

**AUSTRALIAN AIRLINES LIMITED**  
**ACN 008 642 886**

**QANTAS AIRWAYS LIMITED**  
**ACN 009 661 901**  
**AND**

**AAG SUPERANNUATION PTY LIMITED**  
**ACN 064 186 170**

---

**AUSTRALIAN AIRLINES GENERAL SUPERANNUATION PLAN**  
**TRUST DEED DATED 15 DECEMBER 1980**

**(Consolidated to incorporate amendments dated: 27 April 1988, 29 June 1992,  
17 August 1993, 3 November 1993 and 29 June 1994)**

---

Consolidated Deed Prepared by:

**Towers Perrin**  
Level 10  
101 Collins Street  
MELBOURNE VIC 3000

Telephone : (03) 270 8111  
Facsimile : (03) 270 8199  
Ref: BJH/SC

## TABLE OF CONTENTS

### TRUST DEED

<u>Clause No.</u>		<u>Page No.</u>
1	Interpretation	1
2	Contributions	1
3	Application of Contributions	2
4	Defalcation	2
5	Forfeiture	3
6	Member not to charge benefits	3
7	Power to Dismiss	4
8	Damages and Compensation	4
9	Appointment and Removal of Trustee	4
10	Meetings of Trustee	5
11	Trustee - Liability and Indemnity	5
11A	Trustee Duties	6
12	Trustee - Powers etc - Interpretation of Deed	7
13	Authority to Sign	8
14	Investments	8
15	Expenses of the Plan	11
16	Rules	11
17	Amendments to the Deed or Rules	11
18	Omitted	11
19	Discontinuance of the Plan	11
20	Reduction or Suspension of Contributions	12
21	Transfers to and from Other Plans	12
22	National or Social Insurance or Pensions	13
23	Benefit Payments	13
24	Accounts, Records and Audits	14
25	Register of Members	14
26	Advice to Members	14
27	Inspection by Members	15
27A	Inquiries and Complaints by Members	15
28	Confidentiality	15
29	Airline Providing Information	15
30	Limitation of Benefits	15
31	Maintenance of Status of the Plan as regulated Superannuation Fund	15
32	Applicable Requirements	16
33	Participating Employers	16
34	Automatic Rollovers and Unclaimed Moneys	17

**SCHEDULE OF RULES FOR THE MANAGEMENT OF**  
**THE CONTRIBUTORY SECTION**

<b><u>Rule No.</u></b>		<b><u>Page No.</u></b>
1	Definitions	19
2	Eligibility	24
3	Contributions	25
4	Adjusted Benefits in particular cases	26
5	Benefits on Retirement on the Normal Retirement Date	28
6	Benefits on Retirement prior to the Normal Retirement Date	28
7	Payment of Benefits on Retirement	28
8	Benefits on Death	29
9	Payments of Benefits on Death	29
10	Benefits on Total and Permanent Disablement	29
11	Benefits on Total and Temporary Disablement	29
12	Variations in Salaries	32
13	Benefits on Ceasing to be in the Airline's Service	32
14	Benefits on Retrenchment	33
15	Deferred Withdrawal Benefits	34

**SCHEDULE OF RULES FOR THE MANAGEMENT**  
**OF THE NON CONTRIBUTORY SECTION**

<b><u>Rule No.</u></b>		<b><u>Page No.</u></b>
1	Definitions	35
2	Eligibility	37
3	Contributions	38
4	Adjusted Benefits in particular cases	39
5	Retirement Benefits on the normal retirement date	41
6	Early Retirement Benefits	41
7	Payment of Retirement Benefits	41
8	Benefits on Death	41
9	Payment of Death Benefits	41
10	Deferred Withdrawal Benefits	41

**APPENDIX A - Adjusted Benefit Schedule**

A	Former Members of the Commonwealth Superannuation	1
B	Members employed as at 1 August 1981	2
C	Superannuation - less than full time employment effective 1 January 1987	2

<b><u>APPENDIX B - Percentage of Final Average Salary</u></b>	4
---	---

**AUSTRALIAN AIRLINES GENERAL  
SUPERANNUATION PLAN**

**Note: The original Recitals were not available at the time of producing this Consolidation**

**NOW THIS DEED WITNESSES** and it is hereby agreed and declared as follows -

**INTERPRETATION**

1. (1) In this Deed words and expressions set out in the SCHEDULE OF RULES FOR THE MANAGEMENT OF THE CONTRIBUTORY SECTION OF THE AUSTRALIAN AIRLINES GENERAL SUPERANNUATION PLAN shall, unless the context requires otherwise, have the same meaning throughout this Deed.
- (2) In this Deed where the context requires or admits the words and expressions defined in the Rules as set out in the Schedules hereto have the meanings therein assigned to them respectively. The headings in the Deed and in the Rules are for the convenience of reference only and shall not affect the interpretation thereof.
- (3) Throughout this Deed and the Rules any reference to the provision of the consent or approval of the Airline with respect to the exercise of any power or discretion by the Trustee means that the Trustee and Airline must each agree to the exercise of the relevant power or discretion.
- (4) Where any provision in this Deed or the Rules permits the direction of the Trustee by another party and such direction would be contrary to the SIS Act that provision shall be read as requiring the consent of the Trustee to the action involved.
- (5) Where a provision in this Deed or the Rules permits the exercise of a discretion by a party other than the Trustee without the consent of the Trustee and such exercise would be contrary to the SIS Act that provision shall be read as requiring the consent of the Trustee in the exercise of the discretion.

**CONTRIBUTIONS**

2. (1) The Airline covenants to pay in each review period to the Trustee or as directed by it -
  - (a) the contributions (if any) which each Member has or is deemed to have requested the Airline to deduct from his salary and which the Airline has so deducted; and
  - (b) out of the Airline's own money (subject as hereinafter provided) the Airline's contributions in accordance with the Rules

PROVIDED THAT the Airline may pay to the Trustee such additional sums (if any) as the Airline may from time to time determine and those sums shall be applied by the Trustee as the Airline shall in writing direct PROVIDED FURTHER THAT the Airline may on giving one month's notice to the Trustee of its intention so to do terminate reduce or suspend the payment by the Airline of all or any of its contributions.

- (2) Upon the expiration of the notice given by the Airline in accordance with sub-clause (1) of this Clause the liability of the Airline to make those payments shall cease either wholly or to the extent or for the period or in the circumstances mentioned in the notice except however in respect of payments due on or before the date of expiration of the period of one month.

### **APPLICATION OF CONTRIBUTIONS**

3. (1) All amounts forming part of the Plan shall be held in trust by the Trustee and the contributions by and in respect of the Members shall be applied to provide the benefits referred to in this Deed and the Rules for or in respect of the Members.
- (2) The Trustee shall arrange for benefits to be funded in whole or in part by means of the investment authorised by this Deed and in whole or in part by means of a Policy of such form as is from time to time agreed upon by the Trustee and the Insurer and the Trustee shall from the moneys in its hands available for this purpose pay to the Insurer the premiums under the Policy.
- (3) Payments made with the concurrence of the Trustee by the Airline to the Insurer in connection with the Plan shall be deemed to have been paid by the Airline to the Trustee and by the Trustee to the Insurer.
- (4) When for any reason a benefits becomes payable (whether in a lump sum or otherwise) to or in respect of a Member in accordance with this Deed and the Rules the Trustee shall subject to the terms and conditions of the Policy receive from the Insurer the amount so payable.
- (5) If in respect of the funding of any benefits under the Plan amounts are invested other than in payment of premiums under the Policy the investments and the proceeds thereof shall be held upon the same trusts as those relating to the benefits funded by means on the Policy and the provisions of this Deed and the Rules shall mutatis mutandis apply to those investments and proceeds.

### **DEFALCATION**

4. If the Member is a party to or privy to (either directly or indirectly) to any fraud, theft or other defalcation in respect of the Airline or of the Plan, or if the Member is dismissed from the service of the Airline for any such fraud, theft or other defalcation or is dismissed as a result of any wilful damage to the assets of the Airline or resigns to avoid dismissal on those grounds the benefit to which the Member would otherwise have been entitled under the Plan shall be applied so far as it shall extend (subject to

the provisions relating to the minimum standards contained in the SIS Act) to make good the defalcation and to meet any costs or losses (including the cost of any prosecution or civil proceedings) incurred by the Airline as a result of or incidental to or arising howsoever out of any such fraud, theft, other defalcation or any wilful damage to the assets of the Airline and the amount so applied shall be paid by the Trustee to the Airline or retained in the Plan (as the case may require) and the balance of the said benefit which is not so applied shall be dealt with in accordance with the other provisions of this Deed and the Rules.

## **FORFEITURE**

5. (1) The benefits being provided under the Plan in respect of a Member shall be absolutely forfeited if the Member shall do or suffer anything whereby the Member's benefit under the Plan or any part thereof shall become vested in or payable to some other person. A loan or other transactions to which Clause 6 (2) applies shall not cause a forfeiture.
- (2) The benefits of a Member shall be suspended if the Member is found by any competent Court or is shown to the satisfaction of the Trustee to be mentally ill or of unsound mind or incapable of managing his own affairs until a competent Court declares or the Trustee is satisfied that the Member is no longer mentally ill or of unsound mind and is capable of managing his own affairs or the Member dies in which event any benefits which has become payable in respect of the Member and which has not been applied in accordance with sub-clause (3) of this Clause and any benefit subsequently becoming payable shall be paid to the Member or the Member's dependants or legal personal representative in accordance with the Rules.
- (3) The Trustee may in its absolute discretion pay or apply the whole or any part of the benefits which have in accordance with this Clause been forfeited or suspended to or for the benefit of the Member or any one or more of the Member's dependants in such shares and proportions and in such manner as the Trustee shall in its absolute discretion determine PROVIDED HOWEVER THAT while the Member is still in the service of the Employer the Trustee shall not make any payment in accordance with this Clause except for the maintenance or support of the Member or the Member's dependants and also for the purpose of relieving hardship.

## **MEMBER NOT TO CHARGE BENEFITS**

6. (1) A Member while he is in the service of the Airline shall not charge mortgage transfer assign surrender or otherwise deal with his benefit under the Plan or attempt to do so.
- (2) If the Airline shall pay to the Trustee any sum representing the contribution of a Member before that contribution has been received by the Airline or deducted from the member's salary the Airline shall, to the extent permitted under the SIS Act, have a charge on the benefits being provided for or in respect of the Member under the Plan for those sums and the Trustee if so required by the

Airline shall out of the moneys received or held by the Trustee in respect of the Member refund to the Airline without interest any sums so paid or owing.

### **POWER TO DISMISS**

7. Nothing in this Deed or in the Rules shall restrict the right of the Airline to dismiss an employee or be used to increase damages in any action brought against the Airline in respect of an employee's dismissal.

### **DAMAGES AND COMPENSATION**

8. Nothing in this Deed or in the Rules shall in any way affect the right of a Member or his legal personal representatives or other person to claim damages or compensation by common law or under a Workers' Compensation Act or any other statute in force governing compensation to a Member injured or deceased from an accident arising out of or in the course of his employment with the Airline and the amount payable in terms of this Deed and the Rules shall not be reduced by reason of any payment of damages or compensation as aforesaid except as may be provided in this Deed and the Rules.

### **APPOINTMENT & REMOVAL OF TRUSTEE & DIRECTORS**

9. (1) The Trustee must be a trading corporation or a financial corporation, in each case within the meaning of paragraph 51(xx) of the Commonwealth Constitution.
- (2) The Trustee must not, at any time:
  - (a) be a Disqualified Person; or
  - (b) without reasonable excuse, permit a Disqualified Person to be, or act as, a director, secretary or executive officer of the Trustee if the Trustee knows or has reasonable grounds to suspect that the person is a Disqualified Person and has been a Disqualified Person for the immediately preceding 28 days.
- (3) If the Trustee is or becomes a Disqualified Person:
  - (a) the Trustee must immediately notify the Commissioner; and
  - (b) the Airline and the Members must immediately remove the Trustee and appoint a new Trustee which is not a Disqualified Person unless the Commissioner has exercised its powers under the SIS Act to remove the Trustee and appoint an acting Trustee for the purposes of that Act.
- (4) A Trustee when ceasing to be a Trustee must do everything necessary to vest the Plan in the new or acting Trustee and must deliver all records and other books held by that Trustee in relation to the Plan to the new or acting Trustee.



- (5) The board of Directors of the Trustee must comprise an equal number of Employer Directors and Member Directors or be of such other composition as is permitted under the Articles of Association of the Trustee and the SIS Act.
- (6) The removal and appointment of a Director will be governed by those circumstances set out in the Articles of Association of the Trustee and permitted under the SIS Act.
- (7) The Trustee will communicate to Members those rules and procedures for the appointment and removal of Member Directors which are agreed by the board of Directors of the Trustee from time to time pursuant to the Articles of Association of the Trustee.

#### **MEETINGS OF TRUSTEE**

- 10. (1) The Trustee may regulate its meetings in accordance with its Articles of Association and the requirements of the SIS Act
- (2) The Trustee shall keep or cause to be kept and retained for a period of at least ten years or such other period required by the SIS Act:
  - (a) minutes of all meetings of the Directors at which matters affecting the Plan are considered;
  - (b) records of all changes of Trustee or Directors and consents of Directors to appointment; and
  - (c) copies of reports that have been given to all Members, or all Members of a particular class.

The Trustee shall also keep or cause to be kept such other accounts, registers and records as are required for the proper operation of the Plan or compliance with the provisions of the SIS Act.

#### **TRUSTEE - LIABILITY AND INDEMNITY**

- 11. (1) No Trustee or director or officer of a corporation holding office as a Trustee shall be under any personal liability in respect of any loss or breach of trust relating to the Plan unless the same shall have been due to any event referred to in paragraphs (i), (ii) or (iii) in sub-clause 11(2)(a).
- (2) (a) The Trustee and Directors shall be indemnified out of the assets of the Plan against all liabilities incurred by the Trustee or Director in the execution or attempted execution or in respect of the non-execution of the trust, authorities, powers and discretions contained in this Deed except where the liability arises because the Trustee or Director, as the case may be:
  - (i) failed to act honestly in a matter concerning the Plan; or

- (ii) intentionally or recklessly failed to exercise, in relation to a matter affecting the Plan, the degree of care and diligence that the Trustee or Director is required to exercise; or
  - (iii) has incurred a monetary penalty under a Civil Penalty Provision.
- (b) without limiting the generality of sub-clause 11(2)(a), the indemnity provided shall apply to any payment made on the death of a Member to any person whom the Trustee bona fide believes to be entitled.
- (c) Each Trustee shall have a lien on and may use any moneys for the time being in the hands or coming into the hands of the Trustee for the above indemnity and also for the payment of all proper legal and other costs, charges and expenses of administering or winding up the Plan and otherwise of performing their duties under this Deed.

## TRUSTEE DUTIES

- 11A. The Trustee and each Director undertakes that they will do what a prudent person would do to ensure that the Plan complies with the operating standards applicable to regulated superannuation funds set out in the SIS Act and that at all times the Trustee and each Director will:
- (1) act honestly in all matters concerning the Plan;
  - (2) exercise, in relation to all matters affecting the Plan, the same degree of care, skill and diligence as an ordinary prudent person would exercise in dealing with property of another for whom the person felt morally bound to provide;
  - (3) ensure that their duties and powers are performed and exercised in the best interests of the beneficiaries (including without limitation the Members and dependants) of the Plan;
  - (4) keep the money and other assets of the Plan separate from any money and assets:
    - (a) that are held by the Trustee in any capacity other than trustee of the Plan; or
    - (b) that are money or assets, as the case may be, of the Airline or an associate (as that term is defined in the SIS Act) of the Airline;
  - (5) not enter into any contract, or do anything else, that would prevent them from, or hinder the Trustee in, properly performing or exercising its functions and powers;
  - (6) formulate and give effect to an investment strategy that has regard to the whole of the circumstances of the Plan and the SIS Act including, but not limited to, the following:

- (a) the risk involved in making, holding and realising, and the likely return from, the Plan's investments having regard to its objectives and its expected cash flow requirements;
  - (b) the composition of the Plan's investments as a whole including the extent to which the investments are diverse or involve the Plan in being exposed to risks from inadequate diversification;
  - (c) the liquidity of the Plan's investments having regard to its expected cash flow requirements; and
  - (d) the ability of the Plan to discharge its existing and prospective liabilities;
- (7) if there are reserves of the Plan, formulate and give effect to a strategy for their prudential management, consistent with the Plan's investment strategy, the requirements of the SIS Act and the Plan's capacity to discharge its liabilities (whether actual or contingent) as and when they fall due; and
- (8) allow a beneficiary access to any information or documents that a beneficiary is entitled to receive access under the SIS Act.

#### **TRUSTEE - POWERS ETC - INTERPRETATION OF DEED**

12. (1) The Trustee in the exercise of the powers, authorities and discretions vested in it by this Deed and the Rules shall have an absolute and uncontrolled discretion and may exercise, enforce or delegate or refrain from exercising, enforcing, or delegating all or any of those powers, authorities or discretions from time to time and at any time including, without limitation, the power to:
- (a) make an election that the Plan is to become a regulated superannuation fund for the purposes of the SIS Act; or
  - (b) insure any risks in such manner and with such insurers as the Trustee may agree from time to time.
- (2) The decisions as to the interpretation and effect of this Deed and the Rules by the Trustee shall be final.
- (3) The Trustee shall have the power to retain the services of and to appoint professional or other advisers in relation to the management and administration of the Plan and to remove or vary any such appointment.
- (4) The Trustee shall have the power to appoint an Actuary on such conditions as they shall determine provided that the Actuary is a Fellow or an Accredited Member of the Institute of Actuaries of Australia or a firm or company of actuaries of which at least one member or director is a Fellow or Accredited Member. The Trustee may revoke or vary any such appointment.

#### **AUTHORITY TO SIGN**

13. (1) Subject to sub-clause 13.2 the Trustee may by resolution authorise any Trustee to execute all documents in respect of new Members under the Plan and (other than in the case of a sole corporate Trustee) any two Trustee to sign or endorse cheques and sign all other documents relating to existing policies, money payable or otherwise required in connection with the Plan.
- (2) (a) The Trustee may by resolution authorise the Insurer to draw and sign cheques in favour of the Member, his dependants or legal personal representatives for benefit payments under the Plan and authorise any two or more persons whether or not any of them are Trustees, to sign or endorse cheques and to sign all documents required in connection with the Plan relating to investments, policies and money payable.
- (b) Prompt notice of the authorisation shall be given by the Trustee to the Airline and the Insurer.

## INVESTMENTS

14. (1) The Trustee may, in its name or under its control, invest the whole or any part of the monies or assets of the Plan not required for the immediate purposes of the Plan in any one or more of the following forms of investment:
- (a) any investment authorised by the laws of the Commonwealth of Australia or any Australian State or Territory for the investment of trust funds;
- (b) any first mortgage on freehold property situated in Australia or elsewhere even though the amount of the loan may exceed two-thirds of the value of the property and whether or not a report or valuation has been obtained on the value of the property;
- (c) the purchase of or subscription for shares or stock (of any class or description) or of any type of bond, mortgage, debenture note, option or other like security in any company incorporated in any part of the world whether or not carrying on business in Australia and whether those securities are fully or partly paid up and whether secured or unsecured, registered or unregistered;
- (d) any investment in futures contracts, options to buy or sell futures contracts, buy or grant options contracts, with all of the powers in this paragraph being exercisable within and beyond Australia;
- (e) on deposit with or on loan to any bank, building society, credit co-operative or other financial institution;
- (f) any policy or annuity whether by proposal, purchase or otherwise and any choses in action, interests for life or any lesser term or in reversion or howsoever arising;

- (g) the purchase or acquisition of any real or personal property and the improvement or extension thereof;
- (h) the purchase or acquisition of or subscription for any unit or sub-unit in any unit trust established or situated anywhere in the world whether individually or jointly and whether such units or sub-units are fully paid up or whether their issue involves any contingent or reserve liabilities.
- (i) the discounting of loans, mortgages, contracts, hire purchase agreements or leases; and
- (j) any other form of investment which could be made by the Trustee if acting personally and not as Trustee ;

and the Trustee shall have power from time to time to sell, vary, transpose or convert any of the investments of the Plan for others of a nature specified in this Deed.

- (2) In exercising its powers of investment under this Deed the Trustee may have regard to the overall risk and return of the whole of the assets of the Plan.
- (3) Notwithstanding the Trustee's powers of investment under this Deed nothing in this Deed shall permit the Trustee:
  - (a) making any investment which would cause the market value ratio of the Plan's in-house assets to exceed 5% or such other percentage as may be prescribed under the SIS Act from time to time.

In this paragraph (a) terms shall bear the same meaning as is attributed to those terms under the SIS Act;

- (b) acquiring an asset from a Member or a relative of a Member except in circumstances permitted under the SIS Act;
  - (c) lending to, or providing financial assistance to, a Member or a relative of a Member;
  - (d) borrowing money or maintaining an existing borrowing of money except as permitted under the SIS Act or charging the assets of the Plan other than as permitted under the SIS Act; and
  - (e) in the case of money of the Plan, investing that money other than on an arm's length basis.
- (4) The Trustee may underwrite or sub-underwrite or join with others in underwriting or sub-underwriting the subscription of any of the investments authorised by this Deed and may in the exercise of its powers of delegation under clause 14(5) give to any Investment Trustee general authority to enter

into and carry out underwriting or sub-underwriting agreements whether for the Plan alone or in conjunction with other funds and institutions.

- (5) The Trustee may appoint one or more investment managers to act on behalf of the Trustee in regard to the purchase sale administration or retention of and the dealing in any or all of the investments of the Plan PROVIDED THAT:

- (1) the investment manager is a body corporate which is not a Disqualified Person and which has not permitted a Disqualified Person to be, or act as, a director, secretary or executive officer of that body corporate;
- (2) the investment manager has no power or authority to appoint or engage a custodian of the Plan without receiving the prior written consent of the Trustee;
- (3) the appointment of the investment manager is in writing and contains provisions enabling the Trustee to require information from the investment manager from time to time:
  - (a) in relation to the making of, and return on, investments;
  - (b) as may be necessary to allow the Trustee to assess the capability of the investment manager to manage the investments of the Plan; and
  - (c) which the SIS Act may require the investment manager to provide to the Trustee from time to time;
- (4) the investment manager undertakes in writing to hold any investments made from the moneys of the Plan in trust for and on behalf of the Trustee; and
- (5) the Trustee may revoke or vary any such appointment subject to the terms of any agreement entered into by the Trustee with any such investment manager and subject to the requirements of the SIS Act.

#### **EXPENSES OF THE PLAN**

15. The expenses of and incidental to the formation and administration of the Plan shall be paid by the Airline unless the Rules otherwise provide.

#### **RULES**

16. The Rules set out in the Schedules to this Deed shall until altered as hereinafter provided be the Rules for the management of the Plan and the Rules with any alterations or amendments thereof which are made as provided in this Deed shall be construed with this Deed but in so far as the Rules are inconsistent with the provisions of this Deed or any alteration or amendments thereof the said provisions shall prevail.

## AMENDMENTS TO THE DEED OR RULES

17. This Deed and the Rules may by resolution of the Trustee and the Airline or by deed agreed to by the Trustee be added to or altered in any respect with or without retrospective operation which would in the opinion of the Trustee and the Airline be for the benefit of the past present or future employees of the Airline or their dependants generally but so that no addition or alteration shall impose any further liability on any Member without that Member's consent and that no amendment may be made with the effect of allowing an individual to be appointed as Trustee of the Plan unless the sole or primary purpose of the Plan is or becomes the provision of old-age pensions.
18. **(This Clause has been deliberately omitted).**

## DISCONTINUANCE OF THE PLAN

19. (1) If the Airline terminates its contributions to the Plan the Trustee shall terminate or alter the Policy and allocate to the Members in such shares and proportions as the Trustee considers equitable (taking into account the length of service as a Member the amount contributed by the Member and any other circumstances the Trustee considers relevant) the amounts payable in accordance with the provisions of the Policy and the amounts so allocated shall be received from the Insurer and invested by the Trustee and the amount allocated to the Member and any accretion thereto shall subject to the preservation requirements under the SIS Act and to the other provisions of this Deed and any relevant Rules be paid to the Member on his ceasing to be in the service of the Airline or the dependants or legal personal representatives of the Member in the event of his death.
- (2) If the Airline terminates its contributions to the Plan in respect of some or all of the Members for whom it has been contributing the Trustee shall unless another employer agrees to continue the contributions in respect of those Members within the provisions of this Deed reduce or modify the benefits in respect of those Members on such basis as the Trustee considers equitable (taking into account the length of service as a Member the amount contributed by the Member and any other circumstances the Trustee considers relevant) and the reduced or modified benefits shall subject to the preservation requirements under the SIS Act and to the other provisions of this Deed and any relevant Rules be paid to the Member on his ceasing to be in the service of the Airline or the dependants or legal personal representatives of the Member in the event of his death.

## REDUCTION OR SUSPENSION OF CONTRIBUTIONS

20. If the Airline reduces or suspends its contributions to the Plan in respect of some or all of the Members for whom it has been contributing those Members may arrange with the Trustee for their own contributions to the Plan to be reduced or suspended and the Trustee shall reduce or modify the benefits in respect of those Members on such basis as the Trustee considers equitable (taking into account the contributions (if any) likely

to be paid in the future the length of service as a Member the amount contributed by the Member and any other circumstances the Trustee shall consider relevant) and the reduced or modified benefits shall subject to the preservation requirements under the SIS Act and to the other provisions of this Deed and any relevant Rules be paid to the Member on his ceasing to be in service of the Airline or the dependants or legal personal representatives of the Member in the event of his death.

#### **TRANSFERS TO OR FROM OTHER PLANS**

21. (1) In any case where a Member may participate in another superannuation or similar plan or fund the Trustee with the consent of the Airline may in lieu of dealing with the benefits under the Plan relating to the Member or such part thereof as the Trustee determines in accordance with the other provisions of this Deed and the Rules transfer the whole or part of the amount in the Plan relating to those benefits to the trustees of the other superannuation or similar plan or fund PROVIDED HOWEVER THAT a transfer may be made in terms of this Clause only if the Trustee is satisfied that -
  - (a) the rights of the member or his dependants or legal personal representatives to receive the benefits arising from the amount transferred are fully secured; and
  - (b) benefits may not be paid from that plan or fund to or in respect of the Member except when he retires or in the circumstances of his incapacity for work attributable to illness or accident or on his death or in such other circumstances as in the opinion of the Trustee are approved for the purposes of those provisions of the SIS Act relating from time to time to this Plan.
- (2) The Trustee may accept into the Plan in respect of a Member an amount transferred from another superannuation or similar plan or fund in which the Member has participated and the benefit under the Plan in respect of the Member shall be adjusted in such manner as is agreed upon by the Trustee and the Member to take account of the amount so transferred.

#### **NATIONAL OR SOCIAL INSURANCE OR PENSIONS**

22. (1) If by reason of the introduction of or changes in any scheme of national or social insurance or superannuation or social services benefits or in any other provisions made by or on behalf of the government (of either Australia or of any State or Territory of Australia) for the granting of pensions or other benefits similar to superannuation benefits Members or any class of Members or their dependants may become eligible for pensions or other benefits as aforesaid the Trustee may at the request of the Airline and subject to the sub-clause (2) of this Clause reduce the benefits payable under the Plan to or in respect of the Members or of the class of Members eligible as aforesaid -



- (a) by the amount of the said pensions or other benefits or by such amount as in the opinion of the Trustee is equal to the value at the relevant date of the said pensions or other benefits; or
- (b) in such a way as to integrate the benefits under the Plan with the said pensions or other benefits; or
- (c) to such lesser extent as the Trustee may with the consent of the Airline determine

and the contributions thereafter payable to the Plan by the Members whose benefits are so reduced and by the Airline shall be appropriately adjusted.

- (2) Notwithstanding the provisions of sub-clause (1) of this Clause the reduction in the benefits for any Member or class of members as aforesaid shall not reduce those benefits to amounts which are less than those which in the opinion of the Trustee (after considering such advice as it deems relevant) are as at the date of reduction attributable to the aggregate of the contributions to the Plan up to that date which have been made by the Member or by the class of Members (as the case may be) and which are deemed by the Trustee to have been made in respect of the Member or class of Members.

## **BENEFIT PAYMENTS**

- 23. (1) The payment of any benefit from the Plan shall be subject to the production of such evidence, the performance of such acts and the execution of such documents and within such time as the Trustee or the Insurer may reasonably require from time to time.
- (2) Any benefit payment may be made by cheque by the Trustee or as directed in writing by the Trustee and may be mailed to the Member's address last known to the Trustee.
- (3) All benefits shall be expressed and paid in Australian currency unless otherwise specifically agreed between the Member and the Trustee.
- (4) If the Member ceases to be in the service of the Airline (other than by death) the Trustee shall, except where a benefit is paid into an Approved Deposit Fund or such other superannuation plan or fund in which the Member may participate or to establish an annuity or pension, determine the taxation payable in accordance with the SIS Act and the benefit payable in respect of the Member shall be the amount remaining after deducting the taxation payable PROVIDED HOWEVER THAT the Trustee may authorise the Administrator in writing to determine the amount of taxation payable and to deduct the said amount from the benefit payable. Any amounts so deducted shall be forwarded to the Australian Taxation Office in the form and within the time determined by the said Office.

- (5) Upon a Member ceasing to be in the service of the Airline the Trustee may transfer the whole or part of any benefit payable under the Plan to the Trustee of an Approved Deposit Fund in accordance with the provisions of the SIS Act and shall promptly provide or cause to be provided details of the benefits so transferred in respect of the Member.

## **ACCOUNTS, RECORDS AND AUDITS**

24. (a) The Trustee shall keep or cause to be kept such accounts, registers and records as are required for the proper operation of the Plan.
- (b) The Trustee shall appoint as Auditor of the Plan such qualified person or persons as the Airline may from time to time approve. The duties of such Auditor shall be such as the Airline may specify having regard to any other existing audit arrangements of which it approves.

## **REGISTER OF MEMBERS**

25. The Trustee shall keep or cause to be kept a Register of Members which shall record the name and residential address of each Member and all particulars relating to the Member's employment and circumstances as are necessary to enable the Trustee to determine the benefit payable to or in respect of the Member and the contributions required to be paid in order to provide those benefits.

## **ADVICE TO MEMBERS**

26. A Member shall be entitled to receive an annual advice detailing at the review date the Member's contribution and entitlements under the Plan.

## **INSPECTION BY MEMBERS**

27. A copy of this Deed and the Rules shall be kept by the Trustee and at the Airline's office and shall be open to inspection by any Member at all reasonable times.

## **INQUIRIES AND COMPLAINTS BY MEMBERS**

- 27A The Trustee must establish and communicate to Members arrangements for the proper handling of inquiries or complaints by Members or other persons claiming an interest in a benefit under this Deed. These arrangements must enable such inquiries or complaints to be properly considered and dealt with within 90 days of being made to the Trustee.

## **CONFIDENTIALITY**

28. The Trustee shall (subject to the SIS Act) regard as confidential all information disclosed to it in connection with the administration of the Plan and all related matters, PROVIDED THAT the information may be passed to those directly concerned with the administration of the Plan or payment of benefits under the Plan.

## **AIRLINE PROVIDING INFORMATION**

29. Where an employee becomes eligible to join the Plan or after receiving notice of the death, disablement or retirement of any Member or of the Member's otherwise ceasing to be in the service of the Airline, the Airline shall promptly notify the Trustee of the event and provide all other information in its possession regarding the Member or prospective Member of the Plan as may reasonably be required by the Trustee.

## **LIMITATION OF BENEFITS**

30. The Trustee shall, notwithstanding any other provisions of this Deed and the Rules limit the benefits and contributions under the Plan in respect of each Member to such extent as will ensure that -

- (a) the benefits being provided under the Plan in respect of the Member; plus
- (b) any benefits which have been or are being provided in respect of the Member under any other superannuation or similar plan or fund and which are for the purposes of this Clause to be taken into account,

are not in the opinion of the Trustee greater than the benefits which are approved from time to time under the SIS Act.

## **MAINTENANCE OF STATUS OF THE PLAN AS A REGULATED SUPERANNUATION FUND**

31. (1) Without limiting the rights of the Airline and Trustee under subclause 31(2), should an election be made by the Trustee for the Plan to become a regulated superannuation fund under the SIS Act the powers rights and duties of the Trustee, the Airline and any beneficiaries (including, without limitation, any Member and any dependant), in each case, in relation to the Plan shall at all times be subject to, and exercised or carried out in all respects in compliance with, the SIS Act and to the extent any provision of this Deed or the Rules is inconsistent with, or incompatible with, any requirement of the SIS Act, that provision shall be read and construed in a manner which is consistent with, or compatible with, the requirements of the SIS Act.
- (2) Should:
- (a) the Airline and the Trustee decide to elect that the Plan should no longer be a regulated superannuation fund under the SIS Act;
  - (b) any election made pursuant to paragraph (a) be permissible under the SIS Act;
  - (c) the Airline and the Trustee have each agreed that it would be in the best interests of the Members (considering the class as a whole) and of the beneficiaries (considering that class as a whole) that the Plan ceased to be a regulated superannuation fund under the SIS Act; and

- (d) the Airline and the Trustee have provided written notice to each Member of their decision to make an election referred to in paragraph (a),

the Trustee and Airline may make the election referred to in paragraph (a) without prejudice to the application of subclause 31(1) and, as at the date of the making of the election, sub-clause 31(1) shall cease to apply to the Trustee, Airline and any beneficiaries (including, without limitation, any Member or dependant).

## **APPLICABLE REQUIREMENTS**

- 32. The Trustee may, in carrying out its duties and exercising its rights and powers, have regard to any Applicable Requirements as it may think fit, and any action taken in good faith by the Trustee after due consideration in accordance with any Applicable Requirements shall be deemed to be authorised by this Deed notwithstanding any inconsistency with any other provision of this Deed or any other obligations or restrictions to which the Trustee would otherwise be subject and such action shall not constitute a breach of trust for the purposes of this Deed.

## **PARTICIPATING EMPLOYERS**

- 33. (1) If any person applies to the Trustee to be admitted as a Participating Employer in the form required by the Trustee and the Trustee and Australian Airlines Limited consent to the admission of the Participating Employer then the Trustee shall admit the person as a Participating Employer.
- (2) Upon admission in accordance with clause 33(1) each Participating Employer will be:
  - (a) bound by this Deed and the Rules in all respects as if it were an original party to this Deed;
  - (b) bound by any conditions which Australian Airlines Limited or the Trustee may impose upon the Participating Employer's participation in the Plan; and
  - (c) taken for the purposes of clause 9 to have nominated the Trustee representing Australian Airlines Limited as those also representing the Participating Employer.

## **AUTOMATIC ROLLOVERS AND UNCLAIMED MONEYS**

- 34. (1) Where:
  - (a) a benefit is immediately payable to a Member or to another person on behalf of a Member; and

- (b) the benefit has not been paid within ninety days of the benefit becoming payable,

the Trustee may pay the benefit to an Eligible Rollover Fund.

(2) Where:

- (a) subclause 34(1) applies and the relevant benefit has not been paid to an Eligible Rollover Fund; and
- (b) the Trustee is satisfied that at least two consecutive reports to Members of the Plan have not been received by the Member,

the Trustee must pay the benefit to an Eligible Rollover Fund unless the amount of that benefit is less than any minimum amount prescribed under the SIS Act in relation to preservation and portability of benefits, in which case the Trustee may treat the benefit as Unclaimed Money.

(3) If the Trustee is not obliged to pay Unclaimed Money to an authority of a State or Territory pursuant to the laws of that State or Territory, the Trustee must, within twenty eight days after the end of each half-year:

- (a) provide to the Commissioner a statement (in a form approved by the Commissioner) of all Unclaimed Money in the Plan as at the end of that half-year; and
- (b) when the statement is provided, pay to the Commissioner an amount equal to the amount of Unclaimed Money shown in the statement.

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

**SCHEDULE OF RULES FOR THE MANAGEMENT OF**  
**THE CONTRIBUTORY SECTION OF**  
**THE AUSTRALIAN AIRLINES GENERAL**  
**SUPERANNUATION PLAN**

**DEFINITIONS**

1. In this Deed and the Rules the following words and expressions shall unless the context requires otherwise have the following meanings -

"Actuary" means the actuary (if any) for the time being appointed by the Trustee .

"Administrator" means the administrator (if any) for the time being appointed by the Trustee.

"Airline" means Australian Airlines Limited and any Participating Employer and in relation to an employee or Member means the employer of such employee or Member.

"alternative plan" means a plan (other than this Plan) effected by the Airline for the purpose of providing superannuation benefits for its employees and includes a plan in which the employee has participated or is eligible to participate under the terms and conditions of his employment.

"Applicable Requirements" means all requirements not having the force of law non-compliance with which may affect the status of the Plan as a regulated superannuation fund under the SIS Act including -

- (i) guidelines, rulings, information circulars, and policy statements issued by the Commissioner; and
- (ii) statements by Minister of the Crown relating to impending changes to any Relevant Law or relating to any foreshadowed Relevant Law or to any policy or change in policy in respect of a Relevant Law.

"annual salary" means the annual rate of Salary of the Member as advised from time to time to the Trustee or the Insurer for the purposes of the Plan.

"Approved Deposit Fund" means a fund as defined in the SIS Act.

"child" includes a step child, ex-nuptial child, a legally adopted child and a person recognised by the Trustee as an adopted child.

"Civil Penalty Provision" has the meaning given to that term in the SIS Act.

"Commissioner" means the Commissioner of Taxation or the Insurance and Superannuation Commissioner or such other regulatory body as shall have responsibility for all or part of the administration of occupational superannuation from time to time.

"date of commencement" means the fifteenth day of December one thousand nine hundred and eighty being the date on which the Plan is deemed to have commenced.

"date of disablement" means the date which is for the purposes of the Policy deemed by the Insurer to be the date of a Member's disablement PROVIDED THAT in relation to temporary total disablement date of disablement means

- (a) The date three months after the date on which the illness, accident or injury commenced or occurred, or
- (b) the date three months after the date on which the Member was last at work,
- (c) if the illness, accident or injury commenced or occurred during a specified period of leave of absence which is deemed by the Airline to be active service the date of expiry of such period,

whichever is the latest.

"dependant" in relation to a Member means the wife, husband, widow, widower and any child of the Member and any other person who, in the opinion of the Trustee, is or was at the relevant date wholly or partially dependent on the Member.

"Director" means a director appointed to the board of directors of the Trustee pursuant to the Articles of Association of the Trustee.

"Disqualified Person" means:

- (1) in relation to an individual, a person who:
  - (a) was convicted of an offence against or arising out of any law (including the law of a foreign country) which offence is in respect of dishonest conduct; or
  - (b) has had a civil penalty order made in relation to them pursuant to the SIS Act; or
  - (c) is, or has the status of, an undischarged bankrupt under any law (including the law of a foreign country);
- (2) in relation to a body corporate, a body where:
  - (a) a director, secretary or executive officer is a person referred to in paragraph (1) and has been such a person at all times for the immediately preceding 28 days; or

- (b) a receiver, or receiver and manager, has been appointed in respect of property beneficially owned by the body; or
  - (c) an official manager or deputy official manager has been appointed in respect of the body; or
  - (d) a provisional liquidator has been appointed in respect of the body; or
  - (e) the body has been wound up; or
- (3) any person, body corporate or entity which is a disqualified person for the purposes of the SIS Act.

"Eligible Rollover Fund" means a fund declared by the Commissioner to be eligible to receive rolled-over benefits pursuant to the SIS Act.

"employee" means a person who is in the service of the Airline.

"Employer Director" means a Director representing the Airline.

"final average salary" means the annual equivalent of the Member's salaries in the period of three years prior to the Member's date of ceasing to be in the service of the Airline PROVIDED THAT if the Member ceases to be in the service of the Airline within three years of joining the Airline's service the Member's final average salary shall be determined over the lesser period.

"Ground Staff" means those employees who are in the permanent service of the Airline who (having regard to the nature and duties of their employment) have been named by the Airline as being classified for the time being as Ground Staff.

"Investment Manager" means a corporate body appointed from time to time by the Trustee as investment manager pursuant to clause 14(5).

"Insurer" means the insurer with whom the Policy is effected in accordance with this Deed and the Rules.

"legal personal representative" means the executor or administrator of the deceased Member's estate.

"Member" means an employee who has been admitted as a Member of the Plan or (as the context requires) a person in respect of whom a benefit is payable in accordance with the Rules.

"Member Director" means a Director representing the Members.

"normal retirement date" means the Member's sixty-fifth birthday.

"Participating Employer" means any person that by agreement with Australian Airlines Limited and the Trustee is admitted to participate in the Plan pursuant to Clause 33.



"Plan" means the Superannuation Plan established in terms of this Deed.

"Policy" means the Policy (being either a Policy relating to more than one Member or a Policy relating to an individual Member) effected with the Insurer in accordance with this Deed and the Rules to provide benefits under the Plan.

"Relevant Law" means any provision as may from time to time apply under the Superannuation Industry (Supervision) Act 1993, the Superannuation (Resolution of Complaints) Act 1993, the Superannuation Guarantee (Administration) Act 1992, the Income Tax Assessment Act 1936, any regulations made pursuant to any of these Acts or any other statute, law, rule or regulation as amended or varied from time to time applicable to this Plan with which the Plan must comply in order to be a regulated superannuation fund under the SIS Act or with which the Trustee or its Directors must comply in order to avoid a penalty.

"Retrenchment" means a reduction of staff declared by the Airline for the purposes of these Rules.

"review date" means the date of commencement and the first day of July in other years or such other date as is agreed upon by the Trustee and the Administrator to be applicable generally or in the case of any particular Member. In relation to a new Member - the date on which he joins the Plan.

"review period" means a period commencing on a review date and ceasing immediately prior to the next following review date.

"Rules" means these Rules as amended.

"salary" means for the purposes of these Rules the remuneration (whether described as salary or wages or otherwise) at which the Member is employed by the Airline but excludes any overtime bonuses or special grant or allowance PROVIDED THAT in respect of a Shift Worker salary shall include a shift allowance (as determined by the Airline) paid to the Member while classified by the Airline as a Shift Worker.

"service" means continuous service of or with the Airline and for the purposes of this definition an employee's service shall not cease to be continuous by reason only -

- (a) of any circumstances which for the purposes of the Plan the Airline regards as not resulting in a break in the continuity of the employee's service; or
- (b) of his being entitled to the payment of a benefit in terms of Rule 11 hereof.

"Shift Worker" means an employee who has been named by the Airline for the time being as a Shift Worker.

"SIS Act" means the Superannuation Industry (Supervision) Act 1993, any regulations made pursuant to that Act, any Applicable Requirements and any Relevant Law governing regulating or applicable to this Plan.

"this Deed" means the Trust Deed by which the Plan has been established and any additions or alterations thereto.

"Trustee" means the Trustee for the time being of the Plan.

"Unclaimed Money" means any amount treated by the Trustee as Unclaimed Money under clause 34(2) or any amount payable to a beneficiary of the Plan where:

- (a) the beneficiary has reached the eligibility age prescribed under the SIS Act;
- (b) the Trustee has determined that a benefit (other than a pension) is immediately payable in respect of the beneficiary;
- (c) the beneficiary has not applied to the Trustee to receive the benefit; and
- (d) the Trustee, after making reasonable efforts to do so, has been unable to pay the benefit to the beneficiary.

"years of membership" means the number of years including fractions of a year being complete months from the date the Member joined the contributory section of the Plan to his normal retirement date PROVIDED THAT any period during which the Member is temporarily absent from the service of the Airline shall unless the Airline otherwise determines or the law otherwise requires not be counted.

"years of participation" means the number of years and complete months from the date the Member joined the Plan to the date of his ceasing to be in the service of the Airline.

In this Deed and the Rules words importing the singular number include the plural and vice versa and words importing the masculine or neuter gender include all genders as the case may require.

References to any statutory enactment shall be construed as references to that enactment as amended, modified or re-enacted from time to time and shall include any enactment in substitution or replacement for such statutory enactment. Any reference herein to a provision of an enactment shall include the relevant provision of the enactment as amended, modified or re-enacted or of any enactment in substitution therefor.

In this Deed and Rules, unless the context otherwise requires a reference to a person includes a corporation, partnership, joint venture, association, authority, trust, State or government.

## **ELIGIBILITY**

- 2. (1) (a) Any Ground Staff employee who participates in an alternative plan shall not be eligible to participate in this Plan.
- (b) Any Ground Staff employee who has not attained the normal retirement date and (under the terms and conditions of his employment) has contributed to an alternative plan shall be eligible to become a Member of this Plan on the later of -

- (i) the date on which he commences service with the Airline; and
- (ii) the date on which the aforesaid terms and conditions cease to apply to his employment

PROVIDED THAT any benefits which have accrued under the alternative plan shall not be transferred to this Plan.

- (c) Any Ground Staff employee who commences service with the Airline on or after the first day of January 1987 and has not attained the normal retirement date shall be eligible to become a Member immediately upon commencing service PROVIDED THAT any employee who resumes service with the Airline after having ceased on account of disablement may become a Member only at the Airline's discretion and on such terms and conditions as agreed between the Airline and the Trustee .
  - (d) Any Employee who is not otherwise eligible to become a Member under sub-rule (1) of this Rule shall be eligible to become a Member upon being invited to do so by the Airline.
- (2) An employee who is eligible shall on his making written application in a form and within the time approved by the Trustee become a Member from the date on which he has become eligible.
  - (3) An employee on becoming a Member shall be deemed to have approved of and shall be bound by all the provisions of this Deed and the Rules.
  - (4) A Member shall be deemed to have authorised the Airline to deduct from his salary such amounts as will provide his contributions to the Plan.
  - (5) If an employee who is eligible to become a Member does not make written application within the time approved by the Trustee he may become a member at a later date (on making written application) only at the Airline's discretion and on such terms and conditions as are determined by the Trustee.

## CONTRIBUTIONS

- 3. (1) Subject to Rule 4 each Member shall (except while entitled to the payment of a benefit in terms of Rule 11 hereof) in respect of each review period contribute to the Plan at the rate of five per cent of his annual salary.
- (2) The contributions by the Member shall commence on the date on which he becomes a Member and shall cease on his normal retirement date or on his ceasing prior to that date to be in the service of the Airline or to be a Member whichever is the earlier PROVIDED THAT in any case the contributions by the Member shall cease at the date deemed by the Trustee to be the date on which shall end that part of the Member's years of membership that would have

been required to provide the member a benefit at his normal retirement date equal to the maximum benefit that would generally be approved from time to time for the purposes of those provisions of ~~section 23F of the SIS Act.~~

- (3) In respect of each review period the Actuary will advise the Airline of the amount which has been calculated as being required in respect of the funding of the benefits and unless otherwise agreed between the Airline and the Actuary the Airline will subject to Clause 2 of this Deed contribute to the Plan in that review period the remainder of that amount after allowance has been made for the contributions payable by the Members pursuant to sub-rule (1) of Rule 3.
- (4) (a) All Members may make additional voluntary contributions to the Plan. Unless the Airline otherwise determines or the law does not so allow, the contributions payable by Members shall be deducted by the Airline from each salary payment and shall be paid by the Airline to the Plan forthwith, or as directed by the Trustee provided that if no such deduction is made the Member shall pay his additional voluntary contribution as and when he receives each salary payment.
- (4) (b) The Trustee shall establish an accumulation account in respect of additional voluntary contributions made by each Member.
- (4) (c) The following amounts shall be credited to such accumulation account of the Member:
  - (i) any additional voluntary contributions made by the Member less any taxation, costs or charges deducted from contributions;
  - (ii) positive net earnings as are determined by the Trustee in respect of the accumulated additional voluntary contributions.
- (4) (d) The following amounts shall be debited to such accumulation account of the Member:
  - (i) any benefit payments made to or in respect of the Member;
  - (ii) such negative net earnings as are determined by the Trustee in respect of the accumulated additional voluntary contributions;
  - (iii) such proportion of any amount payable by way of taxation in respect of additional voluntary contributions to the Plan or earnings of the Plan credited to such accumulation account as the Trustee may determine.
- (5) In the circumstances of a Member becoming entitled to any of the benefits payable to a Member under Rules 5, 6, 8, 10, 11, 13 or 14 of these Rules a Member shall in addition be entitled to the amount standing to the credit of his accumulation account (if any) established pursuant to sub-rule (4) of Rule 3 of these Rules.

## ADJUSTED BENEFITS IN PARTICULAR CASES

4. (1) If the application for the provision under the Policy of an amount payable on the death or disablement of a Member or for any increase thereof is not accepted by the Insurer on its standard terms the Trustee may make such arrangements with the Insurer and the Member regarding the amount (if any) to be payable under the Policy on the Member's death or disablement as in all the circumstances they consider suitable and the contributions to the Plan payable by the member and the benefit payable under the Rules in respect of the Member on his death or disablement shall be adjusted accordingly.
- (2) If on the Member's death or disablement it is found that the Member's age was incorrectly stated to the Insurer in connection with the Policy the benefit payable under the Rules in respect of the Member on his death or disablement shall be adjusted to take account of the Member's correct age and years of membership.
- (3) Each Member shall produce such particulars evidence or statements in regard to his health (including undergoing any medical examination) as may reasonably be required from time to time by the Trustee or the Insurer in relation to the Plan and the payment of any benefit (or part thereof) under the Plan shall be subject to the Member having complied with such requirement. In the event that there is in any of the aforementioned particulars evidence or statements supplied by or in respect of a Member any mis-statement error mistake omission or suppression whereby the Insurer may in respect of that Member reduce or otherwise vary the amount payable to the Trustee then the Trustee may likewise reduce or otherwise vary the amount payable to the Member.
- (4) In the event that a Member is relocated to another position with the Airline and as a result incurs a reduction in salary the contributions and benefits payable in terms of the Rules in respect of the Member shall be adjusted in such manner as the Trustee shall determine after considering the advice of the Actuary PROVIDED THAT the Member may within one month of such reduction elect by notice in writing to the Airline that for the purposes of calculating contributions and benefits under the Plan his salary be deemed to be the salary which would have applied had he not been relocated.
- (5) Subject to paragraph (c) of this sub-rule if the Member is absent for a period from the service of the Airline without remuneration or full remuneration (other than on account of the Member's Temporary Total Disablement) then the following provisions shall apply -
  - (a) the period of the Member's absence shall not be counted in determining a benefit payable to the Member at any time in terms of the Rules;
  - (b) during the period of the Member's absence -
    - (i) the contributions to the Plan by and in respect of the Member shall cease;

- (ii) if the Member dies or is disabled (as referred to in Rule 10) the benefit payable shall be an amount equal to a benefit determined under Rule 6 or sub-rule (1) of Rule 13 and Rule 15 (as the case may require). The benefit shall be calculated as if the Member has ceased to be in the service of the Airline or has retired on the date of his death or disablement and shall become payable as specified in Rules 9 or 10 (as the case may require);
  - (iii) if the Member is disabled (as referred to in Rule 11) the benefit payable shall be an amount equal to a benefit determined under Rule 6 or sub-rule (1) of Rule 13 (as the case may require). The benefit shall be calculated as if the Member has ceased to be in the service of the Airline or has retired on the date of his disablement and shall become payable as specified in Rule 11.
  - (iv) if the Member ceases to be in the service of the Airline (other than in the circumstances set out in paragraphs (ii) or (iii)) the benefit payable shall be determined in accordance with Rule 5 or Rule 6 or Rules 13 and 15 or Rules 14 and 15 (as the case may require).
- (c) The Member and the Airline may agree as to the provisions which shall apply during his absence. In such a case the terms of this agreement (which shall be promptly advised by the Airline to the Trustee ) will apply. If these terms are inconsistent with the other provisions of the Rules the said terms shall prevail.
- (6) If a Ground Staff employee is referred to in the Adjusted Benefit Schedule contained in Appendix "A" to this Deed and the employee shall be eligible to become a Member and the benefits which would otherwise have been payable in terms of these Rules shall be adjusted in accordance with the provisions of the Adjusted Benefit Schedule.

#### **BENEFITS ON RETIREMENT ON THE NORMAL RETIREMENT DATE (AGE 65)**

- 5. If the Member retires on his normal retirement date the benefit payable shall subject to Rule 4 be an amount equal to -
  - (a) in the case of a Member who has completed at least four complete years of participation eighteen per cent of the Member's final average salary multiplied by his years of membership
  - (b) in the case of a Member who has completed less than four complete years of participation the sum of -
    - (i) an amount calculated in accordance with sub-rule (1)(b) of Rule 13; and
    - (ii) an amount calculated in the manner described in Rule 15.

## **BENEFITS ON RETIREMENT PRIOR TO THE NORMAL RETIREMENT DATE**

6. If the Member retires within ten years prior to his normal retirement date the benefit payable shall subject to Rule 4 be calculated in the manner set out in Rule 5 as if the Member had retired on his normal retirement date but reduced by eighteen per cent of his final average salary for each year in the period (measured in years and fractions of a year being complete months) from the date of his retirement to his normal retirement date PROVIDED THAT in the case of a Member (other than a Member whose date from which his years of participation commenced was prior to the first day of January 1987 and whose age at the said date was at least fifty-one years) who has completed less than four complete years of participation this benefit shall be an amount equal to the sum of -
  - (i) an amount calculated in accordance with sub-rule (1)(b) of Rule 13; and
  - (ii) an amount calculated in the manner described in Rule 15.

## **PAYMENT OF BENEFITS ON RETIREMENT**

7. The benefit referred to in Rules 5 and 6 shall be paid to the Member either as a capital sum or in such other manner as the Member may elect and without limiting the generality of the foregoing the Member may elect that the whole or part of the benefit payable be paid into an Approved Deposit Fund or utilised by the Trustee to provide for payment of an annuity to the Member of such nature as the Trustee and the Member agree.

## **BENEFITS ON DEATH**

8. If the Member dies prior to his normal retirement date the benefit payable on his death shall subject to Rule 4 be the amount determined under Rule 5 as if the Member had continued in the service of the Airline until and had retired on the normal retirement date. For this purpose the Member's salary at the date of his death shall be deemed to have continued to be his annual salary up to his normal retirement date.

## **PAYMENTS OF BENEFITS ON DEATH**

9. In the event of the Member's death the Trustee shall pay or apply the benefit payable in accordance with this Deed and the Rules as a capital sum to or for the benefit of such one or more dependants of the deceased Member and the legal personal representatives of the deceased Member and in such shares and proportions as the Trustee shall in its absolute discretion determine.

## **BENEFITS ON TOTAL AND PERMANENT DISABLEMENT**

- 10 (1) If the Member becomes totally and permanently disabled (within the meaning of the definition appearing in the Policy) prior to attaining the age of sixty-five years the benefit payable shall subject to Rule 4 be calculated in the manner set out in Rule 8 as if the Member had died on his date of disablement.

- (2) If the Member becomes totally and permanently disabled as aforesaid the Trustee shall pay or apply the benefit payable in accordance with this Deed and the Rules to or for the benefit of the Member or any one or more of his dependants in such shares and proportions and in such manner as the Trustee shall in its absolute discretion determine PROVIDED HOWEVER THAT while the Member is still in the service of the Airline payment shall not be made in terms of this Rule except for the maintenance or support of the Member or his dependants and for the purpose of relieving hardship PROVIDED FURTHER THAT if the Member dies before the whole of the benefit payable in respect of the Member has been paid or applied in accordance with this Rule the benefit payable or the balance thereof (as the case may be) shall be paid to the persons and in the manner referred to in Rule 9.

### **BENEFITS ON TOTAL AND TEMPORARY DISABLEMENT**

11. (1) If the Member becomes totally and temporarily disabled (as referred to in sub-rule (4) of this Rule) -
- (a) an income benefit shall be payable to him as specified in sub-rules (2) and (3) of this Rule; and
  - (b) no benefit shall become payable to or in respect of the Member under any provisions of the Rules other than as specified in this Rule.
- (2) While the Member is totally and temporarily disabled as aforesaid the Trustee shall pay to him a monthly income benefit (in this Rule called the "income benefit") the amount of which subject to Rule 4 and except as hereinafter provided is equal to one-twelfth of twelve and one-half per cent of the amount which would have been payable (as determined in accordance with Rule 8) if the Member had died on his date of disablement PROVIDED HOWEVER THAT -
- (a) the income benefit payable to the Member shall be the amount remaining after reducing the amount determined as aforesaid by the monthly equivalent of any sum paid or payable to a Member under any provision (statutory or otherwise) for workers' compensation and sick leave.
  - (b) for the purposes of paragraph (a) of this sub-rule any sum so paid or payable which -
    - (i) is not a periodical payment shall be deemed to have been paid in such monthly amounts and at such times during the period of the Member's disablement as the Trustee shall from time to time determine; or
    - (ii) is paid at other than monthly intervals shall for the purposes of this Rule be calculated and expressed as a rate of payment per month; and



- (c) the income benefit (before reduction in accordance with paragraph (a) of this sub-rule) shall not in any case exceed one-twelfth of seventy-five per cent of the annual rate of salary of the Member immediately prior to his date of disablement.
- (3) The income benefit shall be payable on the first day of each calendar month the first payment being due on the first day of the calendar month following the month in which falls the Member's date of disablement and the last payment being due on the first day of the calendar month in which:
  - (a) the Member ceases to be totally and temporarily disabled (as referred to in sub-rule (5) of this Rule); or
  - (b) the Member's period of disablement first exceeds two years whichever is the earlier.
- (4) A Member shall be recognised as being totally and temporarily disabled (but not totally and permanently disabled) if he is disabled as a result of illness accident or injury and as a result of which:
  - (a) he has been continuously absent from his employment with the Airline for a period of three consecutive months and the Trustee is not satisfied his disablement is permanent;
  - (b) during any one period of disablement he is unable (in the opinion of the Trustee after considering the advice of the Insurer) to perform each and every normal duty as an employee; and
  - (c) he remains under the care and attention of a legally qualified medical practitioner.
- (5) A Member shall cease to be totally and temporarily disabled when he -
  - (a) recovers from his disability or engages in or performs any occupation or work for reward;
  - (b) becomes totally and permanently disabled as referred to in Rule 10;
  - (c) attains the age of sixty-five years; or
  - (d) dies.
- (6) If the Member ceases to be totally and temporarily disabled in the circumstances referred to in paragraph (a) of sub-rule (5) of this Rule or if the Member's period of disablement exceeds two years and -
  - (a) if he then rejoins or ceases to be temporarily absent from and returns to the service of the Airline the contributions by and in respect of the Member shall be payable as specified in the other provisions of the

Rules and if the Member subsequently ceases for any reason to be in the service of the Airline or becomes disabled or dies the provisions of the Rules relating to the benefit payable in those circumstances shall apply; or

- (b) if the Member does not then rejoin the service of the Airline or if the Member ceases to be temporarily absent from and does not then return to the service of the Airline a benefit of an amount equal to the benefit payable in accordance with sub-rule (1) of Rule 13 and Rule 15 calculated as if the Member has ceased to be in the service of the Airline on the date on which he has ceased to be totally and temporarily disabled shall be paid to the Member.
- (7) If the Member becomes totally and permanently disabled as aforesaid the benefit referred to in Rule 10 shall then become payable as specified in that Rule.
- (8) If the Member attains the age of sixty-five years and thereby ceases to be totally and temporarily disabled he shall be deemed to have retired and the benefit referred to in Rule 5 shall then become payable as specified in Rule 7.
- (9) If the Member dies the benefit referred to in Rule 8 shall become payable as specified in Rule 9.
- (10) For the purpose of determining the benefits referred to in sub-rules (7) (8) and (9) of this Rule -
  - (a) the Member's annual salary at the date of his disablement shall be deemed to apply up to his normal retirement date;
  - (b) the Member's years of membership shall be deemed to include the period from the date of his disablement as aforesaid up to his sixty-fifth birthday.

## **VARIATIONS IN SALARIES**

- 12. The Trustee or the Airline will advise the Administrator approximately two months before each review date of the annual salaries of the Members relating to that review date and the contributions by and in respect of the Members and the benefits being provided under the Plan shall be adjusted if necessary from the review date to take into account the salaries of the Members.

## **BENEFITS ON CEASING TO BE IN THE AIRLINE'S SERVICE**

- 13. (1) If the Member prior to his normal retirement date ceases (other than by reasons of his death or the circumstances set out in Rule 6 or 10 or on account of Retrenchment) to be in the service of the Airline the benefit (in addition to the Member's entitlement under Rule 15) payable to the Member shall subject to Rule 4 be determined as follows:

- (a) in the case of a Member being at least thirty-five years of age and so long as the Member's years of participation are at least four years an amount equal to the sum of
- (i) ten per cent of the Member's final average salary multiplied by that part of his years of participation falling prior to the first day of January 1987; and
  - (ii) a percentage (as set out in Appendix "B" to this Deed) according to his age (last birthday) at the date the Member's years of participation commenced and his age (last birthday) at the date of his ceasing to be in the Airline's service, of the Member's final average salary multiplied by that part of his years of participation falling on or after the first day of January 1987.
- X (b) in the case of any other Member - an amount equal to a percentage as set out below (depending on the Member's years of participation) of the Member's final average salary multiplied by the Member's years of participation -

<b>Years of Participation (years)</b>	<b>Percentage of final average salary</b>
Less than 1	7 1/3
1 but less than 2	7 1/3
2 but less than 3	8 2/3
3 or more	10

PROVIDED THAT the benefit in terms of this paragraph (b) shall not be less than the Member's contributions to the Plan together with compound interest.

- (2) For the purposes of this Rule compound interest additions shall be calculated and added yearly on each review date and on the date on which the Member ceases to be in the Airline's service from the date the Member joins the Plan up to the date on which the Member ceases to be in the Airline's service at the rate of five per cent per annum (or at such other rate as is from time to time determined by the Trustee after considering the advice of the Administrator) on the assumption that contributions paid by the Member during any review period were paid mid-way through that period.

#### **BENEFITS ON RETRENCHMENT**

14. If the Member prior to his normal retirement date ceases to be in the service of the Airline on account of Retrenchment (in addition to the Member's entitlement under Rule 15) the benefit payable to the Member shall subject to Rule 4 be three times the Member's contributions to the Plan together with compound interest thereon (in terms of sub-rule (2) of Rule 13) PROVIDED THAT the benefit shall be increased to an amount not exceeding -

- (i) (if the Member is within ten years prior to his normal retirement date) a benefit calculated in the manner set out in Rule 6
- (ii) (if the Member has completed at least twenty-five years of participation but is not within ten years prior to his normal retirement date) a percentage (as set out in Appendix "B" to this Deed) as if his age at the date the Member's years of participation commenced was thirty-two years or less and according to his age (last birthday) at the date of his ceasing to be in the Airline's service, of the Member's final average salary multiplied by his years of participation  
FURTHER PROVIDED THAT the benefit shall not be less than the benefit which a Member would have been entitled to receive pursuant to these Rules prior to changes being introduced by the Supplemental Deed dated 27 April 1988.

### **DEFERRED WITHDRAWAL BENEFITS**

15. Subject to Rule 4 if the Member prior to the age of fifty-five years ceases (other than by reason of his death or total and permanent disablement) to be in the service of the Airline a benefit being an amount equal to the sum of -

- (a) three per cent of the Member's final average salary multiplied by that part (measured in years and fractions of a year being complete months) of his years of participation falling after the first day of January 1987; and
- (b) investment earnings (if any) determined on the amount specified in paragraph (a) above at such rate as the Trustee shall decide from time to time (after considering the advice of the Administrator) from the date the Member ceases to be in the service of the Airline to the date of payment

shall be paid into a plan or fund approved under the Act PROVIDED THAT the Trustee is satisfied that the benefit under such plan or fund may not be paid to or in respect of the Member except -

- (i) if he ceases regular remunerative employment on or after he attains the age of fifty-five years; or
- (ii) if he retires from regular employment as a result of illness or permanent incapacity (proved to the satisfaction of the Trustee of that plan or fund) prior to the attainment of the age of fifty-five years; or
- (iii) if he departs from Australia permanently; or
- (iv) if he dies;
- (v) under any other circumstances as may be approved from time to time by the Insurance and Superannuation Commission.

**SCHEDULE OF RULES FOR THE MANAGEMENT OF THE  
THE NON CONTRIBUTORY SECTION OF THE AUSTRALIAN AIRLINES  
GENERAL SUPERANNUATION PLAN**

**DEFINITIONS**

1. In this Deed and in the Rules the following words and expressions shall, unless the context otherwise requires, have the following meanings -

"Administrator" means the administrator (if any) for the time being appointed by the Trustee.

"Airline" means Australian Airlines Limited and any Participating Employer and in relation to an employee or Member means the employer of such employee or Member.

"alternative plan" means a plan (other than this Plan) effected by the Airline for the purpose of providing superannuation benefits for its employees and includes a plan in which the employee has participated or is eligible to participate under the terms and conditions of his employment.

"casual employees" means those employees who (having regard to the nature and duties of their employment) have been named by the Airline as being classified for the time being as casual employees.

"child" includes a step-child, ex-nuptial child, a legally adopted child and a person recognised by the Trustee as an adopted child

"dependant" in relation to a Member means the wife, husband, widow, widower and any child of the Member and any other person who, in the opinion of the Trustee, is or was at the relevant date wholly or partially dependent on the Member.

"employee" means a person who is in the service of the Airline.

"Ground Staff" means those employees who are in the permanent service of the Airline (having regard to the nature and duties of their employment) have been named by the Airline as being classified for the time being as Ground Staff.

"Insured Benefit" in respect of a Member means the amount (if any) payable (in addition to the Member's Retirement Account) on the Member's death the amount of which shall be agreed between the Airline and the Trustee. The cost of this benefit shall be deducted from the Retirement Account.

"Insurer" means the insurer with whom the Policy is effected in accordance with this Deed and the Rules.

"legal personal representative" means the executor or administrator of the deceased Member's estate.

"Member" means an employee who has been admitted as a Member of the Plan or (as the context requires) a person in respect of whom a benefit is payable in accordance with the Rules.

"non-permanent employees" includes those employees classified as casual employees and temporary employees.

"normal retirement date" means the Member's sixty-fifth birthday.

"Participating Employer" means any person that by agreement with Australian Airlines Limited and the Trustee is admitted to participate in the Plan pursuant to clause 33.

"Plan" means the Superannuation Plan established in terms of this Deed.

"Policy" means the Policy effected with the Insurer in accordance with this Deed and the Rules to provide benefits under the Plan.

"Relevant Law" means any provision as may from time to time apply under the Superannuation Industry (Supervision) Act 1993, the Superannuation (Resolution of Complaints) Act 1993, the Superannuation Guarantee (Administration) Act 1992, the Income Tax Assessment Act 1936, any regulations made pursuant to any of these Acts or any other statute, law, rule or regulation as amended or varied from time to time applicable to this Plan with which the Plan must comply in order to be a regulated superannuation fund under the SIS Act or with which the Trustee or its Directors must comply in order to avoid a penalty.

"Retirement Account" means the Retirement Account of a Member established pursuant to sub-rule(3) of Rule 3 of these Rules.

"review date" means the first day of January 1987 and the first day of July in each year or such other date as is determined by the Trustee from time to time.

"Rules" means these Rules as amended.

"salary" means for the purposes of these Rules the remuneration (whether described as salary or wages or otherwise) at which the Member is employed by the Airline but excludes any overtime bonuses or special grant or allowance PROVIDED THAT in respect of a Shift Worker salary shall include a shift allowance (as determined by the Commission) paid to the Member while classified by the Airline as a Shift Worker. PROVIDED FURTHER THAT in respect of a Casual Employee the hours worked for the purposes of determining salary shall be deemed to be sixteen hours per week.

"service" means continuous service with the Airline. For the purposes of this definition an employee's service shall not cease to be continuous by reason only of any circumstances which for the purposes of the Plan the Airline regards as not resulting in a break in the continuity of the employee's service.

"shift worker" means an employee who has been named by the Airline for the time being as a Shift Worker.

"SIS Act" means the Superannuation Industry (Supervision) Act 1993, any regulations made pursuant to that Act, any Applicable Requirements and any Relevant Law governing regulating or applicable to this Plan.

"this Deed" means the Trust Deed by which the Plan has been established and any additions or alterations thereto.

"temporary employees" means those employees who (having regard to the nature and duties of their employment) have been named by the Airline as being classified for the time being as temporary employees.

"Trustee" means the Trustee for the time being of the Plan.

In this Deed and the Rules words importing the singular number include the plural and vice versa and words importing the masculine or neuter gender include all genders as the case may require.

In this Deed and the Rules, unless the context otherwise requires, a reference to a person includes a corporation, partnership, joint venture, association, authority trust, State or government.

## **ELIGIBILITY**

2. (1) (a) Any non-permanent employee who has not attained the normal retirement date on the first day of January 1987 shall become a Member at that date.
- (b) Any other non-permanent employee who commences service with the Airline after the first day of January 1987 and has not attained the normal retirement date shall become a Member immediately upon commencing service.
- (c) Any Ground Staff employee who has not attained the normal retirement date, is not a member of an alternative plan or does not participate in the Plan in accordance with the Rules for the management of the Contributory section of the Plan shall become a Member of this section of the Plan.

**[N.B: The following sub-rules appear to be misnumbered in the original]**

- (3) An employee on becoming a Member shall be deemed to have approved of and shall be bound by all the provisions of this Deed and the Rules.
- (4) Every Member shall submit -
  - (a) such evidence of age as is required by the Trustee ; and

- (b) such evidence of health and sign any documents required in connection with the Insured Benefit; and
  - (c) all other information as may be reasonably required by the Trustee .
- (5) The Trustee shall ensure that each employee who becomes a Member is notified in writing of his right and the right of his dependants to receive benefits from the Plan.

## CONTRIBUTIONS

### 3. (1) **By Member**

The Member may make voluntary contributions to the Plan but is not otherwise bound to contribute to the Plan. Unless the Airline otherwise determines or the law does not so allow, the contributions payable by Members shall be deducted by the Airline from each salary payment and shall be paid by the Airline to the Plan forthwith, or as directed by the Trustee provided that if no such deduction is made the Member shall pay his voluntary contribution as and when he receives each salary payment.

### (2) **By Airline**

The Airline shall contribute to the Plan in respect of each Member at the rate of three percent of Member's salary for periods prior to 1 July 1992 and at the rate of four percent of Member's salary for periods after 30 June 1992 but before 1 January 1992 and at a rate of five percent of Member's salary for periods after 31 December 1992.

- (3) (a) The Trustee shall establish a Retirement Account in respect of contributions made in relation to Member pursuant to sub-rules (1) and (2) of Rule 3.
- (3) (b) The following amounts shall be credited to the Retirement Account of a Member:
  - (i) contribution made in relation to a Member pursuant to sub-rules (1) and (2) of Rule 3 less any taxation, costs or charges deducted from such contributions;
  - (ii) positive net earnings as are determined by the Trustee in respect of the accumulated contributions in the Member's Retirement Account;
- (3) (c) The following amounts shall be debited to the Retirement Account of a Member;
  - (i) any benefit payments made to or in respect of a Member;



- (ii) such negative net earnings as are determined by the Trustee in respect of the Member's Retirement Account;
- (iii) the cost of providing any Insured Benefit in respect of a Member;
- (iv) such proportion of any amount payable by way of taxation in respect of contributions made in relation to sub-rules (1) and (2) of Rule 3 or earnings of the Plan credited to the Retirement Account as the Trustee may determine.

#### **ADJUSTED BENEFITS IN PARTICULAR CASES**

4. (1) If the Member's date of birth is shown to be incorrectly stated or if other information supplied to the Trustee or the Insurer is shown to have been incorrect or incomplete the benefit payable under the Plan to or in respect of the Member shall (unless the Trustee otherwise determines) be adjusted as the Trustee considers equitable having regard to the relevant circumstances.
- (2) (a) If the application for the granting of any insurance on the life of a Member under the Policy or of any increase in the amount of the insurance is not accepted by the Insurer on its standard terms; or,
- (b) if the amount (if any) of the insurance under the Policy is limited by the Insurer at any time,

**THEN** the benefit payable under the Plan on the Member's death shall (unless the Trustee otherwise determines) be adjusted as the Trustee considers equitable having regard to the amount of the insurance granted by the Insurer under the Policy and the conditions relating to it.

- (3) Subject to sub-rule 3(c) of this Rule if the Member is granted a period of leave from the service of the Airline without pay then the following provisions shall apply -
  - (a) In the event of the Member dying during the period of that leave the benefit payable shall be the amount standing to the credit of his Retirement Account unless the Trustee is able to make some provision for the Insured Benefit (if any) under any Policy for the Member while he is on leave without pay and in such case the benefits payable under the Plan in respect of the Member on his death shall be adjusted accordingly;
  - (b) Any Insured Benefit in respect of the Member during the period of leave without pay shall not exceed the amount which would have been determined in terms of this Deed and Rules in this Schedule as if the Member had died immediately prior to the date of commencement of that leave.

- (c) The contributions and benefits in respect of the Member shall be as agreed between the Member and the Airline as a condition to the granting of that period of leave and if the Member does not subsequently comply with the terms of that agreement he shall be deemed to have resigned from the service of the Airline upon the date of commencement of the said leave or such later date as the Airline and the Trustee determines to be appropriate.
- (4) (a) Subject to sub-rule 4(b) of this Rule -
  - (i) if (on or about the time the Member joins the Plan) the Airline gives him written notice that his benefits and contributions vary in one or more respects from those which would otherwise apply to the Member in terms of the Rules in Schedule, **THEN** the Member's benefits and contributions shall be determined either in accordance with such notice or as otherwise agreed between the Airline and the Member.
  - (ii) the Airline and the Member may at any time (other than that referred to in sub-rule (4)(a)(i) of this Rule) and from time to time agree in writing that the Member's benefits and contributions should vary in one or more respects from those which would otherwise apply. In such event the Member's benefits and contributions shall be determined in accordance with the terms of the agreement until the agreement is varied by a further agreement.
- (b) Any variation in a Member's benefits and contributions under sub-rule (4)(a) of this Rule shall -
  - (i) not, in the opinion of the Trustee, be to the detriment of the accrued benefits of other Members or their dependants.
  - (ii) be promptly advised by the Airline to the Trustee.

#### **RETIREMENT BENEFITS ON THE NORMAL RETIREMENT DATE (AGE 65)**

- 5. If the Member retires on the normal retirement date the benefit payable shall, subject to Rule 4, be an amount equal to the amount standing to the credit of the Member's Retirement Account at the date of his retirement.

#### **EARLY RETIREMENT BENEFITS**

- 6. If the Member retires on or after attaining the age of fifty-five years the benefit payable shall, subject to Rule 4, be an amount equal to the amount standing to the credit of the Member's Retirement Account at the date of retirement.

## **PAYMENT OF RETIREMENT BENEFITS**

7. The benefit referred to in Rules 5 and 6 shall be paid to the Member as a capital sum.

## **BENEFITS ON DEATH**

8. If the Member dies while he is in the service of the Employer prior to the normal retirement date the benefit payable shall, subject to Rule 4, be an amount equal to the aggregate of -
- (a) the amount standing to the credit of the Member's Retirement Account at the date of his death; and
  - (b) the Insured Benefit (if any).

## **PAYMENT OF DEATH BENEFITS**

9. If the Member dies the Trustee shall pay or apply the benefits payable in accordance with this Deed and this Schedule of Rules as a capital sum to or for the benefit of such one or more dependants of the deceased Member and the legal personal representative of the deceased Member and in such shares and proportions as the Trustee in its absolute discretion determines.

## **DEFERRED WITHDRAWAL BENEFITS**

10. Subject to Rule 4 if the Member prior to the age of fifty-five years ceases (other than by reason of his death) to be in the service of the Airline a benefit being and amount equal to the sum of -
- (a) the amount standing to the credit of the Member's Retirement Account at the date of his ceasing to be in the service of the Airline; and
  - (b) such investment earnings (if any) at such rate as the Trustee shall decide from time to time (after considering the advice of the Administrator) determined on the amount specified in paragraph (a) above from the date the Member ceases to be in the service of the Airline to the date of payment

shall be paid into a plan or fund approved under the SIS Act PROVIDED THAT the Trustee is satisfied that the benefit under such plan or fund may not be paid to or in respect of the Member except -

- (i) if he ceases regular remunerative employment on or after he attains the age of fifty-five years; or
- (ii) if he retires from regular employment as a result of illness or permanent incapacity (proved to the satisfaction of the Trustee of that plan or fund) prior to the attainment of the age of fifty-five years; or
- (iii) if he departs from Australia permanently; or

- (iv) if he dies;
- (v) under any other circumstance as may be approved from time to time by the Insurance and Superannuation Commission.

## APPENDIX A

### ADJUSTED BENEFIT SCHEDULE

#### A. **Former Members of the Commonwealth Superannuation Scheme**

1. Any Ground Staff employee who is an Eligible Employee and has not attained the Minimum Retiring Age is eligible to become a Member of the Plan and shall on his making a written application within the time prescribed by the Trustee and in a form approved by the Trustee become a Member from a date determined by the Trustee and shall be deemed to have approved of and shall be bound by all the provisions of this Deed and the Rules and shall be deemed to have authorised the Airline to deduct from each of his salary payment such amounts as will provide his contributions to the Plan.

The employee shall elect at the time of his application to either -

- (1) authorise the Commissioner for Superannuation to pay to the Trustee his Accumulated Basic Contributions as at the date on which he becomes a Member, and his benefits shall be determined in accordance with the Rules but adjusted as follows -
  - (a) The benefit payable in terms of Rule 5 or Rule 8 shall be increased by sixteen and two thirds per cent of the Member's final average salary multiplied by his period of contributory service.
  - (b) In determining any benefits payable in terms of Rule 13 or Rule 14 the Member's contributions to the Plan shall include the amount of the Member's Accumulated Basic Contributions which was paid to the Trustee at the time he became a Member; and the Member's period of contributory service shall be included in the determination of his years of participation.

Where an employee makes this election he shall if applicable receive from the Commissioner for Superannuation his Accumulated Supplementary Contributions; or

- (2) receive from the Commissioner for Superannuation his Accumulated Basic Contributions and (if applicable) his Accumulated Supplementary Contributions as at the date on which he becomes a Member, and his benefit shall be determined in accordance with the Rules without adjustment in accordance with this Schedule.

2. (a) For the purposes of Part A of the Schedule the terms

"Eligible Employee";  
 "Minimum Retiring Age";  
 "Accumulated Basic Contributions"; and  
 "Accumulated Supplementary Contributions" shall have the meaning ascribed to them by the Superannuation Act 1976.

- (b) For the purposes of Part A of this Schedule "period of contributory service" shall have the meaning ascribed to it by the Superannuation Act 1976 and is the period upon which the pension benefit under the aforesaid Act would have been based if the employee had become entitled to an age retirement pension under the aforesaid Act on the day on which he became a Member of the Plan.

**B. Members employed as at 1 August 1981**

The provisions set out below apply in respect of those Members who were employees as at the first day of August 1981 and who joined the Plan under the conditions and within the period specified by the Airline -

- (1) For the purposes of determining the Member's years of membership and his years of participation he shall be deemed to have joined the Plan on the date two years after the date of joining the Airline's service or three years prior to the date of becoming a Member (whichever is the later).
- (2) The Member's contributions referred to in Rule 13 or Rule 14 shall include an amount equal to five per cent of his annual salary as at the date of joining the Plan for each of his years of prior service (hereinafter called "the prior service amount").

For the purposes of this paragraph "years of prior service" means the number of years including fractions of a year being complete months from the date two years after the date of joining the Airline's service or three years prior to the date of becoming a Member (whichever is the later) to the date the Member joined the Plan.

- (3) A Member may on or about the date of joining the Plan pay to the Trustee an amount equal to the prior service amount.

If a Member does not pay the prior service amount any benefit payable in terms of Rules 5, 6, 8, 10, 13 or 14 shall be reduced by that amount.

**C. Superannuation - less than full time employment effective 1 January 1987**

If the Member has been named by the Airline as being classified for the time being as a permanent part-time employee his benefits shall be determined in accordance with the following formula:

$$B \times \frac{t}{t+n} + X(B \times \frac{n}{t+n})$$

where  $B$  is an amount calculated as the benefit payable in respect of the Member pursuant to either Rule 5, 6, 8, 10, 11, 13 or 14, depending upon the circumstances of the Member leaving the Airline's service, (using the Member's equivalent full-time salary to determine the Member's final average salary);

$t$  is the years of participation (in completed months) for which the Member has been employed full-time by the Airlines;

$n$  is the years of participation (in completed months) for which the Member has been classified as a permanent part-time employee by the Airline;

$X$  is the number of part-time hours worked per week as a percentage of the number of full-time hours per week for the period for which the Member was classified as a permanent part-time employee by the Airline.

# APPENDIX B

## Percentage of Final Average Salary

AGE (1)	AGE (2)																				
	35 or less	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55 or more
32 or less	10.00	10.25	10.50	10.75	11.00	11.25	11.50	11.75	12.00	12.25	12.50	12.75	13.00	13.25	13.50	13.75	14.00	14.25	14.50	14.75	15.00
33			10.26	10.53	10.79	11.05	11.32	11.58	11.84	12.11	12.37	12.63	12.89	13.16	13.42	13.68	13.95	14.21	14.47	14.74	15.00
34				10.28	10.56	10.83	11.11	11.39	11.67	11.94	12.22	12.50	12.78	13.06	13.33	13.61	13.89	14.17	14.44	14.72	15.00
35					10.29	10.59	10.88	11.18	11.47	11.76	12.06	12.35	12.65	12.94	13.24	13.53	13.82	14.12	14.41	14.71	15.00
36						10.31	10.63	10.94	11.25	11.56	11.88	12.19	12.50	12.81	13.13	13.44	13.75	14.06	14.38	14.69	15.00
37							10.33	10.67	11.00	11.33	11.67	12.00	12.33	12.67	13.00	13.33	13.67	14.00	14.33	14.67	15.00
38								10.36	10.71	11.07	11.43	11.79	12.14	12.50	12.86	13.21	13.57	13.93	14.29	14.64	15.00
39									10.38	10.77	11.15	11.54	11.92	12.31	12.69	13.08	13.46	13.85	14.23	14.62	15.00
40										10.42	10.83	11.25	11.67	12.08	12.50	12.92	13.33	13.75	14.17	14.58	15.00
41											10.45	10.91	11.36	11.82	12.27	12.73	13.18	13.64	14.09	14.55	15.00
42												10.50	11.00	11.50	12.00	12.50	13.00	13.50	14.00	14.50	15.00
43													10.56	11.11	11.67	12.22	12.78	13.33	13.89	14.44	15.00
44														10.63	11.25	11.88	12.50	13.13	13.75	14.38	15.00
45															10.71	11.43	12.14	12.86	13.57	14.29	15.00
46																10.83	11.67	12.50	13.33	14.17	15.00
47																	11.00	12.00	13.00	14.00	15.00
48																		11.25	12.50	13.75	15.00
49																			11.67	12.50	15.00
50																				12.50	15.00
51																					15.00

WHERE:

AGE (1): means age (last birthday) at date the Member joined the plan (or in the event that the Member participated in the Former Plan immediately prior to the date of commencement the date the Member joined the Former Plan).

AGE (2): means age (last birthday) at date the Member ceases to be in the service of the Employer.

q:christianairtdgen

q: - . 5 2