple” means the number calculated in accordance with the following formula:

$$A + \frac{18}{21}(8.4 - A)$$

where “A” is the lesser of 8.4 and the Member’s Accrued Benefit Multiple calculated as at the 1993 Change Date provided that in the case of a Colonial Gas Member the Maximum Benefit Multiple shall not be less than the sum of:

- (a) the product of 0.1925 and the period of the Member’s Membership Period falling before the 1993 Change Date; and
- (b) the product of 0.165 and the period of the Member’s Membership Period falling on or after the 1993 Change Date.

“Member” means a Member to whom this Part 3 applies.

“Membership Period” shall be expressed in years (including any fraction of a year) and means in relation to a Member the sum of:

- (a) the period which counted as the Member’s “Membership Period” under the Former Gas Fund Deed immediately before the Transfer Date; and
- (b) the period since the Transfer Date during which the Member has been both a Member of the Fund and an Employee,

provided that:

- (c) in the case of a Member who was at one time a Class E Member of the Former Gas Fund, the Member’s Membership Period shall in any event be a sufficient period to ensure that the Member’s Benefit calculated under this Part 4 by reference to the Member’s Membership Period shall not be less than the Member’s Former Gas Fund Deed Benefit; and
- (d) a Member’s Membership Period shall include:
 - (1) any additional Membership Period granted pursuant to the Rules or this Participation Schedule;
 - (2) any period during which the Member’s contributions to the Former Gas Fund or the Fund have been suspended or deferred but in respect of which such contributions (together with, in the case of a Post-Alteration Member, any contributions required to be paid under Clause 10.2(b) of the Former Gas Fund Deed or Clause 2.3(b) of this Part 3 are subsequently paid to the Fund by or in respect of the Member;
 - (3) if so agreed between the Employer and the Member, any period or part thereof during which a Member’s Contributions are reduced or waived pursuant to Clause 2.2 of the General Part; and
 - (4) any period agreed to by the Trustee and the Employer which is to be granted to the Member in respect of which the Member is in the course of transfer from the employ of one employer to that of another employer;

but

- (e) a Member's Membership Period shall not include:
- (1) any period provided for in respect of the Member under paragraph (d)(2) above but in respect of which the relevant amounts are not paid to the Fund by or in respect of the Member; or
 - (2) any further period excluded pursuant to the Rules or this Participation Schedule.

"National Service" means service with the Defence or Armed Forces of the Commonwealth of Australia.

"1987 Change Date" means 1 September 1987⁶.

"1993 Change Date" means 1 July 1993⁷.

"Normal Retirement Date" means:

- (a) in the case of a Member other than a Member referred to in paragraph (b) below, the anniversary of the date on which the Member first became or was deemed to have first become a member of the Former Gas Fund next following the sixty-fifth (65th) anniversary of the Member's date of birth; or
- (b) in the case of a Colonial Gas Member, the 31 December in the year in which the Member attains or would have attained the age of sixty-five (65) years.

"Post-Alteration Member" means a Member who last became a member of the Former Gas Fund on or after the Alteration Date.

"Pre-Alteration Member" means a Member who last became a member of the Former Gas Fund before the Alteration Date.

"Retrenchment" means in relation to a Member termination of employment with the Employer where such termination was for one or more of the following reasons, namely:

- (a) that the Member's services or position are no longer necessary;
- (b) that the quantity of work has diminished and has rendered a reduction in the number of Employees necessary; or
- (c) the re-organisation or re-arrangement of staff for business policy reasons,

and was not a result of the Member's incompetence or misconduct or failure to achieve standards of performance or conduct satisfactory to the Employer in relation to the tasks allotted to the Member or otherwise, and "Retrenched" shall have a corresponding meaning.

"Salary" means, subject to Rule A1.10, in relation to a Member at any particular time whichever of the following is applicable to that Member:

- (a) the amount which counted as the Member's Salary under the Former Gas Fund Deed immediately before the Transfer Date; or
- (b) the amount advised to the Trustee by the Member's Employer after the Transfer Date as the Member's rate of remuneration for the purposes of determining

⁶ Date the Victorian Government, Gas and Fuel Corporation, Victorian Trades Hall Council and other employee representative bodies negotiated changes to superannuation benefits for all employees.

⁷ Introduction of legislation which changed accrual rates so as to take into consideration the cost of taxes.

Benefits and Contributions under the Rules and this Participation Schedule including all payments attracting income tax other than overtime payments, travelling, meals, clothing or other such allowances, annual leave loading and directors' fees and excluding any amounts in respect of which the Employer pays or is required to pay fringe benefits Tax; or

- (c) in special circumstances determined by the Employer, such other amount or determined on such other basis as the Employer notifies to the Trustee; or
- (d) where the Member is placed in a category of membership, whether a separate category or a sub-category of an existing class, for which Salary is another amount or rate, that amount or rate,

provided that:

- (e) if the Member's remuneration is reduced and the Employer determines not to take the reduction into account and so informs the Trustee and if the Member agrees, a Member's Salary shall be deemed to be the rate of Salary applicable immediately prior to the reduction or the Member's actual rate of Salary at the relevant time, whichever is the greater;
- (f) where the Employer makes payments to any other superannuation arrangement in relation to the Member which are calculated by reference to any fixed sum or fraction of remuneration, the Member's Salary, unless the Employer determines otherwise, shall be the rate of Salary which would otherwise apply less that fixed sum or that fraction of remuneration, as the case requires;
- (g) where a Member is on Leave of Absence without remuneration or at a reduced rate of remuneration, the Member's Salary shall be the amount applicable immediately prior to the commencement of that Leave of Absence including, in the case of Leave of Absence for the reason of National Service, any increases in Salary which are granted to the Member by the Employer during such National Service.

"Transfer Date" means 1 July 1997⁸.

1.3 Special conditions

If at or about the Transfer Date, the Former Gas Fund Trustee notified the Trustee of any special limitations or restrictions which governed a Member's membership of the Former Gas Fund immediately before the Transfer Date pursuant to the Former Gas Fund Deed, those limitations or restrictions shall also govern that Member's membership under this Part 3 except to the extent the Trustee, the Employer and the Member agree otherwise.

2 Contributions

2.1 Amount of compulsory Member Contributions

Each Member shall contribute to the Fund at the rate of five percentum (5%) of the Member's Salary from time to time.

⁸ Date the Gas and Fuel Corporations transferred to Equisuper.

2.2 Period of payment

Each Member shall, unless the Employer and the Trustee otherwise agree, make Contributions under Clause 2.1 of this Part 3 until the earlier of the Member ceasing to be an Employee and the date upon which the Member's Accrued Benefit Multiple first equals or exceeds the Maximum Benefit Multiple. For the purpose of this Clause 2.2, the proviso to the definition of "Maximum Benefit Multiple" in Clause 1.2 of this Part 3 shall not apply.

2.3 Arrangements during Leave of Absence

(a) Contributions during Leave of Absence

Unless otherwise provided by the Rules or this Participation Schedule, a Member shall continue to make Contributions during Leave of Absence as if the Member was in active employment, and shall pay such Contributions to the Fund in the manner determined by the Trustee.

(b) Payment of additional Contributions

A Post-Alteration Member on Leave of Absence (not being due to sickness, injury or as a result of the complete or partial - but, in either case, temporary - closing down of the business of the Employer) shall, if the Employer and the Trustee agree, pay in addition to the other amounts payable by the Member additional Contributions at such rate as shall be determined by the Trustee, after obtaining the advice of the Actuary, not being greater than the Contributions payable by the Employer in respect of the Member during or in respect of that period of Leave of Absence.

(c) Deferment of amounts payable by Member

If a Member is on Leave of Absence without pay, the Trustee may permit the deferment of the Contributions and other amounts payable by the Member during the Member's Leave of Absence. Any Contributions or other amounts so deferred, together with interest at the Agreed Rate, shall on resumption of employment or pay be paid by the Member to the Fund in a lump sum or by instalments, as determined by the Trustee.

2.4 Adjustments for non-payment by Member

Without limiting Clause 2.2 of the General Part but notwithstanding anything expressed or implied to the contrary in Clause 3 of this Part 3, if the Contributions or other amounts payable by a Member to the Fund are not paid to the Fund as and when required under the Rules or this Participation Schedule, the Trustee, after obtaining the advice of the Actuary, may adjust the Benefits for and in respect of the Member in such manner and to such extent as the Trustee considers appropriate. Without limiting the generality of the foregoing, the Trustee may effect such an adjustment by deducting from any Benefits which become payable to or in respect of a Member (by instalments or as a lump sum, as determined by the Trustee) any amounts payable by the Member which are unpaid, together with interest thereon at the Agreed Rate provided that no action shall be taken pursuant to this Clause in respect of a Pre-Alteration Member that results in an adjustment of that Member's Benefits to an amount less than that Member's Former Gas Fund Deed Benefits.

3 Benefits

3.1 Retirement or Retrenchment after Early Retirement Date

(a) Lump sum Benefit

If a Member ceases to be an Employee:

- (1) on or after the Normal Retirement Date; or
- (2) on or after the Early Retirement Date but before the Normal Retirement Date either:
 - (A) with the approval of the Employer (given for the purposes of this Clause 3.1(a)) and after giving the Employer at least 2 months prior written notice of intention to retire (or such lesser period, if any, of notice as the Employer may accept); or
 - (B) in circumstances which constitute Retrenchment,

and no Benefit is payable under Clause 3.2 or Clause 3.3 of this Part 3, there shall be payable to the Member (subject to Clause 3.1(b) of this Part 3) a lump sum Benefit of an amount equal to the Member's Accrued Retirement Benefit as at the date the Member ceases to be an Employee.

(b) Alternative Pension at Member's option

By written election given to the Trustee not more than thirty (30) days (or such longer period as the Trustee may allow) after the Member ceases to be an Employee, a Member who is entitled to receive a lump sum Benefit under Clause 3.1(a) of this Part 3 may elect to receive in lieu of that lump sum Benefit a Pension calculated and payable in accordance with Appendix Category CA. If no effective election is made by the Member within the period prescribed or allowed, the said lump sum Benefit shall be payable.

3.2 Death while Employee

(a) Member Survived by Dependants

(1) Amount of Benefit

Subject to Clause 3.2(b) of this Part 3, if a Member dies while an Employee and is survived by a Dependant or Dependents, there shall be payable to the Member's surviving Dependant or Dependents a lump sum Benefit of an amount equal to:

- (A) if the Member dies on or after the date which is five (5) years before the Normal Retirement Date, the Accrued Death Benefit as at the date of death; or
- (B) if the Member dies more than five (5) years before the Normal Retirement Date, the Accrued Death Benefit which would have applied five (5) years before the Normal Retirement Date if the Member had continued in the employ of the Employer as a Member until five (5) years before the Normal Retirement Date with the same Salary as applied immediately before the Member's death,

provided that, in the case of a Member who last became a member of the Former Gas Fund (in any category or division of members) before the 1987 Change Date, the Benefit payable under this Clause 3.2(a)(1) shall not be less than the lump sum benefit which would have been payable in respect of the Member in the same circumstances under the applicable provisions of the Former Gas Fund Deed in force immediately before the 1987 Change Date.

(2) **Discretion of surviving Spouse**

If pursuant to Clause 3.2(a)(1) of this Part 3 there is payable to a Spouse of a deceased Member the whole or any part of the lump sum Benefit, the Spouse may, by written election given to the Trustee not more than 30 days (or such longer period as the Trustee may allow) after the Trustee has given to the Spouse a written notice that an amount is payable to the Spouse, elect that a Pension shall be paid in lieu of any such lump sum Benefit, in which event the amount of such Pension and the terms of its payments shall, subject to the Rules and this Participation Schedule, be determined by the Trustee after obtaining the advice of the Actuary provided that if no effective election is made by a Spouse within the period prescribed or allowed, a lump sum Benefit shall be paid.

(b) **No surviving Dependants: Benefit for Member's legal personal representatives**

If a Member dies while an Employee and:

- (1) within twelve (12) months (or such longer period as the Trustee may allow) after the Member's death no Dependant has been identified and located to the Trustee's satisfaction; or
- (2) all of the Dependants of the Member who have been identified and located to the Trustee's satisfaction die before the whole of the lump sum Benefit payable under Clause 3.2(a) of this Part 3 has been applied or dealt with as provided in Clause 3.2(a) of this Part 3, either:
 - (A) by payment thereof from the Fund as provided in Clause 3.2(a)(1) of this Part 3; or
 - (B) by way of an effective election or effective elections as provided in Clause 3.2(a)(2) of this Part 3,

no Benefit or further Benefit shall be payable in respect of the deceased Member under Clause 3.2(a)(1) of this Part 3 and no further election shall be available under Clause 3.2(a)(2) of this Part 3, but the Trustee shall pay to the legal personal representatives of the Member a lump sum Benefit equal to the excess (if any) of (x) over (y), where:

"(x)" is the sum of:

- (i) the Member's Adjusted Total Contributions; and
- (ii) an amount equal to three percentum (3%) of the Member's Final Salary multiplied by the number of years (and any fraction of a year) in the Member's Membership Period falling after the 1987 Change Date;

and

“(y)” is the portion (if any) of the lump sum Benefit payable under Clause 3.2(a) of this Part 3 which may have already been applied or dealt with as provided in that Clause;

provided that, if the Member is survived by a Dependant but that Dependant dies before the whole of a lump sum Benefit payable under Clause 3.2(a) of this Part 3 has been applied or dealt with in accordance with that Clause, then (subject to Clause 3.2(c) of this Part 3) the Trustee may pay or apply any portion of that lump sum Benefit which is not otherwise applied or dealt with in accordance with Clause 3.2(a) of this Part 3 to or for the benefit of such one or more of the surviving Dependents and legal personal representatives of the deceased Dependant in such proportions, in such manner and subject to such conditions as the Trustee may determine, and any amount paid from the Fund pursuant to this proviso shall also be taken into account in determining the amount provided for in paragraph (y) above.

(c) **No legal personal representatives**

If within twelve (12) months (or such longer period as the Trustee may allow) after the death of the Member:

- (1) no legal personal representative of the Member has been identified and located to the Trustee’s satisfaction; and
- (2) the Trustee does not exercise the power vested in the Trustee under the proviso to Clause 3.2(b) of this Part 3,

the Benefit or any part thereof which would otherwise have been payable pursuant to Clause 3.2(b) of this Part 3 shall cease to be payable provided that the Trustee may (but shall not be bound to do so or to consider whether to do so) pay or apply all or part of any such forfeited Benefit to or for the benefit of a person who the Trustee considers would have been entitled thereto but for that forfeiture provided further that the provisions of this Clause 3.2(c) of this Part 3 shall not, in the case of a Pre-Alteration Member, result in the forfeiture of that Member’s Former Gas Fund Deed Benefits.

(d) **Application of retained moneys**

Moneys which would have been payable but for the cessation or reduction of a Benefit under this Clause 3.2 shall be retained in the Fund for the general purposes thereof but, after such a cessation or reduction, the Trustee may (but shall not be bound to do so or to consider whether to do so) pay or apply to or for the benefit of a person all or part of an amount which the Trustee considers would have been payable to that person but for such cessation or reduction.

(e) **Payment of lump sum Benefits**

Any lump sum Benefit payable under this Clause 3.2 shall be payable in such manner and by such instalments (spread over a period of not more than five (5) years) as the Trustee shall determine. **[Note this is a discretion and would only be exercised in consultation the employer.]**

3.3 Disablement while Employee

(a) **Lump sum Benefit**

Subject to the following provisions of this Clause 3.3, if a Member ceases to be an Employee more than twelve (12) months before the Normal Retirement Date

because of Disablement there shall be paid to him a lump sum Benefit equal to the lesser of 8.4 times the Member's Final Salary at the Date of Disablement, and:

- (1) if the Date of Disablement is on or after the date which is five (5) years before the Normal Retirement Date, the Member's Accrued Retirement Benefit as at the Date of Disablement; or
- (2) if the Date of Disablement is before the date which is five (5) years before the Normal Retirement Date, the amount calculated as the sum of:
 - (A) a Member's Accrued Retirement Benefit calculated as at the Date of Disablement; and
 - (B) the product of 0.21 and the period (in years and fractions thereof) between the Date of Disablement and the date five (5) years prior to the Normal Retirement Date multiplied by the Member's Salary at the Date of Disablement,

provided that in the case of a Member who last became a member of the Former Gas Fund (in any category or division of membership) before the 1987 Change Date, the Benefit payable under this Clause 3.3(a) of this Part 4 shall not be less than the lump sum Benefit which would have been payable in respect of the Member in the same circumstances under the provisions of the Former Gas Fund Deed in force immediately before the 1987 Change Date.

(b) Alternative Pension at Member's option

Subject to Clauses 3.3(d) and 3.3(e) of this Part 3, by written election given to the Trustee not more than thirty (30) days (or such longer period as the Trustee may allow) after the Date of Disablement, a Member entitled to receive a lump sum Benefit under Clause 3.3(a) of this Part 3 may elect to receive in lieu of that lump sum Benefit a Pension calculated and payable as provided in Appendix Category CA. If no effective election is made by the Member within the prescribed period, then (subject to Clause 3.3(c) of this Part 3) a lump sum Benefit shall be payable.

(c) Alternative Pension at Trustee's option

Subject to Clauses 3.3(d) and 3.3(e) of this Part 3, the Trustee may determine that there shall be payable in respect of the Member in lieu of a lump sum Benefit under Clause 3.3(a) of this Part 3 a Pension calculated and payable as provided in Appendix Category CA as if the Member had made an effective election under Clause 3.3(b) of this Part 3.

(d) Deferment and provision of information

(1) Trustee's discretion to defer

The Trustee may:

- (A) defer the final determination as to whether any Benefit has become due and payable to a Member under this Clause 3.3; or
- (B) defer the payment of all or part of a Benefit which has become due and payable to a Member under this Clause 3.3,

for up to twelve (12) months after the Member ceases to be an Employee.

(2) Provision of information

In any case, without limiting Rule A10.8, a Member's entitlement or continued entitlement to receive a Benefit under this Clause 3.3 shall be

contingent upon there being provided to the Trustee such information and evidence as it shall require regarding the Member's Disablement or continued Disablement, and the Trustee may accordingly determine a Member's Date of Disablement.

(e) **Lump sum Benefit : Recovery or death during deferment period**

(1) **Recovery**

If:

- (A) a lump sum Benefit has become due and payable to a Member under this Clause 3.3 but the Trustee has deferred payment of all or part thereof as provided in Clause 3.3(d)(1)(B) of this Part 3; and
- (B) the Trustee, acting on information and evidence satisfactory to it, determines that the Member has recovered sufficiently during the deferment period to be able to earn income or to engage in employment or work for which the Member is reasonably qualified by education, training or experience,

the Trustee may reduce the lump sum Benefit by such amount as it considers appropriate but not below the Member's Accrued Retirement Benefit as at the date the Member ceased to be an Employee or, in the case of a Pre-Alteration Member, that Member's Former Gas Fund Deed Benefit.

(2) **Death**

If a Member to whom a lump sum Benefit has become due and payable under this Clause 3.3 dies during the deferment thereof but before any determination by the Trustee under Clause 3.3(e)(1)(B) of this Part 3, the whole of that lump sum Benefit (before any reduction therein) shall be paid or applied by the Trustee to or for the benefit of such one or more of:

- (A) the Member's Dependants;
- (B) the Member's legal personal representatives; and
- (C) if a surviving Dependant of the Member subsequently dies, the Dependants and legal personal representatives of the deceased Dependant,

to the exclusion of the other or others of them and in such form, manner and proportions and subject to such conditions as the Trustee shall determine provided that, if within twelve (12) months (or such longer period as the Trustee may allow) after the Member's death no person to or for whom the Trustee may pay or apply any amount as aforesaid has been identified and located to the Trustee's satisfaction, the Benefit otherwise payable shall cease to be payable and shall be forfeited to the Fund for the general purposes thereof provided further that after such a forfeiture the Trustee may (but shall not be bound to do so or to consider whether to do so) pay or apply all or part of a forfeited Benefit to or for the benefit of a person who the Trustee considers would have been entitled thereto but for that forfeiture provided further that the provisions of this Clause 3.3(e)(2) shall not result in the forfeiture of that Member's Former Gas Fund Deed Benefits.

(f) Pension Benefit : Termination or reduction on recovery

If a Pension has become due and payable to a Member under this Clause 3.3 but the Trustee, after consideration of information and evidence satisfactory to it, determines that the Member has recovered sufficiently to be able to earn income or to engage in employment or work for which the Member is reasonably qualified by education, training or experience, the Trustee may reduce or suspend that Pension to such extent and for such period as it considers appropriate or may permanently terminate all or part of that Pension provided that, if when the Member's Disablement Pension ceases to be payable (by reason of the Member's death, recovery or otherwise) the aggregate of the instalments of that Pension paid from the Fund and any lump sum paid on commutation of any part of that Pension (the "Aggregate Amount") is less than the Member's Accrued Retirement Benefit as at the date the Member ceased to be an Employee, there shall be payable to or in respect of the Member a lump sum Benefit of an amount equal to the excess of that Accrued Retirement Benefit over the Aggregate Amount provided further that:

- (1) if the Member is living, the said lump sum shall be paid to the Member; or
- (2) if the Member is no longer living, the said lump sum shall be paid or applied in accordance with Clause 3.3(e)(2) of this Part 3.

3.4 Retrenchment before Early Retirement Date

Subject to Clause 4 of this Part 3, if a Member ceases to be an Employee before the Early Retirement Date in circumstances which constitute Retrenchment and no Benefit is payable under Clause 3.3 of this Part 3, there shall be payable to the Member a lump sum Benefit equal to the Member's Accrued Retirement Benefit as at the date the Member ceases to be an Employee.

3.5 Other leaving service Benefits**(a) Leaving more than five (5) years before Early Retirement Date or thereafter without Employer approval**

Subject to Clause 4 of this Part 3, if a Member ceases to be an Employee either:

- (1) more than five (5) years before the Early Retirement Date; or
- (2) after the date which is five (5) years before the Early Retirement Date without the approval of the Employer,

in circumstances where no Benefit is payable under Clause 3.1, 3.2, 3.3 or 3.4 of this Part 3, there shall be payable to the Member a lump sum Benefit of an amount equal to the sum of:

- (3) the Member's Adjusted Total Contributions in respect of the period since the date (hereinafter called the "Prior Date") which is five (5) years before the date the Member ceases to be an Employee; and
- (4) either:
 - (A) in the case of a Member who last became a Member under this Part 3 or Division CA, or a "Class D Member" of the Former Gas Fund, on or before the Prior Date, the product of the Member's Accrued Benefit Multiple as at the Prior Date and the Member's Final Salary as at the date the Member ceases to be an Employee; or

- (B) in the case of a Member who on the Prior Date was:
 - (i) a member of the Former Gas Fund under any division of membership other than “Class D”;
 - (ii) a participant in an Approved Benefit Arrangement and in respect of whom an amount was subsequently received into the Former Gas Fund from that Arrangement; or
 - (iii) a Member of the Fund under Division CB;

such amount as shall be agreed to by the Trustee and the Employer, after obtaining the advice of the Actuary, having regard to such matters as the Trustee considers appropriate; and

- (5) the product of:

- (A) 3% of the Member’s Final Salary; and
- (B) the number of years (and any fraction of a year) in the Member’s Membership Period falling after the Prior Date.

(b) Leaving within five (5) years before Early Retirement Date with Employer approval

Subject to Clause 4 of this Part 3, if a Member ceases to be an Employee with the approval of the Employer (given for the purposes of this Clause 3.5(b)) before but not more than five (5) years before the Early Retirement Date in circumstances where no Benefit is payable under Clause 3.2, 3.3 or 3.4 of this Part 3, there shall be payable to the Member a lump sum Benefit calculated in the manner provided in Clause 3.5(a) of this Part 3 except that, for the purposes of such calculation, there shall be substituted for the period of five (5) years mentioned in Clause 3.5(a)(3) of this Part 3 the period in years (including any fraction of a year) from the date the Member ceases to be an Employee to the date on which the Member would attain the Early Retirement Date, with the “Prior Date” being determined accordingly.

4 Preservation of benefits

4.1 Preservation of Preserved Portion until Deferral Date

If as at the date of ceasing to be an Employee in the circumstances provided for in Clause 3.4 or 3.5 of this Part 3 a Member:

- (a) has not attained the Early Retirement Date; and
 - (b) in the opinion of the Trustee, is not about to leave Australia permanently,
- then:
- (c) the Non-Preserved Portion (determined according to Clause 4.2 of this Part 3) of any Benefit otherwise payable under Clause 3.4 or 3.5 of this Part 3, as the case may be, shall be payable as at the date the Member ceases to be an Employee; and
 - (d) subject to Rule A10.8, there shall be payable in respect of the Member on the Deferral Date a lump sum Benefit equal to the Preserved Portion (determined according to Clause 4.2 of this Part 3) of the applicable Benefit together with interest thereon at the Agreed Rate in respect of the period between the date the Member ceases to be an Employee and the Deferral Date,

provided that, if the Preserved Portion of a Benefit is less than \$500 (or such greater amount as the Employer may determine from time to time), the whole of the Benefit shall be payable as at the date the Member ceases to be an Employee.

4.2 Preserved and Non-Preserved Portions

(a) Non-Preserved Portion

(1) Clause 3.4 of this Part 3

In the case of a Benefit payable under Clause 3.4 of this Part 3, the Non-Preserved Portion shall be an amount determined according to the following formula:

$$0.1925 \times MP \times FS \times D$$

Where:

“MP” is the Member’s Membership Period subject, in the case of a Member other than a Colonial Gas Member, to a maximum of forty (40) years;

“FS” is the Member’s Final Salary;

“NRD” is the Normal Retirement Date as defined in Clause 1.2 of this Part 3; and

“D” is the discount factor obtained from the following table according to the period between the date the Member ceases to be an Employee and the Member’s Normal Retirement Date, interpolating between whole years for any fraction of a year:

<u>Period between Cessation and NRD (years)</u>	<u>“D”</u>
10 or less	1.00
11	0.98
12	0.96
13	0.94
14	0.92
15	0.90
16	0.88
17	0.86
18	0.84
19	0.82
20	0.80
21	0.78
22	0.76
23	0.74
24	0.72
25 or more	0.70

(2) Clause 3.5 of this Part 4: Membership Period less than five (5) years

In the case of a Benefit payable under Clause 3.5 of this Part 4 in respect of a Member whose Membership Period as at the date of ceasing to be an

Employee is less than five (5) years, the Non-Preserved Portion shall be an amount equal to the Member's Adjusted Total Contributions.

(3) **Clause 3.5 of this Part 3: Membership Period equal to or more than five (5) years**

In the case of a Benefit payable under Clause 3.5 of this Part 3 in respect of a Member whose Membership Period as at the date of ceasing to be an Employee is equal to or greater than five (5) years, the Non-Preserved Portion shall be the lesser of the Benefit calculated in accordance with Clause 3.5 of this Part 3 and the amount calculated according to the following formula:

$$A + \left[\frac{PCM}{40} \times (OMR - A) \right]$$

Where:

“A” is the Member's Adjusted Total Contributions;

“PCM” is the total period (expressed in years and any fraction of a year) during which the Member contributed or was deemed to have contributed to the Fund as provided in the Rules or this Participation Schedule and/or the Former Gas Fund Deed, subject to a maximum of forty (40) years; and

“OMR” is the amount calculated in respect of the Member in the manner provided in Clause 4.2(a)(1) of this Part 3.

(b) **Preserved Portion**

In the case of a Benefit payable under Clause 3.4 or 3.5 of this Part 3, the Preserved Portion of that Benefit shall be the balance remaining after deducting from the Benefit the Non-Preserved Portion thereof calculated in accordance with Clause 4.2(a) of this Part 3.

APPENDIX Category CA

Pension Benefits

1 Definitions

In this Appendix Category CA, unless the contrary intention appears or the context requires otherwise:

“Child” has the meaning given in Division A of the Rules.

“Eligible Child” means in relation to a deceased Member:

- (a) a Child of the Member who is under the age of eighteen (18) years; or
- (b) a Child of the Member who has attained the age of eighteen (18) years but not the age of twenty-one (21) years and who, in the opinion of the Trustee, is a full-time student, and also:
 - (i) is financially dependent on the Member; or
 - (ii) has a disability of the kind described in subsection 8(1) of the *Disability Services Act 1986*,

but, in the case of a Member who died after ceasing to be an Employee, does not include a person who, in the opinion of the Trustee, would not have been accepted as a Child of the Member if the Member had died on the date the Member ceased to be an Employee.

“Spouse Pensioner” means in relation to a deceased Member a surviving Spouse who becomes entitled to receive a Pension as provided in Clause 3.1 or 3.2 of this Appendix Category CA.

“Total Spouse Pension” means in relation to a deceased Member the aggregate annual amount of the Pension or Pensions payable to the Member’s Spouse or Spouses, as the case may be, pursuant to Clause 3 of Part 3 (ignoring the cessation of or reduction in any such Pension by reason of death, marriage, commutation or otherwise) or, in the case of a deceased Member who is not actually survived by a Spouse, the annual amount of the Pension which would have been payable to the Spouse if the Member had in fact been survived by a single Spouse.

2 Retirement or Disablement: Pension elected by Member

Where a Member elects a Pension as provided in Clause 3.1(b) or 3.3(b) of Part 3, the amount of the Pension shall be calculated on the basis agreed to by the Trustee and the Employer, after obtaining the advice of the Actuary, provided that, in the case of a Member who last became a member of the Former Gas Fund before the 1987 Change Date, the amount of any Pension so payable to the Member shall not be less than the Pension which would have been payable in the same circumstances under the provisions of the Former Gas Fund Deed in force immediately before the 1987 Change Date, as determined by the Trustee after obtaining the advice of the Actuary.

3 Spouse Pensions

3.1 Member dies while Employee: Spouse elects Pension

Subject to Clause 3.2(a)(2) of Part 3, where a Spouse elects a Pension as provided in that Clause, the amount of the Pension shall be calculated on the basis agreed to by the Trustee and the Employer, after obtaining the advice of the Actuary, provided that, in the case of a Member who last became a member of the Former Gas Fund before the 1987 Change Date, the amount of any such Pension (or the aggregate amount of such Pensions, if more than one) payable in respect of a Member shall not be less than the Pension which would have been payable under the provisions of the Former Gas Fund Deed in force immediately before the 1987 Change Date if the Member had died in the same circumstances and had been survived by a single Spouse Pensioner who elected to receive a Pension, as determined by the Trustee after obtaining the advice of the Actuary.

3.2 Member dies in receipt of Pension: Pension for Spouse

If a Member dies while in receipt of a Pension under Clause 3.1(b) or 3.3(b) of Part 3 and is survived by a Spouse, there shall be payable to the Spouse a Pension the annual amount of which shall be equal to two-thirds (2/3rds) of the annual rate of the Pension which was payable to the Member immediately before the Member's death provided that, if there is more than one Spouse, a Spouse shall be entitled to a Pension of such amount as the Trustee shall determine from time to time (with power to determine that the other or others of the Spouses shall not receive any Pension and power to vary any determination previously made), so long as the sum of the Pensions payable to the Member's Spouses at any particular time does not exceed the Pension which would have been payable as aforesaid had there only been one Spouse.

3.3 Period of Spouse's Pension

A Pension payable to a Spouse shall cease to be payable on the death of the Spouse.

4 Children's Pensions

4.1 Children's Pensions where Spouse Pensioner

(a) Circumstances of payment

If a Member dies and is survived by a Spouse Pensioner, a Pension shall be paid or applied to or for the benefit of each Eligible Child of the Member until:

- (1) a Child ceases to be an Eligible Child; or
 - (2) the death of the Spouse Pensioner,
- whichever first occurs.

(b) Amount of Benefit

The annual amount of the Pension in respect of each Eligible Child shall be equal to twenty percentum (20%) of the Total Spouse Pension provided that, where for the time being more than five (5) Eligible Children are entitled to receive Pensions, the annual amount of the Pension in respect of each Eligible Child shall be equal to the Total Spouse Pension divided by the number of Eligible Children.

4.2 Children's Pensions where no Spouse Pensioner

(a) Circumstances of payment

Upon:

- (1) the death of a Member while entitled to receive a Pension who is not survived by a Spouse; or
- (2) in the case of a deceased Member who is survived by a Spouse Pensioner, the death of the Spouse Pensioner or, where there is more than one Spouse Pensioner, the death of all of them,

a Pension shall be paid or applied to or for the benefit of each Eligible Child of the Member until that Child ceases to be an Eligible Child.

(b) Amount of Benefit

The annual amount of the Pension in respect of each Eligible Child shall be equal to forty per centum (40%) of the Total Spouse Pension provided that, where for the time being more than five (5) Eligible Children are entitled to receive Pensions, the annual amount of the Pension in respect of each Eligible Child shall be equal to twice the amount of the Total Spouse Pension divided by the number of Eligible Children.

4.3 Payment of Children's Pensions

Where a Spouse of a deceased Member is receiving a Pension in the Spouse's own right and has legal custody of the Eligible Child, a Pension payable in respect of an Eligible Child shall be paid to that Spouse. In other cases, an Eligible Child's Pension shall be paid for the benefit of the Child to the guardian of the Child or to any other person or persons selected by the Trustee to see to the application of that Pension but the Trustee shall not be responsible for such application.

5 Residual Benefit on cessation of Pensions

5.1 Minimum Benefit in respect of Member dying while Employee leaving Spouse Pensioner

If, when all Pensions payable in respect of a Member who died while an Employee and was survived by a Spouse Pensioner have been paid as provided in this Appendix Category CA, the aggregate amount of all Pensions paid in respect of the Member ("Aggregate Amount") is less than the lump sum Benefit calculated in accordance with Clause 3.2(a)(1) of Part 3 ("Minimum Amount"), there shall be payable in accordance with Clause 5.3 of this Appendix Category CA a lump sum Benefit of an amount equal to the excess of the Minimum Amount over the Aggregate Amount.

5.2 Minimum Benefit in respect of Member who received a Pension

If when all Pensions payable to and in respect of a Member who on ceasing to be an Employee elected or was deemed to have elected to receive a Pension have been paid as provided in the Rules or this Participation Schedule, the aggregate amount of all Pensions and other Benefits (excluding any Benefit paid under Part 1 or Division D) paid from the Fund to and in respect of the Member ("Aggregate Amount") is less than the amount ("Minimum Amount") which is the sum of:

- (a) the Member's Adjusted Total Contributions; and

- (b) an amount equal to 3% of the Member's Final Salary multiplied by the number of years (and any fraction of a year) in the Member's Membership Period falling after the 1987 Change Date,

there shall be payable in accordance with Clause 5.3 of this Appendix Category CA a lump sum Benefit of an amount equal to the excess of the Minimum Amount over the Aggregate Amount.

5.3 Application of residual Benefit

If the Member is living, the lump sum Benefit calculated in accordance with Clause 5.2 of this Appendix Category CA shall be paid to the Member. If the Member is no longer living, the Benefit calculated under Clause 5.1 or 5.2 of this Appendix Category CA, as the case may be, shall be paid or applied by the Trustee in accordance with Clause 3.3(e)(2) of Part 3.

6 Indexation of Pensions

The Trustee may, after obtaining the advice of the Actuary, increase the Pension payable to a Pensioner by such amount and at such intervals as the Trustee determines.