ELECTRICITY INDUSTRY
SUPERANNUATION SCHEME

Member's Booklet

PENSION SCHEME (DIVISION 3)

Adding power to your financial future.

Contents

How the Scheme Works

The Pension Scheme continues from the superannuation arrangements that were first introduced for employees in 1934.

This booklet describes your benefits provided by the Pension Scheme. It is a summary of the Division 3 Rules and contains other important information for you and your family, so please read it carefully.

Who is my 'Employer'?

When you read this booklet, the word 'employer' refers to your employer, who is one of the employers in the electricity supply industry that contributes to the Scheme.

Understanding 'Salary'

Both your contributions and benefits are related to your salary.

For superannuation purposes, 'salary' means your ordinary salary - including average shift work loadings and permanent loadings. It does not include overtime, higher-class duties, area or other separate allowances, bonuses and commission.

Special provisions apply should your salary be reduced for other than disciplinary reasons.

Most pension benefits are based on your 'Final Scheme Salary' which is the average of your salary over the final 12 months of service with your employer. Preserved pensions are based on your current salary at the date of leaving service, adjusted by CPI.

If your salary is increased retrospectively for a period longer than three months, this increased salary will be considered to be your salary under the Rules. It will apply for Scheme purposes for the part of the period that exceeds three months.

All about Contributions

Your Contribution Options

Your superannuation contributions are calculated as a percentage of your salary.

Initially the percentage was fixed at a level according to your age when you became a member of the Scheme. This is known as your 'Standard Contribution Rate'.

Some members, on joining the Scheme, chose to contribute at half their Standard Contribution Rate. These members are known as Lower Benefit Contributors.

In 1993, flexible contribution rates were introduced. These allow you to -

- contribute at your Standard Contribution Rate,
  or
- contribute at one of the following rates:

  1.5%

  3.0%

  4.5%

  6.0%

  7.5%

  9.0%

Flexible contribution rates let you control your money - you can pay less into the Scheme when you have heavy commitments, such as a home loan or family costs and you can boost your contribution rate later (up to 9% maximum) when the pressure on your pay eases. You can change your contribution rate at any time simply by advising the Superannuation Administrator in writing.

Limits on your Contributions

The maximum employer-financed benefit is achieved once your flexible contribution rate has averaged your Standard Contribution Rate over the period you have contributed.

Note: Once a Lower Benefit Contributor moves away from contributing at half the relevant Standard Contribution Rate, he/she cannot revert to contributing at that rate.

You can 'Catch Up' your Contributions

Paying less than your Standard Contribution Rate will reduce your final benefit. However, you can 'catch up' later on by contributing at one of the special 'catch up' rates of either 7.5% or 9.0%.

You may also contribute at these 'catch-up' rates to build up a 'store', which you can draw upon later. Should you leave when you still have a 'store' of funds, your benefit will be calculated as though you had always contributed at your Standard Contribution Rate and any amount of contributions above this standard rate will be refunded to you with interest.

Can I Cease Contributing?

You may stop contributing from time to time. However, this will affect the level of your benefits, because you cannot make 'catch up' payments to make up for any period when you were not contributing.

Should death or invalidity occur while you are not contributing, the benefit payable would be substantially reduced. For this reason it is advisable to always contribute at least the minimum (1.5%) to ensure a reasonable level of financial protection for you and your family.

What are Contribution Points?

Most of the pensions payable from the Scheme depend upon the number of 'Contribution Points' that you accrue during your membership in the Scheme.

You earn one Contribution Point for each month that you contribute at your Standard Contribution Rate. If you contribute under the flexible contribution rate system at a higher rate (up to 9%) or a lower rate than your Standard Contribution Rate, you earn proportionately more or less than one Contribution Point per month.

Generally, the maximum number of Contribution Points that can count towards your benefit equal the number of months during which you contribute.

Your Contribution Account

Some of the lump sum benefits payable from the Scheme will depend upon the size of your 'Contribution Account'.

Your Contribution Account works in much the same way as a bank account. All your contributions up to 9% are credited to this account, where they earn interest each year at a rate declared by the Superannuation Board.

How is the Interest Rate determined?

The interest rate is set each year, on the advice of the Scheme's actuary. The rate reflects the level of the Scheme's investment earnings. The rates may be positive or negative.

Additional Voluntary Contributions

The flexible contribution rate system allows you to contribute up to 9% of your salary. You can contribute more as 'additional voluntary contributions' – refer page 29 for details.

Additional voluntary contributions cannot be used as 'catch up' contributions and they do not attract any extra employer subsidy. They are a way of saving your own money until retirement in an efficient manner.

How are Contributions paid?

Member contributions are generally paid as salary deductions from your after-tax pay. Your employer then forwards these deductions to the Superannuation Board.

If your work arrangement allows for salary sacrifice, you may - with the agreement of your employer - have your contributions made from pre-tax pay.

Different taxation arrangements apply if you make your contributions from your pre-tax pay as opposed to your after-tax pay.

If your contributions are not paid, the Superannuation Board has the power to deem that you have chosen to stop contributing and will adjust your benefits accordingly. You will be advised should this situation arise.

Your Pension Benefits

Retirement should be a time when you can relax and take a well-earned rest, free from financial worries. To help make this possible, the Pension Scheme provides a fortnightly pension on retirement.

Unless the pension is commuted to a lump sum, once the pension commences, it will continue for the remainder of your life and then a pension may become payable to your spouse or eligible children.

Situations where a Pension is Payable

The main benefit provided through the Scheme is a fortnightly pension. A pension becomes payable:

- on retirement, at or after age 60
- on early retirement, from age 55 to 60
- on invalidity retirement, before age 60
- on temporary invalidity
- to a spouse following the death of a member who is still in service or is receiving a retirement pension.

In the case of death, your dependant children may also be entitled to a pension.

If you resign before age 55 and preserve your pension, you may claim it once you reach age 55.

Cost-of-Living Adjustments

All pensions, including spouse and children's pensions, are adjusted in October each year to reflect any variation in the CPI - known as the Consumer Price Index (All Groups Index for Adelaide) - over the 12 months to the previous 30 June.

The adjustments can increase a pension, or decrease a pension, depending upon the CPI change. However, if the change in CPI is less than 1%, your pension will not be changed and the CPI change will be carried forward to the following year's calculation.

In the first year, pension increases are applied on a pro-rata basis.

Can I assign my Pension to someone else?

Your right to a pension cannot be assigned to another person or organisation.

Workers' Compensation

A pension benefit generally is not payable while you are entitled to workers' compensation payments.

How are Pensions Calculated?

Pensions are generally calculated as a percentage of your 'Final Scheme Salary', ie the average of your salary over the final 12 months before you start your pension.

The level of your pension generally depends upon your total Contribution Points as a proportion of your 'Maximum Benefit Points'.

Your Maximum Benefit Points are generally calculated as follows:

If you joined before 4 October 1975:

- and were under age 30 on 4 October 1975, your maximum points are equal to the number of months between 4 October 1975 and your 60th birthday;
- and were over age 30 on 4 October 1975, your maximum points equal 360.

If you joined after 4 October 1975:

- and were under age 30 at the time you joined, your maximum points equal the number of months between the date you joined and your 60th birthday;
- and were over age 30 at the time you joined, your maximum points equal 360.

Note: If you were a member of the Retiring and Gratuities Scheme, your Maximum Benefit Points and your Contribution Points are adjusted to take this membership into account.

Understanding your Retirement Benefit

Calculating your Pension – Retirement at Age 60

The general formula for calculating the pension percentage on retirement at age 60 is as follows:

66.67% × (Contribution Points *divided by* the Maximum Benefit Points)

PLUS

1.45%

PLUS

6.88% × (n/288)

where 'n' is the smallest of either:

(i) 288,

(ii) the number of Contribution Points accrued after 1 July 1992, and

(iii) the number of months between 1 July 1992 and the date you retired.

Notes:

(a) The '1.45%' in the formula is the increase in the pension percentage to allow for your membership of the old ETSA occupational superannuation scheme between 31 December 1987 and 30 June 1992.

(b) The '6.88% x (n/288)' in the formula allows for the occupational benefit after 1 July 1992.

Example: John

- John joined the Scheme at age 28 on 1 February 1976 and he is due to retire on 1 February 2008, age 60.
- John's Maximum Benefit Points is 384 (ie the number of months from the day he joined the Scheme (1/2/76) to his 60th birthday (1/2/2008).
- By the time John retires he has built up a total of 370 Contribution Points - he does not always contribute at his Standard Contribution Rate.
- 187 of John's Contribution Points accrued between 1 July 1992 and the date he retires.
- His Final Scheme Salary is $1,800 per fortnight.

John's pension percentage at age 60 is calculated as follows:

66.67%	times	370/384			= 64.24%
	plus	1.45%			= 1.45%
	plus	6.88%	times	187/288	= 4.47%
					70.16%

Therefore John's fortnightly pension will equal 70.16% of his Final Scheme Salary.

With a Final Scheme Salary of $1,800 per fortnight, his fortnightly pension will be $1,262.

Calculating your Pension – Early Retirement at Age 55

The general formula for calculating your pension percentage on early retirement at age 55 is as follows:

49.35% × (Contribution Points earned *divided by* Maximum Contribution Points at age 55)

PLUS

1.45%

PLUS

5.2% × (n/288)

where 'n' is the smallest of:

(i) 288,

(ii) the number of Contribution Points accrued after 1 July 1992, and

(iii) the number of months between 1 July 1992 and the date you retired.

Notes:

(a) The '1.45%' in the formula is the increase in the pension percentage to allow for your membership of the old ETSA Occupational Superannuation Scheme between 31 December 1987 and 30 June 1992.

(b) The '5.2% x (n/288)' in the formula allows for the occupational benefit after 1 July 1992.

Example: John

- John from the previous example decides to retire on 1 February 2003 when age 55.
- His Maximum Contribution Points is 324 (ie the number of months from the day he joined the Scheme (1/2/76) to the day he retires (1/2/2003).
- By the time John retires he has built up a total of 310 Contribution Points - he does not always contribute at his Standard Contribution Rate.
- 127 of these Contribution Points were accrued between 1 July 1992 and the date he retired.
- John's Final Scheme Salary is $1,800 per fortnight.

John's pension percentage at age 55 is calculated as follows:

49.35%	times	310/324			= 47.22%
	plus	1.45%			= 1.45%
	plus	5.2%	times	127/288	= 2.29%
					50.96%

Therefore John's fortnightly pension equals 50.96% of his Final Scheme Salary.

With a Final Scheme Salary of $1,800 per fortnight, his fortnightly pension is $917.

Retirement Pension Percentages

The retirement pension percentages will progressively increase until the year 2016. This is due to the occupational benefit, referred to earlier (pages 8 and 9).

The following table shows sample retirement percentages for members with 'full membership'.

AGE OF RETIREMENT	RETIREMENT AS AT 1/7/2001 %	RETIREMENT AS AT 1/7/2008 %	RETIREMENT AS AT 1/7/2016 %
55	52.8	54.3	56.0
56	56.3	57.9	59.8
57	59.9	61.6	63.6
58	63.5	65.3	67.4
59	67.1	69.0	71.2
60	70.7	72.7	75.0

What is 'Full Membership'?

Full membership generally applies to members who joined before 4 October 1975, or members who joined after 4 October 1975 but were under age 30 at the time of joining and whose average rate of contribution at least equals their standard rate.

The retirement percentages for members with less than full membership are reduced proportionally according to the number of their Accrued Contribution Points against the number of Maximum Contribution Points.

Annual Leave

Your pension commences only once you have used up your annual leave.

Commuting your Retirement Pension

You may elect to commute all or part of your pension within 28 days of retirement. **Commuting means converting your pension into a lump sum.**

You can take the lump sum in cash, or you may roll it over to another superannuation arrangement. Once you choose to commute your benefit, you cannot convert it back to a pension.

Understanding the Reasonable Benefit Limit

You may have heard of the term 'Reasonable Benefit Limit', or RBL. This is the maximum amount of superannuation you can receive on a concessionally taxed basis. Because of the RBL and other issues, you should seek professional financial advice if you intend to commute. This is particularly important if you intend to roll-over all or part of your lump sum, or if you have money invested in another superannuation or rollover fund.

There are two different rules set out on the following page under which you can commute. They differ in the maximum percentage of your pension that can be commuted as well as the effect your choice has on any subsequent spouse and/or children's benefits.

'100% Rule'

Under this rule you can commute any percentage up to 100% of your pension.

Any spouse and / or children's pensions on your subsequent death will be correspondingly reduced. So, if you commute 100% of your pension, no spouse or children's pensions will be paid on your death.

The following table gives the lump sum amounts available per $1.00 of pension per fortnight commuted:

Age 55:	$299.00
Age 56:	$293.80
Age 57:	$288.60
Age 58:	$283.40
Age 59:	$278.20
Age 60	$273.00

Intermediate values apply based on age measured in years and months.

Example

If you commute a pension at age 55 on the '100% rule', you will receive $299 for each dollar per fortnight commuted. If you commute $1,000 pension per fortnight, you will receive a lump sum of $299,000.

If you commute only part of your pension to a lump sum, the pension payments will reduce as from the first pension fortnight following your choice.

'30% Rule'

If you commute under this rule, the maximum percentage of your pension that can be commuted is 30%.

Commuting your pension under this rule will not reduce the level of spouse and / or children's pensions that may be paid on your death. Because of this feature, the lump sum paid per dollar of pension commuted is lower. The following table gives the lump sum amounts available under this rule per $1.00 of pension per fortnight commuted:

Age 55:	$259.00
Age 56:	$253.00
Age 57:	$247.00
Age 58:	$241.00
Age 59:	$235.00
Age 60:	$229.00

Again intermediate values apply based on age measured in years and months.

Example

If your pension is $1,000 per fortnight, the maximum pension you can commute under the '30% rule' is $300 per fortnight. If you commute this $300 at age 55, you will receive a lump sum of $77,700 (ie 259 times $300).

Note: Legislation may, in the future, limit the extent to which you can access your benefit in cash before age 60.

Your Disability and Invalidity Benefits

The Pension Scheme provides a valuable financial cover if you are unable to work because of disability or invalidity. This cover applies 24 hours a day, 7 days a week, at work, at home, or anywhere else while you remain with your employer.

Who is eligible?

For a benefit to be paid, the Superannuation Board must be satisfied that you are 'incapacitated' for work. This means that you are incapable of performing your normal duties, or a position with your employer which attracts a salary of at least 80% of your current salary.

The Superannuation Board bases its decision on medical reports and the advice of its medical adviser. The Board may seek further medical evidence and may decide to arrange for you to be medically examined by a doctor or a specialist of its choice. All costs for medical reports requested by the Board will be paid for by the Scheme.

How much is paid?

The amount of invalidity pension payable to you is shown on your annual benefit statement. If you were actively contributing to the Scheme at the time of your invalidity, it generally equals the amount of your age-retirement pension calculated as though you had worked to age 60.

Some members had special medical limitations imposed on them at the time they joined the Pension Scheme. If a limitation applies to you, the invalidity pension may not be payable.

Example

Suppose your pension percentage at age 60 would have been 70.16% and you are an active contributor. The invalidity pension is then 70.16% of your Final Scheme Salary.

Your Temporary Disability Pension

The Superannuation Board may pay you a temporary disability pension if you become *temporarily* incapacitated for work, are under age 55 and remain an employee.

Generally, this pension is payable for a period of up to 12 months. No pension is payable if the duration of the incapacity is likely to be less than 6 months, or in respect of a period for which you are entitled to sick leave, worker's compensation, or are on annual or long service leave. It cannot be paid for the same injury for a total period of 18 months (not necessarily continuously) during any three year period.

You are not required to contribute to the Scheme while you are receiving a temporary disability pension, but you still accumulate Contribution Points as though you were contributing.

What if you can Resume Work?

You must tell the Superannuation Board if you believe that your health is sufficiently recovered for you to take up your old position.

Your pension will cease if your employer offers you an alternative position carrying a salary of not less than 80% of your previous salary and the Superannuation Board considers that it is reasonable for you to take that position.

Your Permanent Invalidity Pension

If you are under age 60 and on the recommendation of the Superannuation Board are retired by your employer on the ground of invalidity, you will be entitled to receive a fortnightly pension. No pension will be payable if you are entitled to sick leave, full workers' compensation benefits, or are on annual or long service leave.

In many cases, applying for an invalidity pension follows a period during which you have been receiving the temporary disability pension. This would be the case if, when you first were incapable of working, it was not clear that your incapacity would lead to your permanent retirement.

On your request, your employer may make the application to the Superannuation Board on your behalf.

In any event, it is important to involve the Superannuation Board as the invalidity pension would only apply if the Superannuation Board makes a recommendation for your retirement before you are retired. If your employment ceases before the Board makes a recommendation, you will not be eligible to claim an invalidity pension.

The Superannuation Board must be satisfied that your employer cannot offer you an alternative position that provides a salary of not less than 80% of your previous salary (excluding any shift work loading) and is a suitable position - taking into account your previous employment and ability.

Working while receiving an Invalidity Pension

Your pension can be reduced if you earn income from 'remunerative activity'.

The reduction applies so that the income earned plus the invalidity pension does not exceed the present day equivalent of your salary prior to retirement.

What is Remunerative Activity?

'Remunerative activity' is any earning activity such as: employment, trade, business, calling, or profession. Income from remunerative activity means income arising from personal exertion.

When you are receiving an invalidity pension, you are required to advise the Superannuation Board within 28 days of starting any remunerative activity. Also the Superannuation Board can, at any time, seek information on your income from remunerative activity.

If you fail to tell, or give the wrong information to the Superannuation Board, your invalidity pension can be suspended.

You may need regular Health Checks

During the time you receive an invalidity pension, the Superannuation Board may periodically require you to complete questionnaires regarding your health or undergo medical examinations. Failure to comply with such a request may lead to the suspension of your pension.

Health restored

If, after considering the medical evidence, the Superannuation Board believes that your health is restored so as to enable you to again become an employee, the Board shall inform the employers involved in the Scheme.

Offer of Suitable Employment

If you accept an offer of 'suitable employment', your Pension will stop and you can contribute to the Pension Scheme again.

For employment to be regarded as 'suitable employment', it must:

- be assessed as suitable having regard to your previous employment, ability and state of health;
- provide a salary that is not less than the present day equivalent of 80% of your previous salary (excluding any shift work loading).

Commuting your Invalidity Pension

Within 28 days of reaching age 60, you can choose to convert all or part of your invalidity pension to a lump sum.

The factor used at age 60 for this conversion is 273 per $1.00 pension per fortnight.

Example

If you entirely convert a pension of $1,000 per fortnight, you will receive a lump sum of $273,000.

If you convert only part of your pension to a lump sum, the pension payments will reduce as from the first pension fortnight following your choice.

If you die while receiving a pension, benefits will be paid to your spouse and/or any eligible children. This applies regardless of whether you die before or after your retirement age.

Your Retrenchment and Voluntary Separation Benefits

A lump sum benefit is available if you are retrenched by your employer, or if you take a voluntary separation package before age 60.

'Retrenchment' is defined in the Scheme Rules to mean termination of employment by your employer, except:

- termination on account of invalidity, *or*
- dismissal on account of conduct, performance or loss of qualification.

It includes termination of employment of a contract employee by the employer prior to the expiration of the contract for reasons other than conduct or performance.

'Voluntary Separation' means termination of employment before attaining age 60 upon acceptance of a voluntary separation package offered by your employer.

What is the amount of the Benefit Paid on Retrenchment or Voluntary Separation?

In either case, the lump sum benefit payable generally equals:

- 3½ times the balance in your Contribution Account
  plus
- an additional benefit equal to 15.3% of your annual Final Scheme Salary to allow for your membership of the old ETSA Occupational Superannuation Scheme between 31 December 1987 and 30 June 1992.

Example

Suppose you are retrenched, or take a voluntary separation package, when:

- the balance in your Contribution Account is $60,000,
  and
- your annual Final Scheme Salary is $40,000.

The benefit payable is:

	3½ times		$60,000 =	$210,000
plus	15.3%	of	$40,000 =	$6,120
			ie in total	$216,120

Paying your Benefit on Retrenchment

If you are retrenched, the component of your benefit that is 3½ times the balance in your Contribution Account may be taken in cash. Any additional benefit must be rolled over to an approved superannuation or rollover fund where it will be subject to the Government's preservation rules.

If you are over 50 years of age, you may choose to receive a fortnightly pension instead of a lump sum benefit.

Paying your Benefit on Voluntary Separation

The benefit payable on voluntary separation must be rolled over to an approved rollover fund.

The component of your benefit that is 3½ times the balance of your Contribution Account can then be accessed in cash straightaway. The remainder of your benefit would be subject to the Government's preservation rules.

Note: Legislation may, in the future, limit access to your benefit in cash before age 60.

Your Resignation Benefit

If you resign from your employer and do not take up another job in the electricity supply industry, you will receive a benefit from the Scheme.

If you resign to take up another job in the electricity supply industry, you would generally remain a member of the Scheme and not receive a benefit at that stage. There are however two situations in which you can choose to take a benefit, instead of remaining in the Scheme. They occur where your new employer is not related to your old employer, or where your new employment is outside of South Australia – refer page 26 for details.

The same arrangements and benefits apply if you are dismissed by your employer.

This section of your Booklet describes the benefits available if you can take a benefit, or if you are able to choose to take a benefit.

Your Resignation Benefit

The resignation benefit applies where you resign (or are dismissed) before age 55. It gives you two options:

Option 1 - you can take a lump sum benefit, partly in cash and partly as a preserved rollover benefit, *or*

Option 2 - you can choose to preserve your benefit in exchange for a pension benefit later from the Scheme.

The first of these options provides cash, but generally gives a significantly smaller benefit overall.

Note: Legislation may, in the future, limit access to your benefit in cash before age 60.

Option 1: Taking a Cash Benefit and a Rollover Benefit

If you choose the 'cash plus rollover' option, you will receive, in cash, your contributions plus interest that, prior to 1990, was at a reduced rate. In addition, you will receive a rollover benefit of –

- an amount equal to 15.3% of your annual Final Scheme Salary to allow for your membership of the old ETSA Occupational Superannuation Scheme between 31 December 1987 and 30 June 1992,
  plus
- the accumulation with interest of notional employer contributions at the Superannuation Guarantee level as from 1 July 1992.

In the period between 1 July 2000 and 1 July 2002, the notional employer contribution used in this accumulation is 8%* of your salary, less 0.3% of your salary to allow for insurance costs covered by your employer. The salary used in this calculation is your ordinary times earnings, up to the maximum set out in the Superannuation Guarantee legislation (e.g. $110,040 in 2001/2002).

** After 1 July 2002, the 8% becomes 9%.*

Your rollover benefit may be transferred to an approved superannuation or rollover fund where it will be subject to the Government's preservation rules.

Alternatively the rollover benefit may be preserved in the Scheme until you reach at least age 55.

Example:

Suppose you resign, when:

- your contributions plus interest equal $50,000, and
- your annual Final Scheme Salary is $40,000, and
- the accumulation of the notional employer contributions is $30,000.

Under **Option 1:**

- the benefit payable in cash is: your $50,000
- the benefit which must be rolled over is:

  15.3% of $40,000 plus $30,000,
  = $36,120.

Your total benefit is therefore $86,120.

Option 2: Preserving Your Pension Benefit in the Scheme.

If you opt to leave your benefit in the Scheme, you will become entitled to a fortnightly pension benefit on or after you turn 55. The salary used in the calculation of this pension is your Scheme Salary at the date of resignation, adjusted by the variation in the CPI since that date.

The level of the pension ultimately paid will depend on your age at which the pension starts. Your annual benefit statement shows the level of the pension payable from age 55.

Example: Walter

- Walter joined the Pension Scheme on 1 July 1981, aged 30, and resigns on 1 July 2001, age 50. Walter chooses Option 2 – the preserved pension.
- His Maximum Contribution Points at age 55 is 300.
- Walter has always contributed at his Standard Contribution Rate and thus by the time of his resignation he has built up a total of 240 Contribution Points.
- 108 of these Contribution Points accrued between 1 July 1992 to the date of his resignation.
- His Scheme Salary at the date of his resignation is $1,800 per fortnight.

Under **Option 2,** Walter's pension percentage at age 55 is calculated as follows:

49.35%	times	240/300	= 39.48%
plus 1.45%			= 1.45%
plus 5.2%	times	108/288	= 1.95%
			42.88%

Therefore Walter's pension percentage for a pension commencing at age 55 is 42.88%. With a Scheme Salary of $1,800 per fortnight at the date of resignation, his fortnightly pension commencing at age 55 is $772 increased by CPI as from the date of resignation.

If you have not made a request for pension payments by the time you reach age 60, the Superannuation Board will commence paying your pension from then.

If, at any time before your preserved pension commences, you are able to satisfy the Superannuation Board that you are entitled to retire on the ground of invalidity if you had still been employed by an electricity supply employer, your pension will commence straightaway. The pension payable on invalidity will be calculated as if you had reached age 60.

If you die before your preserved pension commences, benefits will be paid to your spouse and / or eligible children. If you have neither a spouse nor any eligible children, a lump sum will be paid to your estate. For details, please refer to the following section entitled your 'Your Death Benefits'.

Commuting your Preserved Pension to a Lump Sum

Commuting when you resign

If you choose to take a preserved pension, you may, within 3 months of resigning, commute all of it to a lump sum.

This lump sum must be invested in a rollover fund of your choice, where it will be subject to the Commonwealth Government's preservation rules.

How is the Lump Sum Calculated?

The lump sum is calculated by multiplying the preserved pension by a commutation factor.

If you are under age 55, the commutation factor used per $1.00 pension per fortnight is 299 (*ie* the factor which would apply at age 55), discounted by 4% pa according to the period which is left until you turn 55.

Example

If you are aged 50, the commutation factor is 246.

Commuting a deferred pension of $772 per fortnight at age 50 (from the previous example) would give a lump sum of $189,912.

If you commute your preserved pension to a lump sum at the time you stop working, there will be no pension payable to your spouse or your eligible children on your death.

You can commute at Retirement Age

If you do not commute your preserved pension at the time you stop working, you will have another opportunity to commute at or after age 55.

This commutation would be under one of the normal commutation options which apply when a pension payment commences.

Your Death Benefits

What are the Benefits to a Spouse and Children?

Spouse and children's benefits are paid on the death of a member of the Pension Scheme. They apply on:

- death while still an active member of the Scheme;
- death while being entitled to a preserved pension which has not yet commenced;
- death while in receipt of a pension (whether this is an age pension or an invalidity pension).

The benefits are paid as fortnightly pensions, although a spouse may convert part or all or his/her pension to a lump sum.

Who is a Spouse?

A spouse means a lawful spouse, even if separated, and also a 'putative spouse' as defined in the Family Relationships Act 1975. Basically, to be a 'putative spouse' the couple must have lived together as *de facto* husband and wife for at least five years, or be the parents of a child.

A person who was the member's spouse at the date of death qualifies for a spouse pension if:

(a) the member died while still an active member of the Scheme;
or

(b) the member died after service ceased and the person was the spouse of the member either -

— when the member ceased service with the employer,
or

— during at least the 5 years prior to death.

A divorced spouse does not receive any benefit.

What if there is more than one Eligible Spouse?

If a lawful spouse and a putative spouse both qualify for a benefit, the benefit will be shared between them according to the respective periods of cohabitation.

More Information

A spouse pension continues even if the spouse remarries.

Some members had special medical limitations imposed at the time they joined the Pension Scheme. If one of these applied to a member who died in service, the spouse and children's pensions may not be payable.

Calculating the Spouse Pension

- If the member dies while still in the employer's service, the spouse pension is generally 2/3rds of the pension that would have been payable to the member had the member reached age 60.
- If the member dies while being entitled to a preserved pension (but that pension had not commenced), the spouse pension is generally 2/3rds of the pension which would have been payable had the deceased member attained age 60.

- If the member dies while receiving a pension, the spouse pension is generally 2/3rds of the pension being paid to the member at the time of death. If the deceased member was receiving a reduced pension because he/she had commuted part of his/her pension on retirement under the '100% rule', then the spouse pension will be correspondingly reduced. However, where the deceased member had commuted part of his/her pension on retirement under the '30% rule', the spouse pension is based on 2/3rds of the pension that the member would have been receiving had he/she not commuted any of the pension to a lump sum.

Example

If you die while receiving a pension of $900 per fortnight, and if any previous commutation was on the '100% rule', your spouse would start receiving a pension of two-thirds of $900.

This gives your spouse a pension of $600 per fortnight.

Commuting a Spouse Pension

A spouse may commute all or part of his/her pension within 6 months of the member's death. The following table gives the lump sum amounts available per $1.00 of pension per fortnight according to the age of the spouse:

Age 50 or under:	$299.00
Age 55:	$286.00
Age 60:	$253.50
Age 70:	$188.50
Age 80:	$123.50
Age 90	$58.50

Intermediate values apply based on age measured in years and months.

Example

Suppose a newly widowed spouse, aged 75, commutes $200 of her fortnightly pension.

The commutation rate per $1.00 of pension commuted is halfway between $188.50 at age 70 and $123.50 at age 80. This gives a rate of $156.00.

The lump sum paid for $200 of her pension per fortnight commuted would then be 200 times $156.00, ie $31,200.

Understanding Child Pensions

The amount of the child pensions payable on the death of a member depends upon whether there is a living spouse and the number of 'eligible children'.

What is an 'eligible child'? This is either:

- a child or adopted child of the deceased member, or such other person who the Superannuation Board accepts as standing in the relationship of a child to the deceased member,
- **and** who -
  - — is under age 16,
    or
  - — is age 16 or over, but less than age 25, and is attending full-time education.

A child's benefit when a spouse is living

Each child pension is the following fraction of the pension payable to the spouse:

No. of Eligible Children	Fraction
1	$1/6^{th}$
2	$1/6^{th}$
3	$1/6^{th}$
4	$1/8^{th}$
5	$1/10^{th}$
6	$1/12^{th}$
	and so on

In the calculation, any commutation of the spouse pension to a lump sum is ignored.

Example

Suppose the spouse pension is $600 per fortnight and there are 2 eligible children.

The pension fraction for each child is $1/6^{th}$ (from the above table).

Thus each child pension is $1/6^{th}$ of $600, ie $100 per fortnight.

A child's benefit when there is no living spouse

Each child pension is a percentage of the pension which the deceased member:

- was receiving at the date of death (if the deceased member was receiving a pension),
  or
- would have been entitled to receive if he/she had attained age 60 and retired (if the deceased member was not receiving a pension).

No. of Eligible Children	Percentage
1	45%
2	40%
3	30%
4	25%
5	20%
6	$16^2/_3$%
	and so on

Where the member is receiving a pension at the date of death, the calculation ignores any commutation of part of his/her pension to a lump sum under the '30% rule'.

Receiving a Lump Sum Benefit where there is no Spouse, but there are Children

If a member dies, without leaving a spouse, but leaving at least one 'eligible child', a lump sum benefit will be paid.

- Where death occurs while the member is actively contributing to the Scheme, the lump sum equals the *greater of*:
  - — the member's Contribution Account balance, *and*
  - — twice the member's annual Scheme Salary at the date of death.
- Where death occurs while the member is not actively contributing, the lump sum equals the member's Contribution Account balance.

In either case, the lump sum would be paid to the deceased member's estate.

This lump sum is in addition to the normal child pension.

Are there any Reductions of a Child's Pension?

There are two possibilities where a child's pension may be reduced:

- Where an 'eligible child' is age 18 or over, and is receiving an education or living allowance from the Commonwealth or a State, the Superannuation Board may reduce the child's pension.
- Where weekly payments of workers' compensation are payable as a consequence of the member's death, the spouse and children's pensions will also be reduced accordingly.

Who receives the Child Pension?

Where there is a spouse, the Superannuation Board may determine the proportion of a child pension that belongs to and is paid to the spouse and the proportion that belongs to and is paid to the child.

Where there is no spouse, a child pension belongs to the child.

Receiving a Lump Sum Benefit on death, leaving neither a Spouse nor Children

If a member dies and leaves no spouse or eligible children, a lump sum benefit may be paid.

- Where the member dies while in service, the lump sum equals:
  - the member's contribution with interest,
    plus
  - an extra amount based on Scheme membership, up to a maximum of 4.5 times annual Final Scheme Salary
- A similar payment applies where the member:
  - has ceased employment,
    and
  - has taken a preserved pension,
    and
  - dies before pension payments commence.
- Where the member dies while in receipt of a pension, a lump sum benefit will be paid **only if** the total pension and other benefits already paid have not exceeded the Minimum Benefit (refer page 25). Any excess of the Minimum Benefit over the total pension and other benefits already paid would be paid as a lump sum.

In each of these three cases, the lump sum is paid to the estate of the deceased member.

Example: John

- John from the previous examples on pages 8 and 9 dies in service on 1 February 2002, aged 54. He has no dependants.
- His Maximum Benefits Points are 384 (as before).
- By the time he dies, John has built up a total of 300 Contribution Points.
- His member contributions with interest total $60,000.
- His Final Scheme Salary is $1,800 per fortnight, which is $46,800 per year.

The lump sum payable to John's estate is calculated as follows:

Contributions plus interest	=	$60,000
4.5 times $46,800 times 300/384	=	$164,531
	ie in total	$224,531

Understanding your Minimum Benefit

The Scheme Rules provide that the total benefits paid to you will be at least a minimum amount. This amount equals:

(a) your contributions plus interest which, prior to 1990, was at a reduced rate, *plus*

(b) an amount equal to 15.3% of your annual Final Scheme Salary to allow for your membership of the old ETSA Occupational Superannuation Scheme between 31 December 1987 and 30 June 1992 (together with interest from the date employment ceased to the date of payment of the minimum benefit), *plus*

(c) the accumulation of notional employer contributions at the Superannuation Guarantee level from 1 July 1992 to the date employment ceased, with interest calculated through to the date of payment of the minimum benefit.

Ensuring the Minimum Benefit is paid

Once all pensions and other benefits paid to a pensioner, his/her spouse and his/her children have ceased, a calculation will be made to ensure that at least the minimum amount has been paid. If the minimum exceeds the total amount paid out as pensions and other benefits, the excess will be paid as a lump sum.

The Superannuation Board will pay this lump sum:

(i) to the member's children or grandchildren;
or

(ii) where there are no children or grandchildren, to any other person who was wholly or partly dependant on the member or the member's spouse immediately before the last pension ceased to be paid;
or

(iii) subject to (i) and (ii), to the member's estate.

What are the Special Arrangements with Benefits

Moving to a New Employer and Continuing in the Electricity Supply Industry

Special arrangements apply if you leave your current employer in order to work for a new employer **and** you continue to work in the electricity supply industry.

- Under these arrangements, if your new employer is related or associated with your old employer **and** your new employment is within South Australia, you automatically remain a member of the Scheme and you do not have the option of taking a benefit from the Scheme at that stage.
- If:

  a. your new employer is not related or associated with your old employer,
  or

  b. your new employment is outside of South Australia,

  you have the option of either:

  — taking the relevant benefit from the Scheme,
  or

  — remaining a member of the Scheme and continuing to contribute.

  In this case, you have three months after leaving employment to decide which option to take. If you have not let the Superannuation Board know your choice within 3 months, and the Board has reminded you of your choice in writing, the Board may consider that you have elected to take a benefit from the Scheme and will pay the benefit accordingly.

Where you remain a member of the Scheme, your new employer will be required to contribute.

Changing your Employer because of a 'Transmission of Business'

A special arrangement also applies where your change of employer happens because of a 'transmission of business'. This could happen if your new employer has bought the part of the business of your former employer in which you were employed.

In this case, you must remain a member of the Scheme and you have no right to take one of the normal benefits at that stage.

What if you Transfer to an Employment Contract?

Special arrangements apply if you move to an employment contract and your employer classifies you as a 'Contract Employee' for the purposes of the Scheme Rules.

In this situation:

- your contributions to the Pension Scheme must cease,
- your pension benefit will be preserved in the Scheme (refer Option 2 in the earlier section of this Booklet entitled 'Your Resignation Benefit'),
  and
- you will have the option to join either the Lump Sum Scheme (Division 2) or the Accumulation Scheme (Division 5) as a new employee.

Normal arrangements apply in respect of the preserved pension, with just one exception. The exception concerns the situation if your contract is subsequently terminated and you choose to commute your preserved pension within 3 months of ceasing employment.

Normally the lump sum available from such commutation must be preserved until your retirement. However, in the case of a contract employee, the benefit must still be rolled over to an approved rollover fund, but it can then straightaway be accessed in cash.

Working after 60 Years of Age

If you continue working after age 60, the following applies:

- your contributions to the Pension Scheme will cease at age 60 or when you have achieved 30 years' membership (whichever is the later);
- for each complete month worked after you attain a total of 30 years' membership or 60 years of age (whichever is the later), your pension will increase by $^1/_9$ of 1% of Final Scheme Salary;

[Note*:* For Lower Benefit Contributors, $^1/_{18}$ of 1% is added.]

- when you stop contributing to the Pension Scheme, you may elect to make additional voluntary contributions (see page 29).

Salary Reductions

Should there be a reduction in your salary due to either a change in salary classification or a change in your permanent shift roster, but not due to a change to part-time employment, the Rules of the Scheme provide protection for your benefits in two ways:

1. Contributing as though your salary had not changed

You may choose to keep contributing as though your salary had not changed. This means that the amount in your Contribution Account will continue to build up at the same rate as previously. You must notify the Superannuation Board in writing within one month of the reduction having occurred.

In the calculation of any benefit, the salary used will be based on your salary prior to the reduction, but adjusted to allow for movements in salaries since then.

Note: The choice to contribute as though salary had not changed is *not* available if your reduction in salary is the result of a disciplinary action.

2. Contributing at your reduced salary level

Alternatively you could contribute on the basis of your reduced salary. In that case, your pension benefits will be calculated using the *higher* of:

- your actual Final Scheme Salary at the time your employment terminates,
  and
- an average of:
  - your Final Scheme Salary before the reduction (adjusted to allow for movements in salaries since then),
    and
  - your actual Final Scheme Salary at the time your employment terminates.

Under this alternative, your potential benefit before your salary was reduced, retains its value in the final calculation of your benefit on leaving your employer.

Part-Time Employment and Casual Employment

Should you become employed on a part-time or casual basis, your benefits will be adjusted in proportion to your new working hours.

Leave Without Pay

The following arrangements for member contributions apply to periods of leave without pay:

- Leave without pay for two weeks or less is treated as a period during which contributions are payable.
- For leave without pay of up to 12 months, contributions must be paid, unless you receive the superannuation Board's approval not to contribute.
- For that part of any leave without pay in excess of 12 months, the approval of both the Superannuation Board and your employer is required if you do not wish to contribute.

Pending Taxation Reductions

Please note that there are impending reductions to gross benefits arising from the expected movement of the Scheme into the normal private-sector taxed environment with effect from 1 July 2000.

While gross benefits are expected to reduce, the net benefits received after tax will not reduce.

Pending Cash/ Preservation Changes

There are also impending changes concerning the level of benefits that must be preserved until retirement, on account of Commonwealth Government rules. These changes may limit the amount that you can take in cash before permanent retirement.

Failure of an Employer to Pay Contributions

Your employer is legally obliged to make contributions to the Scheme.

If, however, after following all available legal remedies the Board is unable to obtain the required contributions from an employer, then:

- where a benefit is payable from the Scheme to a member employed by that employer, the Board may withhold the part of the benefit which relates to the unpaid contributions, and
- the Board may adjust the benefits of members employed by that employer to take into account the unpaid contributions.

How the Government's Preservation Rules affect your benefit

A benefit subject to the Government's preservation rules can only be accessed:

(a) on leaving employment at or after age 60,

(b) at your genuine retirement from the workforce at or after you reach preservation age

Your preservation age depends upon your date of birth as follows:

Date of birth	Age
Before 1/7/60	55
1/7/60 – 30/6/61	56
1/7/61 – 30/6/62	57
1/7/62 – 30/6/63	58
1/7/63 – 30/6/64	59
After 30/6/64	60

(c) death,

(d) permanent disablement,

(e) financial hardship (as defined in the Government rules)

Understanding Additional Voluntary Contributions

What are Additional Voluntary Contributions in the Scheme?

As described on page 6, you can pay 'additional voluntary contributions' to the Scheme. These can be made by contributing extra over 9% of salary, or by lump sum payments.

Additional voluntary contributions can also arise where your contributions under the flexible contribution rate system have given you the maximum pension level allowed under the Scheme. In this situation, you can cease contributing, but you may prefer to continue your contributions to build up a lump sum benefit on retirement. These further contributions are counted as 'additional voluntary contributions' and do not attract any employer subsidy.

In additional, additional voluntary contributions arise where you have not reached you maximum pension, but are paying at one of the 'catch-up' rates (generally 7½% or 9%) even though you have no more employer subsidy to catch-up. If you keep on paying at one of these higher rates, the extra contributions over your standard contributions become 'additional voluntary contributions'.

In this case, should you reduce your contribution rate later below the level of your standard contribution rate, some of your extra contributions paid earlier will be called upon to support your employer subsidy. Thus not all of the extra will then count as 'additional voluntary contributions'.

What level of Additional Voluntary Contributions can be paid?

Additional voluntary contributions deducted from salary may be any multiple of 1½% of salary, *ie* 1½%, 3%, etc, as approved by the Superannuation Board. These salary deductions may be stopped or varied at any time.

Additional voluntary contributions made by one-off lump sum payments can be at any level approved by the Superannuation Board. These payments can be paid direct to the Scheme.

If your work arrangement allows for salary-sacrifice, you may – with the agreement of your employer – have your additional voluntary contributions made from pre-tax salary deductions.

What is your Benefit from any Additional Voluntary Contributions?

Additional voluntary contributions are credited to your 'Additional Voluntary Contributions Account'. This account is also known as your 'Provident Account Section B Account'.

The Additional Voluntary Contributions Account operates like a savings bank account, with interest being added to your additional voluntary contributions. You cannot, however, withdraw money until your service is terminated.

The benefit payable on termination of employment is a lump sum equal to the total of your additional voluntary contributions and interest, less any tax adjustments. As mentioned earlier, there is no employer subsidy on this benefit.

Other Important Information About Your Superannuation

Legal Basis of the Scheme

The Pension Scheme operates as part of the Electricity Industry Superannuation Scheme.

A Trust Deed governs the whole Electricity Industry Superannuation Scheme, while separate sets of rules made under the Trust Deed determine the way in which individual arrangements, like the Pension Scheme, must function.

The rules governing the Pension Scheme are contained in Division 3 of the Scheme Rules.

The Rules

This booklet has been prepared as a guide to help you understand the main features of the Pension Scheme. It should not be taken as covering all the conditions.

The Scheme Trust Deed and Rules cover all matters relating to the operation of the Scheme and the detailed provisions regarding the payment of benefits. Any benefit to which you are entitled will be decided in accordance with the provisions of the Trust Deed and Rules.

The Electricity Industry Superannuation Board

The Electricity Industry Superannuation Board is responsible for running the Scheme, and ensuring that the Scheme is properly administered in accordance with the provisions of the Trust Deed and Rules.

The Board is make up of nine members. Four members are appointed by the employers or the Treasurer. Two Board members are elected by Scheme members and two Board members are appointed by the United Trades and Labor Council of SA. The ninth member is an independent chairman appointed by the eight other Board members.

There must be at least one man and one woman amongst the Board members appointed by the employers. Also, the two elected members must be a man and a woman.

How the Scheme is Financed

The benefits are financed by:

- contributions by members and their employers;
- investment earnings in respect of those contributions.

Before January 2000, the employers generally paid for their share of the benefits only as the benefits were paid out when members ceased service.

Since January 2000 private-sector electricity supply employers have been 'catching up' for this lack of contributions in the past by making special contributions over a 5-year period. The payment of these special contributions is guaranteed by the State Government. The special contributions, as well as ongoing contributions by employees and employers, are invested as part of the Scheme's assets.

Investing the Scheme Assets

The Superannuation Board is responsible for the investment of the Scheme assets. The assets may be invested in government securities, shares, property and a variety of other securities and the Board may appoint professional investment managers to invest part or all of the assets on its behalf.

Your Scheme's annual report gives details of the investments held.

Interest Credited

The net investment return is passed on to you through the interest credited to your contributions.

An interim interest rate is used initially for each year and this may vary during the year. Once the final rate for a year is set, it will not be changed later on.

Administration and Investment Charges

You are not charged directly for administration costs.

The employers pay for 70% of the administration costs of running the Scheme. The remaining 30% of the administration costs and the full costs of the investment activities are taken into account in setting the annual interest rates.

Protection and Indemnity of Superannuation Board Members

The members of the Superannuation Board are indemnified out of the Scheme assets for all expenses and liabilities that they personally incur in administering the Scheme.

However, this does not include liabilities arising from a Board member's personal fraud or wilful misconduct, wilful neglect or wilful default.

Trustee Indemnity Insurance

The Superannuation Board takes out Trustee Indemnity Insurance to protect itself, the individual Board members, and the Scheme assets, to the fullest extent possible. The cost of this insurance is paid from the Scheme assets.

Auditing the Scheme

The accounts of the Scheme must be independently audited each year.

Paying Pensions from the State Superannuation Scheme

There are provisions contained in legislation for the Superannuation Board and the State Treasurer to agree that pensions for new pensioners can be paid from the State Government Superannuation Scheme, rather than from the Electricity Industry Superannuation Scheme.

Workers' Compensation Payments

If during your employment you receive workers' compensation payments, contributions will be payable as if the weekly payments were salary.

Benefit Statements

Each year you will receive a personal benefit statement containing information about your current benefits and the way your Contribution Account has built up over the year.

Information on Request

As well as sending you regular information and answering your questions, the Superannuation Administrator can provide you with further information on the Scheme's operation. Information available on request includes a copy of:

- the Scheme's Trust Deed,
- relevant extracts from the Scheme Rules,
- the latest audited Scheme accounts and annual report, *and*
- the Scheme's enquiries and complaints procedure.

The full Scheme Rules can be inspected at the office of the Scheme Administrator during normal business hours.

Information from Members and Employers

The Superannuation Board can require you, your employer, or both to provide any information that it reasonably required for the operation of the Scheme.

Surcharge

The Superannuation Board is required to advise the Australian Taxation Office each year of your employer superannuation contributions. These are notional amounts that are calculated to reflect the annual increase in the value of the employer-financed portion of your superannuation benefits.

In any year, when your adjusted taxable income is over a certain level (*eg:* $85,242 for 2001/2002), or if you have not provided your Tax File Number to the Superannuation Board, the Taxation Office will issue an assessment for surcharge tax.

Depending upon your income level, the tax can be up to 15% of your employer contributions. The tax is on top of the standard 15% tax applicable to employer contributions.

Tax on Benefits

In most cases some tax is payable on your benefits. The actual amount of tax payable depends upon:

- the type of benefit,
- the date you commenced employment,
- whether you rollover to another fund,
- when the benefit is taken as cash.

Remember to provide your Tax File Number

Make sure you provide your Tax File Number to the Superannuation Board when you join or leave the Scheme, otherwise, PAYG tax at the top marginal tax rate must be deducted from your benefit when it is paid in cash.

Rollover

You can legally postpone and, in some cases, reduce the amount of tax payable by keeping your money in the Scheme or by rolling over your benefit into an approved roll-over fund. Tax is generally payable when you make withdrawals at retirement from your rollover fund.

Independent Advice

Because the Government Regulations relating to the taxation of benefits are so complex, it is a good idea to get independent financial advice when you are leaving the Scheme.

Understanding the Reasonable Benefit Limit (RBL)

The Commonwealth Government has imposed a limit on the size of the total benefit you can take in retirement and have taxed concessionally.

This limit is called the Reasonable Benefit Limit (RBL) and is indexed each year. For 2001/2002 the RBL is:

- $529,373 if you take your benefit as a lump sum, *and*
- $1,058,742 if you use at least half of your benefit to purchase a pension or annuity which meets the Government's requirements.

Transitional arrangements also apply, which may result in you having a higher RBL than the figures above indicate. You should note that a transitional RBL will only apply if it has been registered with the Australian Taxation Office; otherwise the above limit will automatically apply.

If you think your benefit may be affected by the RBL, you should seek advice from a financial adviser.

Any lump sum amount exceeding the lump sum RBL will be taxed at the top marginal rate.

Complaints Procedure

You can make a complaint about any matter that adversely affects your benefits over the phone to the Superannuation Administrator on the number shown at the end of this booklet. We will endeavour to respond, by phone, within two working days.

If you are not satisfied with this response, you can make a written complaint addressed to the Secretary of the Electricity Industry Superannuation Board at the address on the back cover.

All written complaints will be examined within five weeks of receipt and a decision will be made within 90 days of receipt.

Your Privacy

In order to provide you with superannuation benefits, including death and disability benefits, and to properly manage the Scheme, your Scheme holds personal information about you that identifies you as a member. This typically includes your name, address, date of birth, gender, occupation, salary, tax file number and any other required information.

The Scheme generally collects this information either from you or your employer. Your personal information may be disclosed to the Scheme's administrator and professional advisers, insurers, government bodies, your employer and other parties as required, including the trustee of any other superannuation fund to which you may transfer. By becoming a member of the Scheme, it is assumed that you consent to this handling of your personal information. If you do not provide the Scheme with your personal information, the Scheme may not be able to provide your superannuation benefits and choices.

You can access your personal information held by the Scheme. Should any of your personal information be incorrect, you may have the opportunity to correct it. Consistent with the legislation, there are some circumstances where you may be denied access to information. The Scheme's Privacy Officer will advise if any of these circumstances apply.

The Scheme abides by the National Privacy Principles under the Privacy Act 1988 and has adopted a Privacy Policy which sets out in more detail the way in which it handles members' personal information. If you would like a copy of the Scheme's Privacy Policy, please contact the Scheme's Privacy Officer.

Rule Amendments

The Rules governing the Scheme can be changed by the Superannuation Board. Also employer approval is required for any change which increases the liability of an employer.

In approving any changes, the Superannuation Board would need to act in the interest of all beneficiaries of the Scheme.

Withdrawal of Your Employer from the Scheme

Your employer cannot withdraw from the Scheme without the consent of all members of the Scheme employed by your employer.

Withdrawals of Money and Loans from the Scheme

Money cannot be withdrawn from the Scheme while you remain in employment with one of the employers that participates in the Scheme. Similarly, if you have elected to keep your benefit in the Scheme after leaving the employment of your employer, you will only be entitled to withdraw it upon reaching age 55.

Also, your Scheme benefits cannot be assigned to another person, or used to arrange a loan (either directly from the Scheme, or as security for a loan).

Need More Information?

If you want more information about the Scheme, please contact the Superannuation Administrator on –

Phone (08) 8404 5707
Fax (08) 8110 3499
Email eiss@au.wmmercer.com,

or write to:

The Secretary
Electricity Industry Superannuation Scheme
Level 5
108 North Terrace
ADELAIDE SA 5000

The Scheme's Privacy Officer may be contacted in the same way.

ISSUED BY THE ELECTRICITY INDUSTRY SUPERANNUATION BOARD, APRIL 2002